



# **GRAND TRAVERSE COUNTY, MICHIGAN**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORTS**

***FOR THE YEAR ENDED DECEMBER 31, 2017***

# **GRAND TRAVERSE COUNTY, MICHIGAN**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

***FOR THE YEAR ENDED DECEMBER 31, 2017***

### Principal Officials

#### **Board of Commissioners**

Carol Crawford - Chairperson

Ron Clous – Vice Chair

Dr. Dan Lathrop

Tom Mair

Cheryl Gore Follette

Dr. Bob Johnson

Addison “Sonny” Wheelock, Jr.

#### **Administration**

Nate Alger, County Administrator

Dean Bott, Finance Director

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## **INTRODUCTORY SECTION**



## GRAND TRAVERSE COUNTY ADMINISTRATION

400 BOARDMAN AVENUE  
TRAVERSE CITY, MI 49684-2577

ADMINISTRATION  
BOARD OF COMMISSIONERS  
FAX

231/922-4780  
231/922-4797  
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June 22, 2018

Grand Traverse County Board of Commissioners and  
Citizens of Grand Traverse County, Michigan:

The Comprehensive Annual Financial Report (CAFR) of Grand Traverse County, Michigan, for the calendar year ended December 31, 2017, is hereby submitted. In accordance with State Law, re: Public Act 34 of 2001, the revised Municipal Finance Act, Section 141.2303 (1) requires each municipality within the state of Michigan to file an audit report annually with the Michigan Department of Treasury within 6 months from the end of its fiscal year or as otherwise provided in the Uniform Budgeting and Accounting Act, 1968 PA 2, MCL 141.421 to 141.440a. This report was prepared by the Grand Traverse County Finance Department. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the government based upon a comprehensive framework of internal control that has been established for this purpose. Since the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements.

Michigan law requires an annual audit of the County's financial statements. The Grand Traverse County Board of Commissioners has engaged Vredeveld Haefner LLC, Independent Auditors, for this purpose. The independent auditors' unmodified ("clean") opinion has been included at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

### ORGANIZATIONAL STRUCTURE

County government is the largest unit of local government in Michigan and is also the oldest political subdivision of the state, having attained stature and importance before any other form of government now in existence.

Grand Traverse County, Michigan, incorporated in 1851, is located approximately 250 miles north of Detroit, in the northwestern section of Michigan's Lower Peninsula. It currently occupies 485 square miles and serves an estimated population of 91,807. In terms of population, this ranks Grand Traverse County as the 22nd largest of 83 counties in the State of Michigan. Grand Traverse County is empowered to levy a property tax on real, personal and industrial property located within its boundaries.

The Board of Commissioners exercises the legislative power of the County and determines all matters of policy. The Board of Commissioners is comprised of seven commissioners who are elected from their respective districts. Each commissioner serves a term of two years. The county administrator is the appointed head of the administrative branch of the county government. The judicial branch of government



consists of two Circuit Court judges, two District Court judges, and one Probate Court judge. All judges are elected at large for a six-year term. The Circuit and District Court judges are elected on two-year, staggered terms. The Offices of Prosecuting Attorney, Sheriff, Clerk, Treasurer, Register of Deeds, Drain Commissioner and County Surveyor are elected at large and serve for a four-year term.

Grand Traverse County provides a wide range of services, including public safety, health and welfare services, community and economic development, and recreational and cultural activities. Certain financing and oversight services on the construction of Grand Traverse County public buildings are provided through a component unit, a legally separate building authority, which functions, in essence, as a department of Grand Traverse County, and therefore has been included as an integral part of Grand Traverse County's financial statements. Grand Traverse County is also financially accountable for services provided by other legally separate component units of Grand Traverse County. These services include the construction and maintenance of the county's system of roads and bridges by the Grand Traverse County Road Commission, and water supply and wastewater disposal services provided by the Grand Traverse County Department of Public Works. In addition, the Grand Traverse County Drain Commissioner provides for the construction and maintenance of drainage districts throughout Grand Traverse County. The Grand Traverse County Brownfield Redevelopment Authority promotes the revitalization of environmentally distressed areas/sites. The Grand Traverse County Land Bank Authority works to provide affordable housing and economic development opportunities from foreclosed properties. These five component units are reported separately within Grand Traverse County's financial statements, and additional information on them can be found in the notes to the financial statements.

Grand Traverse County prepares, adopts and maintains budgetary controls on an annual basis. Governmental fund types of Grand Traverse County are under formal budgetary control. Activities of the General fund, Special Revenue funds and Debt Service funds are included in the annual appropriated budget. The level of budgetary control, that is, the level at which expenditures cannot legally exceed the appropriated amount, is established at the activity level. Capital Project funds are budgeted by project. Enterprise funds and Internal Service funds, which are Proprietary funds, are also subject to budgetary controls and are budgeted at the activity level as well. The County's procedures in establishing its annual budget are as follows:

Beginning in the summer of each year, budget forms are provided to all county elected officials and department heads, outlining the procedures for requesting appropriations for the subsequent budget year. In the fall of each year, the County Administrator and Finance Director may hold budget hearings with all elected officials and department heads to obtain additional information regarding budget requests.

In October, preceding the beginning of the next fiscal year, and in conformance with Act 2, PA 1968, as amended by Public Act 621 of 1978, (the Uniform Budgeting and Accounting Act), the Finance department prepares, and the County Administrator submits, a proposed operating budget for review and adoption by the County Board of Commissioners.

Subsequent to the County Administrator submitting the proposed budget to the Board of Commissioners, a public hearing is conducted to obtain taxpayer comments. The Board of Commissioners then makes any amendments to the budget it deems necessary and adopts the same by formal resolution prior to December 31.

The Board of Commissioners is authorized to make adjustments to the various budgets as deemed necessary. Elected officials and department heads are authorized to amend budgets under their control subject to the provisions of the County's budget resolutions as amended.

## **ECONOMIC CONDITION AND OUTLOOK**

### ***Population Trends***

In 2017, the estimated population of Grand Traverse County was 91,807 according to the U.S. Census. This is an increase of 5.5% from the 2010 U.S. Census population count of 86,986. Grand Traverse County is the 22nd most populated county in Michigan and was third fastest growing county in the state in 2016.

The 2016 median age in Grand Traverse County is 42.5 years, compared to 39.5 years for Michigan overall. In 2016, 17.0% of the population of the County was 65 years old and over which is higher than the 15.4% for Michigan overall. In comparison, only 13.1% of the County population in 2000 was 65 years old and over. This trend of an aging population is expected to continue for the region.

### ***Labor Market***

In 2017, the annual average workforce in Grand Traverse County was 44,949 employees, representing two-thirds of the total regional employment. Annual average unemployment for the County in 2017 was 3.6%, down from 4.1% in 2016. Health care and social assistance is the largest employment industry in the county. Over the next 30 years, Grand Traverse County is forecasted to experience employment growth more than 150% higher than the state average. Median household income in the County is \$55,597, 14th highest county in Michigan.

### ***Property Values and Home Sales***

There are 55,132 parcels of property in the County for the 2018 Assessment year, an increase of .33% from 2017. The County Equalized Value (CEV) for Grand Traverse County for 2018 is \$6,324,678,828, an increase of 4.07% from 2017, which was \$6,077,177,576. Taxable value increased overall 4.896% countywide from 2017 to 2018.

Total listings of home sales in Grand Traverse County in 2017 by real estate agents were 2,293, up from 1,735 in 2016. The average sales price in 2017 was \$279,083, up from \$250,086 in 2016. In comparison, the average price for sales in Michigan in 2017 was \$155,250, an increase from \$154,133 in 2016.

### ***Education***

On a whole, Grand Traverse County residents tend to have a higher than average education compared to the remainder of Michigan. The County is ranked sixth in the state with 94.5% of the population having a high school diploma or more and ranked tenth in the state with 31.7% of the population having a bachelor's degree or more.

The two primary public school districts in Grand Traverse County are the Traverse City Area Public Schools and the Kingsley Area Schools. Traverse City Area Public Schools includes 16 schools. The district has a current enrollment of nearly 10,000 students spread over 300 square miles across three counties. Kingsley Area Schools includes three schools and covers the southern end of the County. The district has a current enrollment of over 1,500 students. Both districts have a dual enrollment program which enables high school students to enroll in classes offered by Northwestern Michigan College and earn college credit while still in high school.

Northwestern Michigan College pioneered post-secondary education in northern Michigan when it was established as Michigan's first community college in 1951. With an enrollment of 5,400, the college provides collegiate-level instruction in the liberal arts and in many occupational fields. The college's Great Lakes Maritime Academy, the only maritime academy on the Great Lakes, prepares students to become

merchant marine officers. The college also is in partnership with 7 Michigan colleges and universities to provide bachelor's completion and advanced degrees.

### ***Tourism Industry***

The Grand Traverse region's largest industry is often considered to be tourism. With a market area accounting for close to 10 percent of the state's travel volume, Grand Traverse County ranks second among Michigan counties in the number of pleasure trips hosted. An estimated 3.3 million persons annually visit Grand Traverse County. This includes hotel guests, business meeting and convention travelers as well as seasonal property owners. The Grand Traverse visitor industry includes 3,900 hotel rooms and an estimated 3,600 seasonal condominiums. The total economic impact from the visitor industry in Grand Traverse County is \$1.2 billion annually.

### ***Cherry Industry***

The U.S. cherry industry produces more than 650 million pounds of tart and sweet cherries each year. Michigan, mainly the Grand Traverse region, grows about 75 percent of the tart cherry crop. Generally, Michigan produces 200 to 250 million pounds of tart cherries with the total U.S. crop being 275 to 350 million pounds. Sweet cherries primarily are grown in the Pacific Coast states, but Michigan joins the top four producers, harvesting about 20 percent of the crop each year. Michigan produces about 50 million pounds of sweet cherries.

### ***Wineries and Eateries***

The Traverse City area is home to numerous vintners who grow grapes and bottle wines on the scenic Old Mission and Leelanau Peninsulas. The wines are fast becoming among the finest offered nationally and internationally. The ideal climate, with vineyards protected by winter snows and conditions moderated by proximity to Lake Michigan, has given rise to a wine industry that has been recognized for its quality and variety since the first winery opened here in 1974. The area also contains nearly 20 breweries and 11 distilleries.

Thanks to its award-winning wines and talented local chefs, Traverse City enjoys a national reputation as a place of food and drink. Midwest Living listed Traverse City among its Five Top Food Towns two years in a row, and Bon Appetit has listed it as one of America's Top Five Foodie Towns.

### ***Arts and Culture***

The arts and culture industry represents a diverse group in this region from the world-renown Interlochen Center for the Arts to self-employed artists often working from their homes. Regionally, the arts and culture sector has grown significantly in the past few years and is an important contributing force in the economy. Highlights of the region include Dennon Museum Center, the Traverse City Opera House, the Old Town Playhouse, and the Traverse Symphony Orchestra.

### ***Healthcare***

Munson Healthcare, the parent company for Munson Medical Center in Traverse City and eight other affiliated hospitals, is the region's largest provider of health care and also the region's largest employer with over 5,000 employees. Munson serves 24 counties in northern Michigan and offers 41 specialties including one of the nation's top heart programs.

## **MAJOR INITIATIVES**

### ***Boardman River Dams***

The Grand Traverse County Board of Commissioners has decided to remove the Boardman and Sabin Dams on the Boardman River after a long study that included surrounding property owners, the Michigan Department of Natural Resources and Environment (DNRE), the U.S. Army Corps of Engineers, Grand Traverse County Road Commission, City of Traverse City, and Traverse City Light and Power. This decision is joined by the City of Traverse City which has removed Brown Bridge Dam also on the Boardman River. The County and City are working with the Army Corps of Engineers and DNRE on the removal of the dams and to restore the river. The Boardman Dam was removed in 2017 and the Sabin Dam is scheduled to be removed in 2018. A project of this scale is substantial and will have a significant impact on the community.

### ***Brownfield Redevelopment***

Since its inception, the Grand Traverse County Brownfield Redevelopment Authority has been one of the most active authorities in Michigan, working to revitalize environmentally distressed areas. Over \$250 million of private investment has been added to the Grand Traverse County tax base as a result of environmental clean-up of nearly 20 brownfield sites. The new investment and new businesses have resulted in the creation of over 1,800 jobs. Further, an additional \$250 million in investments is anticipated in the continued redevelopment of these sites.

### ***Economic Development***

Grand Traverse County has been designated as a Next Michigan Development Corporation by the Michigan Strategic Fund Board. As one of only seven communities in Michigan, “Northern Nexus” utilizes key economic development tools to assist in the expansion and attraction of businesses that ship goods by two or more modes of transportation. With strong support from the Michigan Economic Development Corporation, Northern Nexus works in partnership with the City of Traverse City, Garfield Charter Township, East Bay Charter Township and Blair Township.

### ***National Cherry Festival***

Traverse City is considered the Cherry Capital of the World. Its annual celebration, the National Cherry Festival, is held every July and attracts over 500,000 people over eight days. At a minimum, the annual festival contributes \$27 million to the region. The festival has been well recognized by the Governor, the Michigan legislature, AAA Michigan and USA Today. The festival is also annually rated in the Top 100 Festivals and Events in North America by the American Bus Association.

### ***Traverse City Film Festival***

Every summer, the annual Traverse City Film Festival, founded by Academy Award winning filmmaker Michael Moore and co-founders, photographer John Robert Williams and New York Times bestselling author Doug Stanton, presents the best of independent, foreign, and documentary films in several indoor movie houses and one free outdoor location. The Festival also operates the historic State Theatre as a highly successful year-round movie house.

### ***Traverse City Beach Bums Professional Baseball Team and Hockeytown North***

Averaging 120,000 fans a year, Wuerfel Park is home to the Traverse City Beach Bums professional baseball team of the Frontier League and draws fans from across northern Michigan. Across town, Centre Ice, known as Hockeytown North, is home to the training camp of the Detroit Red Wings and its annual prospects tournament.

### ***Coast Guard City***

In 2010, Traverse City was designated as the 10<sup>th</sup> “Coast Guard City.” Traverse City is one of only 21 Coast Guard Cities in the United States. There are 140 Coast Guard personnel stationed at Air Station Traverse City located at Cherry Capital Airport. Traverse City is considered the #1 retirement location for Coast Guard personnel.

## **FINANCIAL INFORMATION**

### ***Relevant Financial Policies***

In accordance with the County's General Financial Policy, the General fund objective is to establish and maintain a 15% level of unassigned fund balance based on the General fund's most current adopted operating budget.

The 100% Tax Payment Fund Policy, which authorizes appropriations from the 100% Tax Payment fund, requires that it be self-funded. Beginning in 1999, the fund retains 25% of the earnings, with the balance available for distribution or appropriation to the general fund. Since 2002, \$450,000 of the amount available for appropriation has been designated as a capital appropriation.

Cash balances are invested according to the Investment Policy adopted by the Board of Commissioners. The Board of Commissioners has authorized the Grand Traverse County Treasurer to invest surplus funds of the County in accordance with those investments permitted by Act 20 of the Michigan Public Acts of 1943 as amended, M.C.L. 129.91. The Act generally allows the County to deposit funds in banks, savings and loan associations, and credit unions in the state of Michigan. The Act also provides for investments in U.S. government obligations; certificates of deposit, savings accounts and deposit accounts of banks, savings and loans, and credit unions who are members of the FDIC, FSLIC, and NACU, respectively; commercial paper, U.S. government or federal agency obligation repurchase agreements; bankers' acceptances of United States banks; and, with some restrictions, mutual funds.

### ***Employees' Retirement Systems***

The County participates in the Municipal Employees Retirement System of Michigan (MERS), and offers both a defined benefit pension plan and a defined contribution pension plan for most full-time employees. In 2017 the Board of Commissioners authorized a payment of \$5.8 million in addition to the annual required payment of \$5.2 million to improve the funded position of the defined benefit pension plan.

### ***Awards and Acknowledgments***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded twelve consecutive Certificates of Achievement for Excellence in Financial Reporting to Grand Traverse County, Michigan for its Comprehensive Annual Financial Report (CAFR) for the fiscal years ended December 31, 2005-2016. This Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR whose contents conform to program standards. This CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are again submitting it to the GFOA to determine its eligibility for another certificate.

Preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department and other county departments, and the various elected and appointed officials. We would like to express our appreciation to everyone who assisted in and contributed to the preparation of this report. We would also like to thank the Board of Commissioners for their interest and support in planning and conducting the financial operations of the county in a responsible and progressive manner.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Nate Alger', is written above the printed name.

Nate Alger  
County Administrator



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Grand Traverse County  
Michigan**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2016**

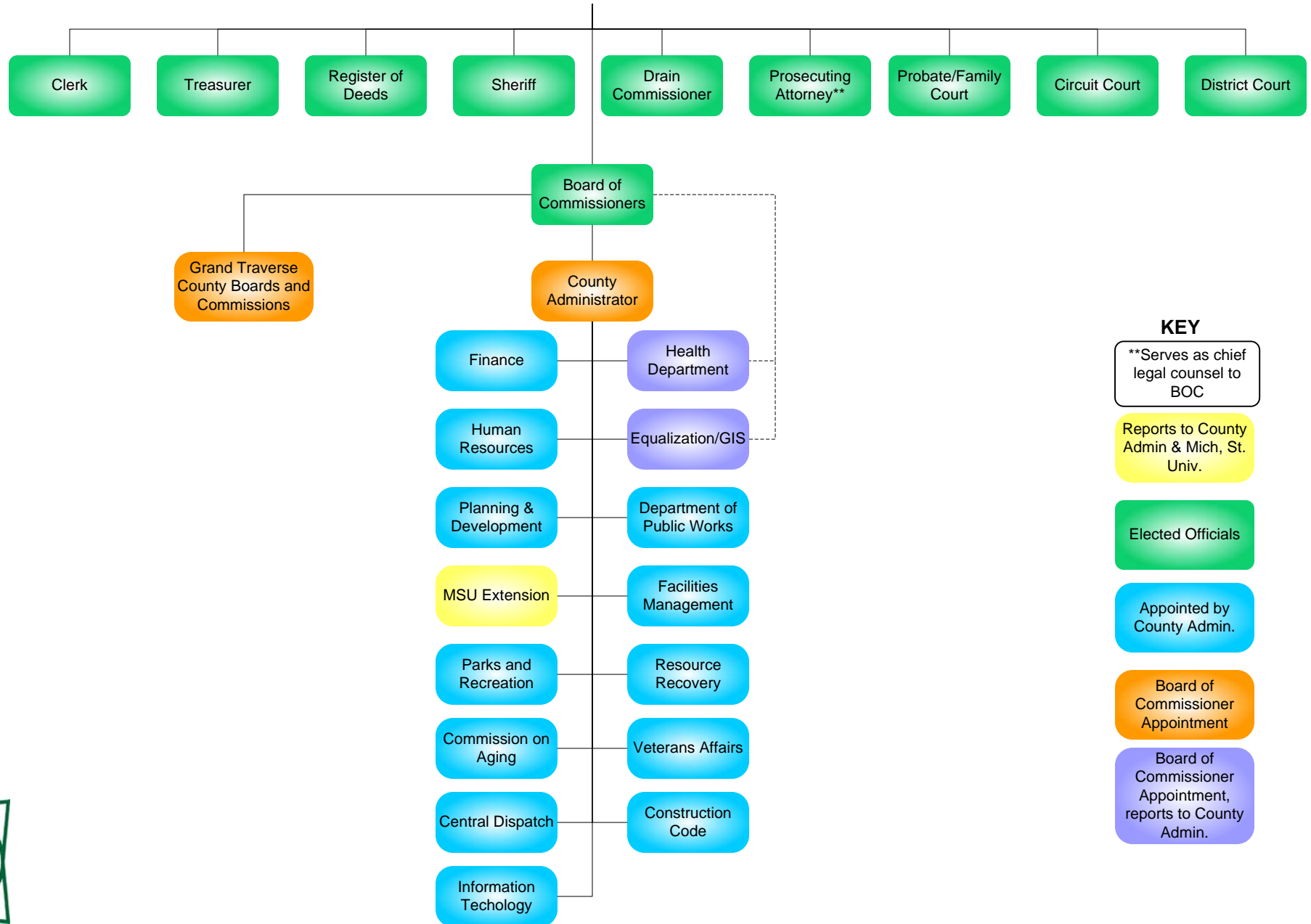
*Christopher P. Morill*

Executive Director/CEO

# Grand Traverse County

## Organizational Chart

VOTERS OF GRAND TRAVERSE COUNTY





## **FINANCIAL SECTION**



## Vredeveld Haefner LLC

CPAs and Consultants  
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Fax (616) 828-0307

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(616) 446-7474  
Peter S. Haefner, CPA  
(616) 460-9388

### INDEPENDENT AUDITORS' REPORT

June 22, 2018

Board of Commissioners  
Grand Traverse County, Michigan

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Grand Traverse County, Michigan (the County), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

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

#### ***Auditor's Responsibility***

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

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

#### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Grand Traverse County, as of December 31, 2017, and the respective changes in financial position and, where applicable cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 9 and the information on pages 67 through 82 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2018 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*Uredereld Haefner LLC*

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# Management's Discussion and Analysis

As management of the County of Grand Traverse, Michigan (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2017.

## Financial Highlights

The financial statements, which follow this Management's Discussion and Analysis, provide these significant key financial highlights for the 2017 fiscal year as follows:

- An additional \$5.84 million pension payment was made to MERS
- Tax revenues are up due to increasing property values and construction activity
- The Boardman Dam removal was completed at no cost to the County
- An agreement was reached with MERS regarding a fixed payment amount to fund the defined benefit pension which will provide long-term financial stability to the County

## Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include legislative, judicial, general government, public safety, public works, health and welfare, economic development, and parks and recreation. The business-type activities of the County include the Pavilions, Homestead, Inspections, Solid Waste, Foreclosure tax collection, and Delinquent tax revolving funds.

The government-wide financial statements include not only the County itself (known as the primary government), but also the legally separate Road Commission, Brownfield Redevelopment Authority, Land Bank Authority, Drain Commission, Department of Public Works, and Building Authority.

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

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

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

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, health department, and commission on aging, all of which are considered to be major funds. Data is combined into a single aggregated presentation for the other governmental funds (non-major governmental funds). Individual fund data for each of the non-major governmental funds is provided in the form of combining statements and schedules.

The County adopts an annual appropriated budget for its general fund and all special revenue funds as required by state law. Budgetary comparison statements have been provided for the general and special revenue funds to demonstrate legal compliance.

**Proprietary funds** The County also maintains proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the Pavilions and the Delinquent Tax Revolving Fund, both of which are considered to be major funds. Data is combined into a single aggregated presentation for the other enterprise funds (non-major enterprise funds). Individual fund data for each of the non-major enterprise funds is provided in the form of combining statements and schedules.

The County has internal service funds to account for and allocate costs internally among the various functions. Because these services predominantly benefit governmental functions, they have been included within governmental activities in the government-wide financial statements.

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

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

**Other information** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. This is limited to this discussion and analysis, major fund budgetary schedules and benefit plan trend information. Supplemental information follows the required supplementary inventory information.

## Government-wide Financial Analysis

**Statement of Net Position** As noted earlier, net position may serve over time as a useful indicator of the County's financial position. In the case of the County, assets exceeded liabilities \$38,267,448 at the close of the most recent fiscal year. The following chart illustrates the composition of net position.

### Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2017	2016	2017	2016	2017	2016
<b>Assets</b>						
Current and other assets	\$31,434,910	\$28,908,818	\$26,632,571	\$24,562,128	\$58,067,481	\$53,470,946
Long-term assets	44,347,862	45,556,566	20,863,497	21,850,605	65,211,359	67,407,171
<b>Total assets</b>	<b>75,782,772</b>	<b>74,465,384</b>	<b>47,496,068</b>	<b>46,412,733</b>	<b>123,278,840</b>	<b>120,878,117</b>
<b>Deferred outflows of resources</b>	<b>2,584,432</b>	<b>1,360,273</b>	<b>2,857,724</b>	<b>2,394,659</b>	<b>5,442,156</b>	<b>3,754,932</b>
<b>Liabilities</b>						
Current liabilities	3,963,736	3,453,811	2,135,132	2,466,200	6,098,868	5,920,011
Long-term liabilities	61,151,352	68,457,046	14,233,406	13,738,841	75,384,758	82,195,887
<b>Total liabilities</b>	<b>65,115,088</b>	<b>71,910,857</b>	<b>16,368,538</b>	<b>16,205,041</b>	<b>81,483,626</b>	<b>88,115,898</b>
<b>Deferred inflows of resources</b>	<b>8,500,439</b>	<b>3,382,287</b>	<b>469,483</b>	<b>-</b>	<b>8,969,922</b>	<b>3,382,287</b>
<b>Net position</b>						
Net investment in capital assets	29,409,638	36,800,462	21,008,360	18,562,657	50,417,998	55,363,119
Restricted	8,638,956	8,115,869	-	-	8,638,956	8,115,869
Unrestricted	(33,296,917)	(44,383,818)	12,507,411	14,039,694	(20,789,506)	(30,344,124)
<b>Total net position</b>	<b>\$ 4,751,677</b>	<b>\$ 532,513</b>	<b>\$33,515,771</b>	<b>\$32,602,351</b>	<b>\$38,267,448</b>	<b>\$33,134,864</b>

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

An additional portion of the County's net position in the amount of \$8,638,956 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position was an unrestricted deficit of \$20,789,506.

At the end of the current fiscal year, the County is able to report positive balances in two categories of net position, for the governmental activities and all three categories of net position for the business-type activities.

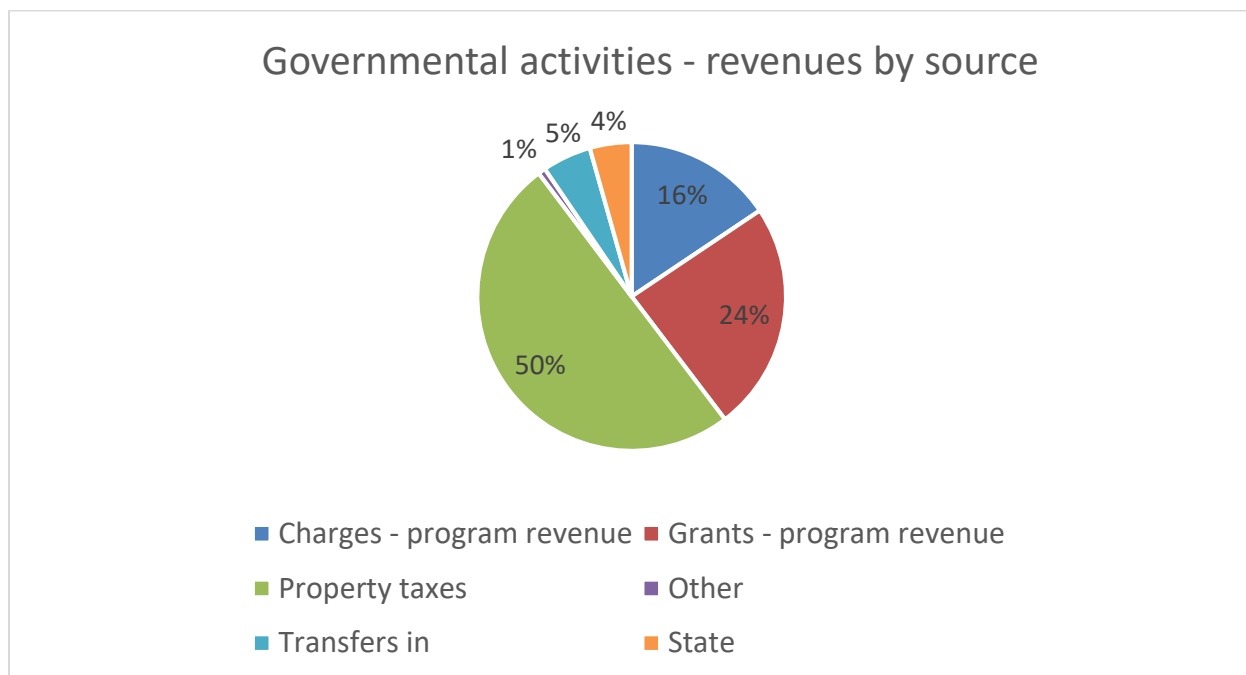
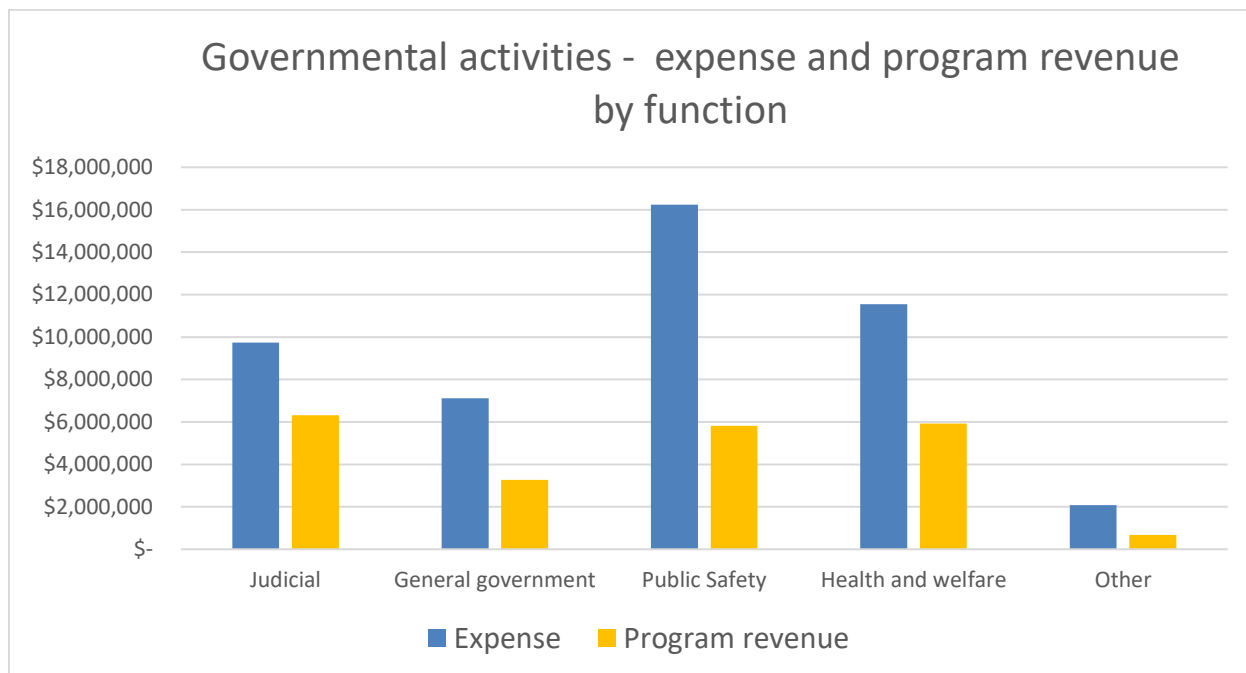
**Statement of Activities** The County's total revenue for the fiscal year ended December 31, 2017, was \$86,223,033 while total cost of all programs and services was \$76,535,386. This results in an increase in net position of \$9,687,647. The following table presents a summary of the changes in net position for the years ended December 31.

### Changes in Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2017	2016	2017	2016	2017	2016
<b>Revenues</b>						
Program revenues						
Charges for services	\$8,654,686	\$13,579,154	\$33,334,025	\$30,266,432	\$41,988,711	\$43,845,586
Operating grants and contributions	13,357,579	10,715,287	176,546	2,513,794	13,534,125	13,229,081
Capital grants and contributions	-	-	-	-	-	-
General revenues						
Property taxes	27,776,028	26,026,438	-	2,472	27,776,028	26,028,910
State revenue sharing	2,428,342	2,686,098	-	-	2,428,342	2,686,098
Interest	186,850	155,426	61,344	1,839	248,194	157,265
Gain on capital asset disposals	245,614	-	2,019	-	247,633	-
<b>Total revenues</b>	<b>52,649,099</b>	<b>53,162,403</b>	<b>33,573,934</b>	<b>32,784,537</b>	<b>86,223,033</b>	<b>85,946,940</b>
<b>Expenses</b>						
Legislative	210,370	354,791	-	-	210,370	354,791
Judicial	9,735,023	11,702,188	-	-	9,735,023	11,702,188
General government	7,122,267	11,528,918	-	-	7,122,267	11,528,918
Public safety	16,243,981	20,352,667	-	-	16,243,981	20,352,667
Public works	228,223	-	-	-	228,223	-
Health and welfare	11,550,310	12,629,556	-	-	11,550,310	12,629,556
Economic Development	703,708	158,685	-	-	703,708	158,685
Parks and Recreation	659,348	698,345	-	-	659,348	698,345
Interest on long-term debt	269,737	280,346	-	-	269,737	280,346
Grand Traverse Pavilions	-	-	28,824,047	30,922,034	28,824,047	30,922,034
Inspections	-	-	785,371	1,332,758	785,371	1,332,758
Delinquent tax revolving	-	-	31,867	162,705	31,867	162,705
Homestead	-	-	11,931	-	11,931	-
Foreclosure tax collections	-	-	124,152	-	124,152	-
Solid Waste	-	-	35,051	306,552	35,051	306,552
<b>Total expenses</b>	<b>46,722,967</b>	<b>57,705,496</b>	<b>29,812,419</b>	<b>32,724,049</b>	<b>76,535,386</b>	<b>90,429,545</b>
<b>Increase (decrease) before transfers</b>	<b>5,926,132</b>	<b>(4,543,093)</b>	<b>3,761,515</b>	<b>60,488</b>	<b>9,687,647</b>	<b>(4,482,605)</b>
<b>Transfers in (out)</b>	<b>2,848,095</b>	<b>912,077</b>	<b>(2,848,095)</b>	<b>(912,077)</b>	<b>-</b>	<b>-</b>
<b>Increase (decrease) in net position</b>	<b>8,774,227</b>	<b>(3,631,016)</b>	<b>913,420</b>	<b>(851,589)</b>	<b>9,687,647</b>	<b>(4,482,605)</b>
<b>Net position – beginning</b>	<b>(4,022,550)</b>	<b>4,163,529</b>	<b>32,602,351</b>	<b>33,453,940</b>	<b>28,579,801</b>	<b>37,617,469</b>
<b>Net position – ending</b>	<b>\$4,751,677</b>	<b>\$ 532,513</b>	<b>\$33,515,771</b>	<b>\$32,602,351</b>	<b>\$38,267,448</b>	<b>\$33,134,864</b>

The beginning net position for the Governmental Activities was reduced by \$4,555,063 due to the County adopting GASB 75 relating to Other Post-Employment Benefits.





**Governmental Activities** The preceding table shows that the governmental activities increased the County's net position by \$8,774,227 during this fiscal year. The increase was primarily related to a reduction in pension and OPEB plan liabilities.

**Business-type Activities** Business-type activities increased the County's net position by \$913,420 during the year. This increase is primarily the result of increased revenues and decreased expenses.

### Financial Analysis of the Government's Funds

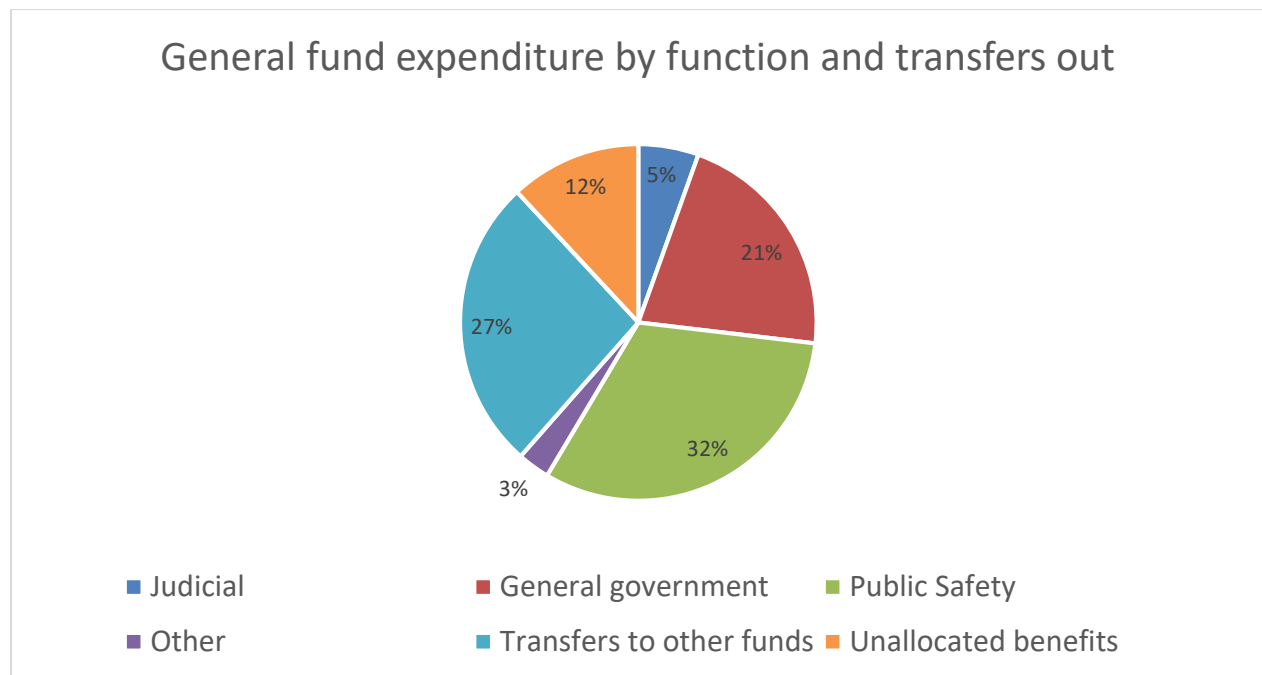
As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance was \$8,214,689. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 20% of total general fund expenditures and transfers.

Health Department - At the end of the current fiscal year, fund balance was \$1,952,855, a decrease of \$30,638 from the prior year.

Commission on Aging - At the end of the current fiscal year, fund balance was \$1,575,813, a decrease of \$346,636 from the prior year. The primary reason for the decrease was planned program expenditures exceeding revenues.



**Proprietary funds** The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The County of Grand Traverse's major enterprise operations consist of separate and distinct activities. These activities are accounted for in the Grand Traverse Pavilions and the Delinquent Tax Revolving Fund. These activities provide services to residents and businesses of the County. The Pavilions had an increase in net position of \$1,439,267 largely due to a reduction in the net pension liability. The Delinquent Tax Revolving Fund had a decrease of \$1,886,412 largely due to transfers to other funds.

## Budgetary Highlights

- Unexpended personnel funds were used to fund ongoing needs
- The use of fund balance in the general fund was less than planned
- Other funds remained within budget to maintain fund balance levels or the use of fund balance was in line with budget authorizations
- Tax revenue in the general fund exceeded budget estimates

## Capital Asset and Debt Administration

**Capital assets** The County's investment in capital assets for its governmental and business-type activities as of December 31, 2017, amounted to \$65,211,359 (net of accumulated depreciation). Of this amount, \$44,347,862 was for its governmental activities and \$20,863,497 was for its business-type activities. This investment in capital assets includes land, buildings, equipment and vehicles, and infrastructure.

Significant additions to capital assets during the year include police vehicles, playground improvements, and security upgrades for the jail.

Additional information about the County's capital asset activity can be found in Note 6 to these financial statements.

**Long-term debt** At the end of the current fiscal year, the County had total long-term debt outstanding of \$14,877,956 for governmental and business-type activities. The Building Authority issued \$3,500,000 of bonds during the year to fund Pavilions Improvements.

Additional information on the County's long-term debt can be found in Note 9 to these financial statements.

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

The following economic factors were considered in preparing the County's budget for the 2018 fiscal year:

- Property values and taxable values are expected to increase due to residential construction and economic growth (See 2018 Equalization Report which indicates 4.89% increase in TV)
- Labor contracts require 20% cost sharing for employee health insurance
- Several labor contracts need to be negotiated in 2018 and 2019
- Technology needs were addressed in the 2018 Budget and will continue to be addressed in the 2019 Budget

## Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Grand Traverse County, 400 Boardman Avenue, Suite 304, Traverse City, MI 49684.

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## **BASIC FINANCIAL STATEMENTS**

**GRAND TRAVERSE COUNTY**

**STATEMENT OF NET POSITION**

**DECEMBER 31, 2017**

	Primary Government			Component Units				
	Governmental	Business-Type	Total	Road	Land	Brownfield	Drain	Department of
	Activities	Activities		Commission	Bank Authority	Redevelopment Authority	Commission	Public Works
<b>Assets</b>								
Cash and pooled investments	\$ 20,076,969	\$ 17,346,459	\$ 37,423,428	\$ 4,358,589	\$ 244,132	\$ 3,117,941	\$ 306,061	\$ 783,412
Accounts receivable, net	4,689,109	3,602,888	8,291,997	54,261	-	-	-	1,301,510
Property tax receivable	3,123,736	3,167,577	6,291,313	-	6,486	-	-	-
Interest receivable	12,336	283,536	295,872	-	-	-	-	114,470
Internal balances	(1,666,591)	1,666,591	-	-	-	-	-	-
Due from component unit	601,284	-	601,284	-	-	-	-	-
Due from other governments	1,706,857	-	1,706,857	3,206,450	-	85,559	-	65,106
Inventory	181,637	136,504	318,141	658,892	465,812	-	-	-
Prepaid items	369,613	251,733	621,346	88,372	-	33,488	-	-
Other current assets	-	-	-	-	-	-	-	-
Restricted cash	-	177,283	177,283	12,981	-	-	-	-
Advance to component units	2,339,960	-	2,339,960	-	-	-	-	-
Long-term receivables	-	-	-	-	-	4,436,819	-	23,222,960
Capital assets								
Land	15,639,877	1,820,550	17,460,427	28,035,682	-	-	-	400,000
Construction in progress	317,466	-	317,466	10,841	-	-	287,155	-
Depreciable capital assets, net	28,390,519	19,042,947	47,433,466	56,967,849	-	-	-	6,364,882
<b>Total assets</b>	<b>75,782,772</b>	<b>47,496,068</b>	<b>123,278,840</b>	<b>93,393,917</b>	<b>716,430</b>	<b>7,673,807</b>	<b>593,216</b>	<b>32,252,340</b>
<b>Deferred outflows of resources</b>								
Deferred charge on refunding	-	84,595	84,595	-	-	-	-	-
Pension/OPEB related	2,584,432	2,773,129	5,357,561	-	-	-	-	-
<b>Total deferred outflows of resources</b>	<b>2,584,432</b>	<b>2,857,724</b>	<b>5,442,156</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>								
Accounts payable	2,258,053	531,666	2,789,719	717,386	-	85,559	20,180	366,827
Accrued liabilities	756,950	689,465	1,446,415	812,178	5,000	19,107	-	297,153
Unearned revenue	776,149	-	776,149	3,620	-	-	-	-
Due to primary government	-	-	-	-	3,603	140,000	35,000	422,681
Due to other governments	172,584	914,001	1,086,585	-	-	5,467	-	361,939
Note payable	-	-	-	-	-	-	475,000	-
Noncurrent liabilities								
Advance from primary government	-	-	-	-	-	-	-	2,339,960
Net pension obligation	45,506,884	8,436,081	53,942,965	1,042,462	-	-	-	-
Net OPEB liability	2,515,857	1,914,079	4,429,936	2,138,961	-	-	-	-
Compensated absences	1,460,655	673,246	2,133,901	103,540	-	-	-	58,968
Due within one year	730,000	225,000	955,000	283,597	-	395,547	-	3,195,000
Due in more than one year	10,937,956	2,985,000	13,922,956	810,000	-	3,140,056	-	21,981,313
<b>Total liabilities</b>	<b>65,115,088</b>	<b>16,368,538</b>	<b>81,483,626</b>	<b>5,911,744</b>	<b>8,603</b>	<b>3,785,736</b>	<b>530,180</b>	<b>29,023,841</b>
<b>Deferred inflows of resources</b>								
Taxes levied for subsequent year	3,491,487	-	3,491,487	-	18,269	-	-	-
Pension/OPEB related	5,008,952	469,483	5,478,435	149,535	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>8,500,439</b>	<b>469,483</b>	<b>8,969,922</b>	<b>149,535</b>	<b>18,269</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net position</b>								
Net investment in capital assets	32,716,980	17,738,092	50,455,072	83,920,775	-	-	-	4,358,569
Restricted	8,638,956	-	8,638,956	2,663,471	689,558	3,888,071	63,036	-
Unrestricted	(36,604,259)	15,777,679	(20,826,580)	748,392	-	-	-	(1,130,070)
<b>Total net position</b>	<b>\$ 4,751,677</b>	<b>\$ 33,515,771</b>	<b>\$ 38,267,448</b>	<b>\$ 87,332,638</b>	<b>\$ 689,558</b>	<b>\$ 3,888,071</b>	<b>\$ 63,036</b>	<b>\$ 3,228,499</b>

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

# GRAND TRAVERSE COUNTY

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2017

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary government</b>					
Governmental activities					
Legislative	\$ 210,370	\$ 470	\$ -	\$ -	\$ (209,900)
Judicial	9,735,023	2,544,712	3,777,525	-	(3,412,786)
General government	7,122,267	3,113,011	155,197	-	(3,854,059)
Public safety	16,243,981	1,379,321	4,444,926	-	(10,419,734)
Public works	228,223	210,010	-	-	(18,213)
Health and welfare	11,550,310	1,216,890	4,705,482	-	(5,627,938)
Economic development	703,708	2,748	260,943	-	(440,017)
Parks and recreation	659,348	187,524	13,506	-	(458,318)
Interest on long-term debt	269,737	-	-	-	(269,737)
Total governmental activities	46,722,967	8,654,686	13,357,579	-	(24,710,702)
Business-type activities					
Grand Traverse pavilions	28,824,047	30,085,490	120,280	-	1,381,723
Delinquent tax revolving	31,867	880,266	-	-	848,399
Homestead	11,931	-	53,318	-	41,387
Inspections	785,371	1,891,849	-	-	1,106,478
Foreclosure tax collection	124,152	231,128	-	-	106,976
Solid waste	35,051	245,292	2,948	-	213,189
Total business-type activities	29,812,419	33,334,025	176,546	-	3,698,152
<b>Total primary government</b>	<b>\$ 76,535,386</b>	<b>\$ 41,988,711</b>	<b>\$ 13,534,125</b>	<b>\$ -</b>	<b>\$ (21,012,550)</b>
<b>Component units</b>					
Road Commission	\$ 13,406,799	\$ 1,673,489	\$ 10,293,785	\$ 2,693,569	\$ 1,254,044
Land Bank Authority	40,249	28,532	-	-	(11,717)
Brownfield Redevelopment Authority	2,551,269	2,082,127	197,134	-	(272,008)
Drain Commission	33,586	-	-	-	(33,586)
Department of Public Works	7,180,513	1,724,703	5,734,447	-	278,637
	<b>\$ 23,212,416</b>	<b>\$ 5,508,851</b>	<b>\$ 16,225,366</b>	<b>\$ 2,693,569</b>	<b>\$ 1,215,370</b>

(Continued)

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

**GRAND TRAVERSE COUNTY**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	Primary Government			Component Units				
	Governmental Activities	Business-type Activities	Total	County Road	Land Bank Authority	Brownfield Redevelopment Authority	Drain Commission	Department of Public Works
<b>Changes in net position</b>								
<b>Net (expense) revenue</b>	<u>\$ (24,710,702)</u>	<u>\$ 3,698,152</u>	<u>\$ (21,012,550)</u>	<u>\$ 1,254,044</u>	<u>\$ (11,717)</u>	<u>\$ (272,008)</u>	<u>\$ (33,586)</u>	<u>\$ 278,637</u>
General revenues								
Property taxes	27,776,028	-	27,776,028	3,781,938	13,964	-	-	-
State revenues	2,428,342	-	2,428,342	-	-	-	-	-
Unrestricted interest	186,850	61,344	248,194	37,629	1,091	1	2,684	768
Gain on capital asset disposals	245,614	2,019	247,633	84,973	-	-	-	-
Transfers - internal activities	<u>2,848,095</u>	<u>(2,848,095)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total general revenues and transfers	<u>33,484,929</u>	<u>(2,784,732)</u>	<u>30,700,197</u>	<u>3,904,540</u>	<u>15,055</u>	<u>1</u>	<u>2,684</u>	<u>768</u>
Change in net position	8,774,227	913,420	9,687,647	5,158,584	3,338	(272,007)	(30,902)	279,405
<b>Net position, beginning of year, as restated</b>	<u>(4,022,550)</u>	<u>32,602,351</u>	<u>28,579,801</u>	<u>82,174,054</u>	<u>686,220</u>	<u>4,160,078</u>	<u>93,938</u>	<u>2,949,094</u>
<b>Net position, end of year</b>	<u>\$ 4,751,677</u>	<u>\$ 33,515,771</u>	<u>\$ 38,267,448</u>	<u>\$ 87,332,638</u>	<u>\$ 689,558</u>	<u>\$ 3,888,071</u>	<u>\$ 63,036</u>	<u>\$ 3,228,499</u>

(Concluded)

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



# GRAND TRAVERSE COUNTY

## GOVERNMENTAL FUNDS BALANCE SHEET

DECEMBER 31, 2017

	<u>General</u>	<u>Health Department</u>	<u>Commission on Aging</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
<b>Assets</b>					
Cash and pooled investments	\$ 7,032,194	\$ 1,138,062	\$ 1,913,517	\$ 8,953,082	\$ 19,036,855
Accounts receivable, net	322,201	126,619	58	3,716,105	4,164,983
Property tax receivable	-	-	2,177,307	946,429	3,123,736
Interest receivable	12,336	-	-	-	12,336
Due from other funds	1,871,744	522,250	-	-	2,393,994
Due from component unit	601,284	-	-	-	601,284
Due from other governments	318,086	653,910	-	734,861	1,706,857
Advance to other funds	1,359,496	-	-	-	1,359,496
Advance to component units	2,339,960	-	-	-	2,339,960
Long-term receivable	-	-	-	-	-
Inventory	-	34,574	-	147,063	181,637
Prepaid items	12,443	26,660	-	15,574	54,677
<b>Total assets</b>	<u>\$ 13,869,744</u>	<u>\$ 2,502,075</u>	<u>\$ 4,090,882</u>	<u>\$ 14,513,114</u>	<u>\$ 34,975,815</u>
<b>Liabilities, deferred inflows of resources and fund balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 1,144,782	\$ 145,985	\$ 65,897	\$ 877,905	\$ 2,234,569
Accrued liabilities	256,471	19,277	22,770	113,000	411,518
Unearned revenue	19,362	383,958	-	372,829	776,149
Due to other funds	522,250	-	-	819,223	1,341,473
Due to other governments	291	-	-	172,293	172,584
Advance from other funds	-	-	-	1,328,597	1,328,597
<b>Total liabilities</b>	<u>1,943,156</u>	<u>549,220</u>	<u>88,667</u>	<u>3,683,847</u>	<u>6,264,890</u>
<b>Deferred inflows of resources</b>					
Taxes levied for subsequent year	-	-	2,426,402	1,065,085	3,491,487
<b>Fund balances</b>					
Nonspendable					
Inventory	-	34,574	-	147,063	181,637
Prepaid	12,443	26,660	-	15,574	54,677
Advances to other funds	1,359,496	-	-	-	1,359,496
Advances to component units	2,339,960	-	-	-	2,339,960
Restricted					
Special revenue funds	-	-	1,575,813	3,778,909	5,354,722
Capital projects funds	-	-	-	3,284,234	3,284,234
Committed					
Special revenue funds	-	1,891,621	-	1,995,254	3,886,875
Capital projects funds	-	-	-	1,498,148	1,498,148
Unassigned	8,214,689	-	-	(955,000)	7,259,689
<b>Total fund balances</b>	<u>11,926,588</u>	<u>1,952,855</u>	<u>1,575,813</u>	<u>9,764,182</u>	<u>25,219,438</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 13,869,744</u>	<u>\$ 2,502,075</u>	<u>\$ 4,090,882</u>	<u>\$ 14,513,114</u>	<u>\$ 34,975,815</u>

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

# GRAND TRAVERSE COUNTY

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

**DECEMBER 31, 2017**

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<b>Fund balances - total governmental funds</b>	<b>\$ 25,219,438</b>
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Amounts reported for *governmental activities* in the statement of net position are different because

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

Add - land	15,639,877
Add - construction in progress	317,466
Add - capital assets (net of accumulated depreciation)	25,120,251

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

Add - net position of governmental activities accounted for in the internal service funds	2,018,829
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Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.

Deduct - bonds payable	(11,667,956)
Deduct - post-employment benefits	(2,515,857)
Deduct - compensated absences payable	(1,416,995)
Deduct - net pension obligation	(45,506,884)
Deduct - deferred inflows and outflows related to pension	(2,424,520)
Deduct - accrued interest on bonds payable	<u>(31,972)</u>

<b>Net position of governmental activities</b>	<b><u>\$ 4,751,677</u></b>
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The accompanying notes are an integral part of these financial statements.

# GRAND TRAVERSE COUNTY

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

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>General</u>	<u>Health Department</u>	<u>Commission on Aging</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
<b>Revenues</b>					
Property taxes	\$ 24,382,630	\$ -	\$ 2,364,391	\$ 1,029,007	\$ 27,776,028
Intergovernmental revenues					
Federal	91,441	1,275,096	-	1,710,942	3,077,479
State	3,647,247	2,027,401	-	1,283,769	6,958,417
Local	1,503,267	295,664	9,810	3,487,124	5,295,865
Licenses and permits	217,610	417,427	-	163,148	798,185
Charges for services	4,445,442	169,427	238,479	1,120,918	5,974,266
Fines and forfeitures	97,463	-	-	128,325	225,788
Reimbursements	2,413,540	577,029	276	-	2,990,845
Rental	550,678	-	-	-	550,678
Interest	182,000	2,506	17,218	22,909	224,633
Miscellaneous	470	518	43,799	416,113	460,900
<b>Total revenues</b>	<u>37,531,788</u>	<u>4,765,068</u>	<u>2,673,973</u>	<u>9,362,255</u>	<u>54,333,084</u>
<b>Expenditures</b>					
Current					
Legislative	234,175	-	-	-	234,175
Judicial	2,247,601	-	-	7,740,300	9,987,901
General government	8,786,059	-	-	1,867,120	10,653,179
Public safety	13,006,167	-	-	3,644,153	16,650,320
Public works	228,223	-	-	-	228,223
Health and welfare	433,823	6,213,658	2,974,046	2,337,697	11,959,224
Economic development	-	-	-	703,708	703,708
Parks and recreation	-	-	-	470,875	470,875
Unallocated benefits and insurance	4,892,234	-	-	-	4,892,234
Debt service					
Principal	-	-	-	590,000	590,000
Interest	-	-	-	268,869	268,869
Capital outlay	304,911	56,048	46,563	579,663	987,185
<b>Total expenditures</b>	<u>30,133,193</u>	<u>6,269,706</u>	<u>3,020,609</u>	<u>18,202,385</u>	<u>57,625,893</u>
Revenues over (under) expenditures	<u>7,398,595</u>	<u>(1,504,638)</u>	<u>(346,636)</u>	<u>(8,840,130)</u>	<u>(3,292,809)</u>
Other financing sources (uses)					
Issuance of bonds	-	-	-	3,500,000	3,500,000
Sales of capital assets	254,782	-	-	-	254,782
Transfers in	2,848,095	1,474,000	-	9,446,586	13,768,681
Transfers out	(10,920,586)	-	-	-	(10,920,586)
Total other financing sources (uses)	<u>(7,817,709)</u>	<u>1,474,000</u>	<u>-</u>	<u>12,946,586</u>	<u>6,602,877</u>
Net changes in fund balances	(419,114)	(30,638)	(346,636)	4,106,456	3,310,068
<b>Fund balances, beginning of year</b>	<u>12,345,702</u>	<u>1,983,493</u>	<u>1,922,449</u>	<u>5,657,726</u>	<u>21,909,370</u>
<b>Fund balances, end of year</b>	<u>\$ 11,926,588</u>	<u>\$ 1,952,855</u>	<u>\$ 1,575,813</u>	<u>\$ 9,764,182</u>	<u>\$ 25,219,438</u>

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

# GRAND TRAVERSE COUNTY

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

FOR THE YEAR ENDED DECEMBER 31, 2017

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<b>Net changes in fund balances - total governmental funds</b>	<b>\$ 3,310,068</b>
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Amounts reported for *governmental activities* in the statement of activities are different because

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

Add - capital outlay	987,185
Deduct - depreciation expense	(1,582,859)
Deduct - net book value of disposed assets	(9,199)

Issuance of bonds or notes provides current financial resources to governmental funds in the period issued, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond or note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Add - principal payments on debt	590,000
Deduct - bonds issued	(3,500,000)
Deduct - amortization of premium/discounts	(1,852)

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

Add - increase in net position from the internal service funds	70,903
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.

Add - decrease in accrued employee benefits	38,919
Add - decrease in net pension obligation	7,466,394
Deduct - decrease in deferred inflows and outflows related to benefit plans	(3,784,793)
Add - decrease in other post-employment benefit liability	5,188,477
Add - decrease in accrued interest	984

<b>Change in net position of governmental activities</b>	<b><u>\$ 8,774,227</u></b>
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The accompanying notes are an integral part of these financial statements.

# GRAND TRAVERSE COUNTY

## PROPRIETARY FUNDS STATEMENT OF NET POSITION

DECEMBER 31, 2017

	Enterprise Funds				Governmental Activities
	Grand Traverse Pavilions	Delinquent Tax Revolving Fund	Nonmajor Enterprise Funds	Enterprise Fund Total	Internal Service Funds
<b>Assets</b>					
Current assets					
Cash and pooled investments	\$ 8,880,303	\$ 4,250,185	\$ 4,215,971	\$ 17,346,459	\$ 1,040,114
Accounts receivable, net	3,510,492	82,089	10,307	3,602,888	524,126
Property tax receivable	-	3,104,970	62,607	3,167,577	-
Interest receivable	-	283,536	-	283,536	-
Prepaid and other assets	251,273	-	460	251,733	314,936
Inventory	136,504	-	-	136,504	-
Total current assets	12,778,572	7,720,780	4,289,345	24,788,697	1,879,176
Noncurrent assets					
Restricted cash	177,283	-	-	177,283	-
Advance to other funds	-	2,719,112	-	2,719,112	-
Capital assets					
Land	1,820,550	-	-	1,820,550	-
Capital assets	18,971,522	-	71,425	19,042,947	3,270,268
Total noncurrent assets	20,969,355	2,719,112	71,425	23,759,892	3,270,268
<b>Total assets</b>	33,747,927	10,439,892	4,360,770	48,548,589	5,149,444
<b>Deferred outflows of resources</b>					
Deferred charge on refunding	84,595	-	-	84,595	-
Pension related	2,740,718	-	32,411	2,773,129	-
<b>Total deferred outflows of resources</b>	2,825,313	-	32,411	2,857,724	-
<b>Liabilities</b>					
Current liabilities					
Accounts payable	476,783	-	54,883	531,666	23,484
Accrued liabilities	677,053	-	12,412	689,465	313,460
Due to other funds	-	1,052,521	-	1,052,521	-
Due to other governmental units	801,546	-	112,455	914,001	-
Total current liabilities	1,955,382	1,052,521	179,750	3,187,653	336,944
Long-term liabilities					
Due within one year	225,000	-	-	225,000	-
Due in more than one year	2,985,000	-	-	2,985,000	-
Advance from other funds	-	-	-	-	2,750,011
Compensated absences	625,093	-	48,153	673,246	43,660
Net OPEB liability	1,914,079	-	-	1,914,079	-
Net pension obligation	7,864,621	-	571,460	8,436,081	-
Total long-term liabilities	13,613,793	-	619,613	14,233,406	2,793,671
<b>Total liabilities</b>	15,569,175	1,052,521	799,363	17,421,059	3,130,615
<b>Deferred inflows of resources</b>					
Pension related	469,483	-	-	469,483	-
<b>Net position</b>					
Net investment in capital assets	17,666,667	-	71,425	17,738,092	3,270,268
Unrestricted	2,867,915	9,387,371	3,522,393	15,777,679	(1,251,439)
<b>Total net position</b>	\$ 20,534,582	\$ 9,387,371	\$ 3,593,818	\$ 33,515,771	\$ 2,018,829

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

**GRAND TRAVERSE COUNTY**  
**PROPRIETARY FUNDS**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Enterprise Funds</u>				
	<u>Grand Traverse Pavilions</u>	<u>Delinquent Tax Revolving Fund</u>	<u>Nonmajor Enterprise Funds</u>	<u>Enterprise Fund Total</u>	<u>Governmental Activities Internal Service Funds</u>
<b>Operating revenue</b>					
Charges for services	\$ 27,593,172	\$ 861,151	\$ 2,242,603	\$ 30,696,926	\$ 14,851,929
Miscellaneous	2,612,598	19,115	183,951	2,815,664	1,041,297
<b>Total operating revenue</b>	<u>30,205,770</u>	<u>880,266</u>	<u>2,426,554</u>	<u>33,512,590</u>	<u>15,893,226</u>
<b>Operating expense</b>					
Personnel services	19,182,637	-	196,894	19,379,531	897,265
Contracted services	4,139,454	-	601,136	4,740,590	12,337,961
Supplies	1,711,542	-	29,695	1,741,237	267,916
Other	2,479,155	31,867	108,373	2,619,395	1,614,486
Depreciation	1,195,776	-	20,407	1,216,183	643,011
<b>Total operating expense</b>	<u>28,708,564</u>	<u>31,867</u>	<u>956,505</u>	<u>29,696,936</u>	<u>15,760,639</u>
Operating income (loss)	<u>1,497,206</u>	<u>848,399</u>	<u>1,470,049</u>	<u>3,815,654</u>	<u>132,587</u>
Non-operating revenue (expense)					
Interest income	57,544	-	3,800	61,344	4,850
Interest expense	(115,483)	-	-	(115,483)	(66,534)
Total non-operating revenue (expense)	<u>(57,939)</u>	<u>-</u>	<u>3,800</u>	<u>(54,139)</u>	<u>(61,684)</u>
Income (loss) before transfers	<u>1,439,267</u>	<u>848,399</u>	<u>1,473,849</u>	<u>3,761,515</u>	<u>70,903</u>
Transfers in	-	40,809	-	40,809	-
Transfers out	-	(2,775,620)	(113,284)	(2,888,904)	-
Total transfers	<u>-</u>	<u>(2,734,811)</u>	<u>(113,284)</u>	<u>(2,848,095)</u>	<u>-</u>
Change in net position	1,439,267	(1,886,412)	1,360,565	913,420	70,903
<b>Net position, beginning of year</b>	<u>19,095,315</u>	<u>11,273,783</u>	<u>2,233,253</u>	<u>32,602,351</u>	<u>1,947,926</u>
<b>Net position, end of year</b>	<u>\$ 20,534,582</u>	<u>\$ 9,387,371</u>	<u>\$ 3,593,818</u>	<u>\$ 33,515,771</u>	<u>\$ 2,018,829</u>

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

# GRAND TRAVERSE COUNTY

## PROPRIETARY FUNDS STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2017

	Enterprise Funds				Governmental Activities Internal Service Funds
	Grand Traverse Pavilions	Delinquent Tax Revolving Fund	Nonmajor Enterprise Funds	Enterprise Fund Total	
<b>Cash flows from operating activities</b>					
Receipts from customers and users	\$ 30,215,275	\$ 5,810,008	\$ 2,614,634	\$ 38,639,917	\$ 15,601,788
Payments to employees	(20,778,141)	-	(914,811)	(21,692,952)	(880,339)
Purchase of delinquent tax roll	-	(4,945,132)	-	(4,945,132)	-
Payments to suppliers	(8,484,298)	(31,867)	(859,885)	(9,376,050)	(14,096,445)
<b>Net cash provided by (used in) operating activities</b>	<u>952,836</u>	<u>833,009</u>	<u>839,938</u>	<u>2,625,783</u>	<u>625,004</u>
<b>Cash flows from non-capital financing activities</b>					
Payment of loan from other funds	-	-	-	-	(862,107)
Receipt of loan to other funds	-	607,594	-	607,594	64,846
Receipt of loan from other funds	-	159,665	-	159,665	-
Transfers in	-	40,809	-	40,809	-
Transfers out	-	(2,775,620)	(113,284)	(2,888,904)	-
<b>Net cash provided by (used in) non-capital financing activities</b>	<u>-</u>	<u>(1,967,552)</u>	<u>(113,284)</u>	<u>(2,080,836)</u>	<u>(797,261)</u>
<b>Cash flows from capital and related financing activities</b>					
Interest expense	(108,976)	-	-	(108,976)	(66,534)
Acquisitions of capital assets	(398,125)	-	-	(398,125)	(39,180)
<b>Net cash provided by (used in) capital and related financing activities</b>	<u>(507,101)</u>	<u>-</u>	<u>-</u>	<u>(507,101)</u>	<u>(105,714)</u>
<b>Cash flows from investing activities</b>					
Interest income	<u>57,544</u>	<u>31,758</u>	<u>3,800</u>	<u>93,102</u>	<u>4,850</u>
<b>Net cash provided by (used in) investing activities</b>	<u>57,544</u>	<u>31,758</u>	<u>3,800</u>	<u>93,102</u>	<u>4,850</u>
Net increase (decrease) in cash and pooled investments	503,279	(1,102,785)	730,454	130,948	(273,121)
<b>Cash and pooled investments, beginning of year</b>	<u>8,554,307</u>	<u>5,352,970</u>	<u>3,485,517</u>	<u>17,392,794</u>	<u>1,313,235</u>
<b>Cash and pooled investments, end of year</b>	<u>\$ 9,057,586</u>	<u>\$ 4,250,185</u>	<u>\$ 4,215,971</u>	<u>\$ 17,523,742</u>	<u>\$ 1,040,114</u>
<b>Cash flows from operating activities</b>					
Operating income (loss)	\$ 1,497,206	\$ 848,399	\$ 1,470,049	\$ 3,815,654	\$ 132,587
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Depreciation	1,195,776	-	20,407	1,216,183	643,011
Changes in operating assets and liabilities which provided (used) cash					
Accounts receivable	(248,201)	8,082	24,929	(215,190)	(291,438)
Property tax receivable	-	(23,472)	163,151	139,679	-
Net pension deferred outflows and inflows	8,188	-	(8,605)	(417)	-
Prepaid assets and other items	(60,141)	-	40	(60,101)	374,796
Accounts payable	157,975	-	4,581	162,556	(423,419)
Accrued liabilities	(251,981)	-	1,337	(250,644)	172,541
Due to other governments	257,706	-	(126,639)	131,067	-
Compensated absences	98,170	-	(878)	97,292	16,926
Net OPEB liability	442,627	-	-	442,627	-
Net pension liability	(2,144,489)	-	(708,434)	(2,852,923)	-
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 952,836</u>	<u>\$ 833,009</u>	<u>\$ 839,938</u>	<u>\$ 2,625,783</u>	<u>\$ 625,004</u>

**Noncash transaction:**

The County Building Authority issued \$3,210,000 of bonds to refunded \$3,210,000 of Building Authority Pavilion bonds

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

# GRAND TRAVERSE COUNTY

## *FIDUCIARY FUNDS STATEMENT OF NET POSITION*

*DECEMBER 31, 2017*

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	<u>OPEB Trust Fund</u>	<u>Agency Funds</u>
<b>Assets</b>		
Cash and pooled investments	\$ -	\$ 3,354,282
Investments	256,132	-
Due from other governments	-	304,948
	<hr/>	<hr/>
<b>Total assets</b>	<u>256,132</u>	<u>\$ 3,659,230</u>
 <b>Liabilities</b>		
Due to other governmental units	\$ -	\$ 1,236,039
Court items payable	-	84,749
Undistributed receipts	-	1,100,071
Other	-	1,238,371
	<hr/>	<hr/>
<b>Total liabilities</b>	<hr/>	<u>\$ 3,659,230</u>
 <b>Net Position</b>		
Restricted for pension and other post-employment benefits	<u>\$ 256,132</u>	

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



# GRAND TRAVERSE COUNTY

## *FIDUCIARY FUNDS* *STATEMENT OF CHANGES IN FIDUCIARY NET POSITION*

*FOR THE YEAR ENDED DECEMBER 31, 2017*

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	<b><u>OPEB Trust Fund</u></b>
<b>Additions</b>	
Contributions:	
Employer	\$ 383,324
Plan participants	<u>-</u>
Total contributions	<u>383,324</u>
Investment income:	
Net appreciation in fair value of securities	<u>6,132</u>
<b>Total additions</b>	<u>389,456</u>
<b>Deductions</b>	
Health insurance premiums and pension benefits	133,324
Administrative expenses	<u>-</u>
<b>Total deductions</b>	<u>133,324</u>
Changes in net position	256,132
<b>Net position, beginning of year</b>	<u>-</u>
<b>Net position, end of year</b>	<u>\$ 256,132</u>

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

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Grand Traverse County (the County) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies.

##### ***Reporting Entity***

The County was organized in 1851 and covers an area of approximately 485 square miles with the county seat in Traverse City. The County operates under an elected County Board of Commissioners (seven members) and provides services to its residents in many areas including law enforcement, administration of justice, community enrichment and development, and human services.

These financial statements present the County and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the County's operations, so data from these units are combined with data of the primary government. Discretely presented component units are reported in a separate column in the financial statements to emphasize they are legally separate from the County.

##### ***Blended Component Unit***

The Grand Traverse Building Authority (the Building Authority) is governed by a five-member Board appointed by the County Board of Commissioners. Although legally separate from the County, the 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 Building Authority activity is presented in the Building Authority, capital projects, and debt service funds. A separate audit report is not issued for the Grand Traverse County Building Authority.

##### ***Discretely Presented Component Units***

The component unit columns in the government-wide financial statements include the financial data of the Grand Traverse County Road Commission (the Road Commission), the Grand Traverse County Brownfield Redevelopment Authority (the Brownfield Redevelopment Authority), the Grand Traverse County Land Bank Authority (the Land Bank Authority), the Grand Traverse County Department of Public Works (the Department of Public Works), and the Grand Traverse County Drain Commission (the Drain Commission). They are reported in separate columns to emphasize they are legally separate from the County.

The Road Commission was established pursuant to the County Road Law (MCL 224.1) to maintain and construct county roads and is governed by a Board of County Road Commissioners appointed by the County Board of Commissioners. Complete financial statements for the Road Commission can be obtained from: 1881 LaFranier Road, Traverse City, MI 49696.

The Brownfield Redevelopment Authority was established pursuant to Public Act 381 of 1996 to fund redevelopment of contaminated property and is governed by a Board of Directors appointed by the Grand Traverse County Board of Commissioners. The Brownfield Redevelopment Authority is fiscally dependent on the County. The County Commission has the ability to significantly influence operations of the Brownfield Redevelopment Authority. Financial statements are not separately issued for the Brownfield Redevelopment Authority.

# **GRAND TRAVERSE COUNTY**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED DECEMBER 31, 2017**

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The Land Bank Authority was established pursuant to the Michigan Land Bank Fast Track Act (2003 P.A. 258, MCL 124.751) to facilitate use of property obtained as a result of delinquent property taxes. Members of the governing body of the Land Bank Authority are appointed by the County Board of Commissioners. The County Commission has the ability to significantly influence operations of the Land Bank Authority. Financial statements are not separately issued for the Land Bank Authority.

The Department of Public Works was established to facilitate municipal shared public utilities and is governed by a Board of Directors appointed by the County Board of Commissioners. The County Commission has the ability to significantly influence operations of the Department of Public Works. Financial statements are not separately issued for the Department of Public Works.

The Drain Commission drainage districts are established pursuant to the Drain Code of 1956 and were legally separate entities. The Drain Commissioner has the power to contract, to sue and be sued, and to hold, manage and dispose of real and personal property. The statutory drainage board of Chapter 21 drainage districts consists of the State Director of Agriculture and the Drain Commissioner of each county involved in the project. The County Drain Commissioner has sole responsibility to administer the drainage districts established pursuant to Chapters 3, 4 and 8 of the Drain Code. The Drainage Board or Drain Commissioner, on behalf of the drainage districts, may issue debt and levy special assessments authorized by the Drain Code without the prior approval of the County Board of Commissioners. The County Commission has the ability to significantly influence operations of the Drain Commission. Financial statements are not separately issued for the Drain Commission although financial information for specific drainage districts may be obtained from the County Drain Commissioner, 400 Boardman Avenue, Traverse City, MI 49684.

#### ***Related Organizations***

##### *Hospital Finance Authority*

The Hospital Finance Authority is a related organization with outstanding conduit debt of \$177,779,528. The County Board of Commissioners appoints the five members of the governing board but does not have the ability to impose their will, and there is no benefit/burden relationship.

#### ***Jointly Governed Organizations***

##### *Northwestern Regional Airport Commission*

The County participates in the operation of the Northwestern Regional Airport Commission (Airport Commission) with Leelanau County. Complete financial statements for the Airport Commission can be obtained from: Cherry Capital Airport Administrative Office, 144 W. South Airport Road, Traverse City, MI 49686.

##### *Northern Lakes Community Mental Health*

The County also participates in the operation of the Northern Lakes Community Mental Health Authority (NLCMH) with Missaukee, Leelanau, Crawford, Roscommon and Wexford counties. Complete financial statements for NLCMH can be obtained from: 105 Hall Street, Traverse City, MI 49684.

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges between enterprise functions and other various functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements, except for agency funds which do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for reimbursement-based grants and interest, which use a one-year collection period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to long-term employee benefits and claims and judgments, are recorded only when payment is due. Property taxes, state revenue, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

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

The County reports the following major governmental funds:

The *General Fund* is the general operating fund of the County. It is used to account for all financial resources, except those required to be accounted for in another fund.

The *Health Department Fund* accounts for the federal and state grants, local service fees and general fund appropriations which are used to provide health services to citizens of the County.

The *Commission on Aging Fund* is used to account for revenues received from property taxes and fees to provide services and programs for County residents 60 years of age and older.

The County reports the following major proprietary funds:

The *Grand Traverse Pavilions Fund* accounts for the activities of the County's medical care facility.

The *Delinquent Tax Revolving Fund* is used to account for the purchase and subsequent collection of delinquent real property taxes of local units of government.

Additionally, the County reports the following fund types:

The *Special Revenue Funds* are used to account for the proceeds of specific revenue sources (other than permanent trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

The *Capital Projects Funds* account for the accumulation and disbursement of resources for the purchase and construction of governmental fund capital assets.

The *Debt Service Funds* are used to record revenues which are restricted or otherwise provided for the payment of principal and interest on general long-term debt.

The *Enterprise Funds* are used to account for operations of the County that are financed by charges for the services provided.

The *Internal Service Funds* account for the fleet and equipment management, data processing, copy machine, mailing department and insurance services provided to other departments or agencies of the County on a cost reimbursement basis.

The *Agency Funds* are used to account for the collection and disbursement of funds that are collected on behalf of outside governments or other parties.

The other postemployment benefits trust fund accounts for the accumulation of resources to be used for retirement annuity payments and other postemployment benefits at appropriate amounts and times in the future.

# **GRAND TRAVERSE COUNTY**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED DECEMBER 31, 2017**

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#### ***Budgets and Budgetary Accounting***

The County adopts a budget for the general fund and special revenue funds as required by state law (P.A. 621 of 1978, as amended). Budgets for other funds are used as a management control device. The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Management submits to the County Commission a proposed operating budget for the fiscal year commencing the following January 1.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to January 1, the budget is legally enacted through passage of a resolution. Formal budgetary integration is employed as a management control device during the year for the general and special revenue funds. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The legal level of budgetary control adopted by the governing board is the activity level, which is the level at which expenditures may not legally exceed appropriations.
4. Adoption and amendments of all budgets used by the County are governed by Michigan Law. The appropriations ordinances are based on the projected revenue and expenditure of the various functions of the County. Any amendment to the original budget must meet the requirements of Michigan Law. The County did amend its budget for the year. Any revisions that alter the total expenditures of any fund must be approved by the County Commission. Appropriation laps at year end.

#### ***Cash and Pooled Investments***

For the purpose of the statement of cash flows the County considers all assets held in the cash and investment pool to be cash and cash equivalents because the investments are not identifiable to specific funds and the assets can be withdrawn at any time, similar to demand deposit accounts. Restricted cash includes deposits held in resident's trust accounts in the Grand Traverse Pavilions enterprise fund.

#### ***Investments***

Investments are stated at fair value at the balance sheet date.

County investment policy allows for all investments authorized by State statutes. State statutes authorize the County to invest in:

- a. Bonds, securities, other obligations and repurchase agreements 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 qualified financial institution.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- d. Bankers' acceptances of United States banks.
- e. Obligations of the State of Michigan and its political subdivisions that, at the time of purchase are rated as investment grade by at least one standard rating service.

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

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- f. Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- g. External investment pools as authorized by Public Act 20 as amended.
- h. The OPEB Trust may also invest in corporate debt and equity securities.

#### ***Receivables / Due From Other Governments***

All receivables are recorded at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. For receivables, an allowance for uncollectible accounts of \$879,999 has been established. All other estimated uncollectible balances are immaterial to the financial statements.

Economic development fund receivables consist of loans to promote economic development within the County, community development block grant fund receivables consist of loans to area residents for home improvements which must be repaid by the homeowner upon sale or foreclosure. Brownfield Redevelopment Authority component unit receivables represent loans to assist with the economic development of environmentally distressed sites within the County. Department of public works receivables are due from local units of governments that participate in utility projects. Long-term receivables generally represent the balance due on capital projects financed by the County for local units of government (the local unit reports the capital asset similar to a capital lease). The County has an enforceable lien on such property.

#### ***Prepaid and Items***

Certain payments to vendors represent costs applicable to future accounting periods and are recorded as prepaid and other assets in both the government-wide and fund financial statements. The County uses the consumption method of accounting for prepaid items.

#### ***Inventory***

All inventories are valued at the lower of cost or market using the first-in/first-out (FIFO) method (average unit cost method used for the Road Commission). Inventory represents parts, materials, and supplies utilized in the various County operations. The County uses the consumption method of accounting for inventory items.

#### ***Capital Assets***

Capital assets, which include land and improvements, construction in progress, buildings and improvements, equipment, vehicles and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental, business-type activities, and component unit 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 (\$1,000 for DPW and Drain Commission) and an estimated useful life in excess of two years. Such assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Donated capital assets are valued at acquisition value (the price that would be paid to acquire an asset with an equivalent service potential in an orderly market transaction) on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

No interest expense has been incurred or capitalized on capital assets reported in proprietary funds.

Depreciation on capital assets (including infrastructure) is computed using the straight-line method (sum of the year's digits for Road Commission) over the following estimated useful lives:

	<u>County</u>	<u>DPW &amp; Drain Commission</u>	<u>Road Commission</u>
Land improvements	10-20	-	-
Buildings and improvements	30-50	50	50
Furniture and equipment	5-25	5-30	5-30
Vehicles	5	-	-
Infrastructure	5-50	5-50	20-50

#### **Unearned Revenue**

Funds report *unearned revenue* in connection with asset balances that have not yet been earned.

#### **Deferred Outflows / Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The County reports deferred outflows of resources for the loss on advance bond refunding reported in the government-wide statement of net position which results from the difference in the carrying value of refunded debt and its reacquisition price. The County and Road Commission have items that qualify for reporting in this category related to the net pension liability, these items are discussed in Notes 7 and 8.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The governmental funds and governmental activities report deferred inflows for property taxes levied for the following year. The County also has items that qualify for reporting in this category related to the net pension/OPEB liability, these items are discussed in Notes 7 and 8.

#### **Compensated Absences**

Under contracts negotiated with employee groups and personnel policy, individual employees have a vested right to receive payments for unused vacation and other compensation depending on employment agreements. Compensated absences reported for governmental activities are primarily liquidated from General fund resources.

#### **Long-Term Obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, the long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.



# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

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In the fund financial statements, governmental fund types recognize bond premiums, discounts and issuance costs in the year of issuance. The face amount of debt issued and any premiums received are reported as other financing sources. Discounts on debt issuances are reported as an other financing use. Governmental, proprietary, and component units report issuance costs are reported as expenditures/expenses.

#### ***Net Position and Fund Balance Reporting***

Governmental funds report fund balance in the following five categories:

1. Non-spendable - the related asset's form does not allow expenditure of the balance. The assets are either (a) not in a spendable form or (b) legally or contractually required to be maintained intact. Non-spendable fund balance would be equal to inventory, prepaid items, non-current financial assets, and the non-spendable portion of endowments.
2. Restricted - the related assets can only be spent for the specific purposes stipulated by constitution, external resource providers, or as identified in enabling legislation.
3. Committed - the related assets can only be spent for a specific purpose identified by formal resolution of the governing board.
4. Assigned - the related assets can only be spent for a specific purpose but do not meet the criteria to be classified as committed.
5. Unassigned - is the residual classification and includes all spendable amounts not contained in the other classifications.

The Commission has delegated the authority to assign fund balance to the County Administrator. Only the Commission can commit fund balance.

The Commission has adopted a minimum fund balance policy in which the total fund balance of the General fund will be equal to at least 15 percent of the subsequent year's adopted General fund budgeted expenditures and transfers out. If the General fund balance falls below the minimum range, the County will replenish shortages or deficiencies using budget strategies and timeframes as detailed in the policy.

#### ***Net Position and Fund Balance Flow Assumptions***

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position/fund balance and unrestricted – net position/fund balance, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to use restricted resources first, then unrestricted resource as they are needed. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

#### ***Pensions***

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

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

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#### ***Property Taxes***

County property taxes for general operations are levied as of July 1 and property taxes for special purposes are levied as of December 1 on property values assessed as of the preceding December 31, the lien date. The taxes levied as of December 1 are due February 14 of the following year and taxes levied July 1 are due on September 14 after which applicable property is subject to lien, and penalties and interest are assessed.

It is the County's policy to recognize the summer tax levy in the financial statements as current revenue because these revenues are budgeted and made "available" to fund current operations. It is the County's policy to report the winter tax levy in the financial statements as deferred inflows because it is intended to fund next year's activities. Winter taxes are recognized as revenues in the subsequent year when the proceeds of this levy are budgeted.

#### ***Intergovernmental Revenues***

Grants and assistance awards made on the basis of entitlement periods are recorded as due from other governments and revenue when entitlement occurs. Reimbursement-type grants are recorded as intergovernmental receivables and revenues when the related expenditure/expenses are incurred.

#### ***Interfund Transactions***

During the course of normal operations, the County has numerous transactions between funds. Transactions that constitute reimbursement to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures/expenses in the fund that is reimbursed. Charges between enterprise funds and other functions of the County are not reimbursements because elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Remaining transactions are generally reflected as transfers.

## **2. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS**

Michigan law provides that a local unit of government shall not incur expenditures in excess of the amount appropriated. In the body of the financial statements, the County's actual and budgeted expenditures for the budgeted funds have been shown at the activity level. The legal level of budgetary control defined through the County's budgetary process is the activity level.

During the year, the County incurred the following expenditures in budgeted funds which were in excess of the amounts appropriated:

	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance</u></b>
<b>Special Revenue Funds</b>			
Corrections P.A. 511 Fund			
Public safety	\$816,913	\$842,614	\$ (25,701)
CDBG Housing Grant Fund			
Economic Development	309,066	357,813	(48,747)
EDC Revolving Loan Fund			
Economic Development	29	294,869	(294,840)
Animal Control Fund			
Public Safety	133,068	138,622	(5,554)

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

### 3. CASH AND INVESTMENTS

The captions on the financial statements relating to cash and pooled investments and investments are as follows:

	<b>Governmental Activities</b>	<b>Business- type activities</b>	<b>Component Units</b>	<b>Fiduciary Funds</b>	<b>Total</b>
Cash and pooled investments	\$20,076,969	\$17,346,459	\$8,810,135	\$3,354,282	\$49,587,845
Restricted cash	-	177,283	12,981	-	190,264
Investments	-	-	-	256,132	256,132
	<u>\$20,076,969</u>	<u>\$17,523,742</u>	<u>\$8,823,116</u>	<u>\$3,610,414</u>	<u>\$50,034,241</u>

The cash and investments making up the above balances are as follows:

Deposits	\$16,642,430
Investments	33,380,540
Petty cash	<u>11,271</u>
Total	<u>\$50,034,241</u>

The deposits are in financial institutions located in Michigan in varying amounts. State policy limits the Treasurer's investing options to financial institutions located in Michigan. All accounts are in the name of the County and a specific fund or common account. They are recorded in County records at fair value. Interest is recorded when earned.

*Custodial Credit Risk - Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned. State law does not require, and the County does not have, a policy for deposit custodial credit risk. As of year-end, the County's bank balance was \$19,380,644; of this amount, \$13,499,477 was collateralized, \$2,388,281 was insured, and \$1,746,443 was exposed to custodial credit risk because the balance was uninsured and uncollateralized.

### Investments

The County chooses to specifically identify its investments. As of year-end, the County had the following investments:

	<b>Maturity</b>	<b>Fair Value</b>	<b>Rate</b>	<b>Rating</b>
MBIA MI Class	n/a	\$ 30,815,106	n/a	AAAm S&P
MMRMA Pool	n/a	55,526	n/a	None
<b>Government Securities</b>				
FFCB note	11/30/18	248,927	1.34%	None
FHLB bond	05/18/20	620,134	1.40%	None
FHLB bond	06/07/21	146,775	1.60%	None
FFCB bond	11/16/21	491,325	1.73%	None
FHLB note	02/26/21	496,740	1.13%	AAA S&P
FNMA bond	12/27/18	249,875	1.20%	AA+ S&P
MERS Total Market Portfolio	n/a	256,132	n/a	None
<b>Total</b>		<u><b>\$33,380,540</b></u>		

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

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

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### ***Investment and deposit risk***

*Interest Rate Risk.* State law and County policy limit the allowable investments and the maturities of some of the allowable investments as identified in Note 1, the summary of significant accounting policies. The County's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The maturity date for each investment is identified above for investments held at year-end.

*Credit Risk.* State law limits investments to specific government securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified in Note 1, the summary of significant accounting policies. The investment policy does not have specific limits in excess of state law on investment credit risk. The rating for each investment is identified above for investments held at year-end.

*Custodial Credit Risk - Investments.* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require and the County does not have a policy for investment custodial credit risk. Of the above \$33,380,540 of investments, the County has a custodial credit risk of \$2,253,776 because the related securities are uninsured, unregistered and held by the government's brokerage firm which is also the counterparty for these particular securities. Of the above mutual fund/pool investments the County's custodial credit risk exposure cannot be determined because the funds do not consist of specifically identifiable securities.

*Concentration of Credit Risk.* Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer. The County does not have an investment policy that limits the amount that may be invested in any one issuer. Excluding U.S. government guaranteed, mutual funds and pooled investments, the County does not own investments in any one issuer that represent 5% or more of total County investments at year-end.

The County categorizes its fair value measurements of investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The County has the following recurring fair value measurements as of year-end. All of the County's investments are valued using a pricing model utilizing observable fair value measures of bond/pool investments and other observable inputs to determining the fair value of the securities making up the investment bond/pool (Level 2 inputs).

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### 4. INTERFUND TRANSFERS

Transfers in and out for the year ended December 31, 2017 are as follows:

<u>Transfers in</u>	<u>Transfers Out</u>			<u>Total</u>
	<u>General fund</u>	<u>Delinquent Tax fund</u>	<u>Nonmajor enterprise Funds</u>	
General fund	\$ -	\$2,775,620	\$ 72,475	\$ 2,848,095
Health fund	1,474,000	-	-	1,474,000
Delinquent Tax fund	-	-	40,809	40,809
Nonmajor governmental funds	9,446,586	-	-	9,446,586
<b>Total</b>	<b>\$10,920,586</b>	<b>\$2,775,620</b>	<b>\$113,284</b>	<b>\$13,809,590</b>

Transfers are used to (1) move unrestricted revenues collected in the General fund to finance capital and other various programs accounted for in other funds in accordance with budgetary authorizations and (2) move allocated cost of general operations to applicable funds.

#### 5. INTERFUND / INTER-ENTITY BALANCES

Interfund/inter-entity balances represent short-term borrowing (due to/from) and long-term borrowing (advances payable/receivable) between the various County funds and component units. This borrowing is used to assist the borrowing fund with additional cash flow.

The balances consisted of the following at fiscal year-end:

<u>Due from Component Unit</u>	<u>Due to Primary Government</u>				<u>Total</u>
	<u>Landbank Component Unit</u>	<u>Brownfield Component Unit</u>	<u>Drain Component Unit</u>	<u>DPW Component Unit</u>	
General fund	\$3,603	\$140,000	\$35,000	\$422,681	\$601,284

<u>Advance from Primary Government</u>	
<u>Advance to Component Unit</u>	<u>DPW Component Unit</u>
General fund	\$2,339,960

<u>Due from Other Funds</u>	<u>Due to Other Funds</u>			<u>Total</u>
	<u>General Fund</u>	<u>Nonmajor</u>	<u>Delinquent Tax</u>	
General fund	\$ -	\$819,223	\$1,052,521	\$1,871,744
Health Department	522,250	-	-	522,250
<b>Total</b>	<b>\$522,250</b>	<b>\$819,223</b>	<b>\$1,052,521</b>	<b>\$2,393,994</b>

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

<u>Advance Receivable</u>	<u>Advance Payable</u>		<u>Total</u>
	<u>Internal Service Fund</u>	<u>Non-major Governmental</u>	
General fund	\$ 30,899	\$1,328,597	\$1,359,496
Delinquent tax fund	2,719,112	-	2,719,112
<b>Total</b>	<b>\$2,750,011</b>	<b>\$1,328,597</b>	<b>\$4,078,608</b>

### 6. CAPITAL ASSETS

Capital asset activity for the year was as follows:

	<u>Balance January 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2017</u>
<b>Governmental Activities</b>				
<b>Capital assets, not being depreciated</b>				
Land	\$15,639,877	\$ -	\$ -	\$15,639,877
Construction in progress	-	317,466	-	317,466
Total capital assets, not being depreciated	15,639,877	317,466	-	15,957,343
<b>Capital assets, being depreciated</b>				
Land improvements	2,106,329	181,977	-	2,288,306
Buildings and improvements	44,029,944	-	-	44,029,944
Furniture and equipment	13,888,896	268,665	8,195	14,149,366
Vehicles	2,836,593	258,257	196,809	2,898,041
Infrastructure	828,241	-	-	828,241
Total capital assets, being depreciated	63,690,003	708,899	205,004	64,193,898
<b>Less accumulated depreciation for</b>				
Land improvements	1,470,641	93,116	-	1,563,757
Buildings and improvements	21,123,200	20,297	-	21,143,497
Furniture and equipment	9,131,490	913,470	-	10,044,960
Vehicles	1,311,164	936,402	8,195	2,239,371
Infrastructure	736,819	262,585	187,610	811,794
Total accumulated depreciation	33,773,314	2,225,870	195,805	35,803,379
<b>Net capital assets, being depreciated</b>	<b>29,916,689</b>	<b>(1,516,971)</b>	<b>9,199</b>	<b>28,390,519</b>
<b>Governmental Activities capital assets, net</b>	<b>\$45,556,566</b>	<b>\$(1,199,505)</b>	<b>\$9,199</b>	<b>\$44,347,862</b>

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

	Balance January 1, <u>2017</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2017</u>
<b>Business-type Activities</b>				
<b>Capital assets, not being depreciated</b>				
Land	\$ 1,820,550	\$ -	\$ -	\$ 1,820,550
Construction in progress	18,963	-	18,963	-
Total capital assets, not being depreciated	1,839,513	-	18,963	1,820,550
<b>Capital assets being depreciated</b>				
Land improvements	2,866,941	32,318	-	2,899,259
Buildings and improvements	35,448,087	198,611	-	35,646,698
Furniture and equipment	2,163,411	172,277	47,625	2,288,063
Vehicles	491,470	13,881	64,766	440,585
Total capital assets, being depreciated	40,969,909	417,087	112,391	41,274,605
Less accumulated depreciation for				
Land improvements	2,290,650	131,182	-	2,421,832
Buildings and improvements	16,690,904	915,403	-	17,606,307
Furniture and equipment	1,814,222	125,131	47,625	1,891,728
Vehicles	332,090	44,467	64,766	311,791
Total accumulated depreciation	21,127,866	1,216,183	112,391	22,231,658
<b>Net capital assets, being depreciated</b>	19,842,043	(799,096)	-	19,042,947
<b>Business-type Activities capital assets, net</b>	<b>\$21,681,556</b>	<b>\$(799,096)</b>	<b>\$18,963</b>	<b>\$20,863,497</b>

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

<b>Governmental Activities</b>	
Judicial	\$ 273,720
General government	383,405
Public safety	533,303
Health and welfare	203,958
Parks and recreation	188,473
	<u>1,582,859</u>
Depreciation included in internal service funds	643,011
<b>Total depreciation expense - governmental activities</b>	<u>\$2,225,870</u>
<b>Business-type Activities</b>	
Pavilions	\$1,195,776
Inspections	20,407
<b>Total depreciation expense - business-type activities</b>	<u>\$1,216,183</u>

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

	Balance January 1, <u>2017</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2017</u>
<b>Component Unit – Road Commission</b>				
<b>Capital assets, not being depreciated</b>				
Land	\$ 1,035,799	\$ -	\$ -	\$ 1,035,799
Land and right-of-way	26,999,883	-	-	26,999,883
Construction in progress	10,841	-	-	10,841
Total capital assets, not being depreciated	28,046,523	-	-	28,046,523
<b>Capital assets, being depreciated</b>				
Building and improvements	4,211,125	-	-	4,211,125
Road equipment	11,036,795	1,078,111	593,055	11,521,851
Shop equipment	256,401	8,091	-	264,492
Office equipment	275,582	4,070	-	279,652
Engineering equipment	172,465	3,231	-	175,696
Yard and storage equipment	1,687,650	-	-	1,687,650
Infrastructure				
Bridges	4,358,823	-	-	4,358,823
Roads	95,688,021	6,688,328	20,579,901	81,796,448
Total capital assets, being depreciated	117,686,862	7,781,831	21,172,956	104,295,737
<b>Less accumulated depreciation for</b>				
Building and improvements	1,239,180	82,480	-	1,321,660
Road equipment	8,462,903	971,512	593,055	8,841,360
Shop equipment	173,395	17,492	-	190,887
Office equipment	231,651	17,360	-	249,011
Engineering equipment	111,604	16,362	-	127,966
Yard and storage equipment	1,185,723	51,132	-	1,236,855
Infrastructure				
Bridges	960,077	71,870	-	1,031,947
Roads	48,866,790	6,041,313	20,579,901	34,328,202
Total accumulated depreciation	61,231,323	7,269,521	21,172,956	47,327,888
<b>Net capital assets, being depreciated</b>	56,455,539	512,310	-	56,967,849
<b>Component Unit – Road Commission capital assets, net</b>	<b>\$84,502,062</b>	<b>\$512,310</b>	<b>\$ -</b>	<b>\$85,014,372</b>



# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

	Balance January 1, <u>2017</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2017</u>
<b>Component Unit – Drain Commission</b>				
<b>Capital assets, not being depreciated</b>				
Construction in progress	\$256,941	\$30,214	\$ -	\$287,155
	Balance January 1, <u>2017</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2017</u>
<b>Component Unit – Department of Public Works</b>				
<b>Capital assets, not being depreciated</b>				
Land	\$ 400,000	\$ -	\$ -	\$ 400,000
<b>Capital assets, being depreciated</b>				
Buildings	7,623,862	-	-	7,623,862
Furniture and equipment	219,299	-	-	219,299
Total capital assets, being depreciated	7,843,161	-	-	7,843,161
Less accumulated depreciation for				
Buildings	1,198,034	217,825	-	1,415,859
Furniture and equipment	41,762	20,658	-	62,420
Total accumulated depreciation	1,239,796	238,483	-	1,478,279
<b>Net capital assets, being depreciated</b>	6,603,365	(238,483)	-	6,364,882
<b>Component Unit – Department of Public Works capital assets, net</b>	<b>\$7,003,365</b>	<b>\$(238,483)</b>	<b>\$ -</b>	<b>\$6,764,882</b>

### 7. PENSION PLANS

#### Defined Contribution Pension Plans

##### Defined Contribution Pension Plan – Grand Traverse County

The **Grand Traverse County Defined Contribution Plan** is sponsored by the County created in accordance with Internal Revenue Code Section 401(a), which is available to all full-time employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees who were hired previous to May 1, 2001 were able to choose to either stay in the defined benefit plan or to change to the defined contribution plan once their union contract was settled. Participants do not vest in the first two years of service, and are considered 25%, 50%, 75% and 100% vested in years three through six, respectively. Members may contribute 3% of their base pay, and the County's required contribution is an amount equal to 6% of the participant's base pay plus match employee contributions up to 3% of the employees' base pay for employees hired prior to January 1, 2014 and for certain bargaining unit members. New employees hired after January 1, 2014 and for certain bargaining unit members, the employer is required to contribute 3% of the participant's base pay plus match employee contributions of 3%.

The plan is administered by MERS. Plan provisions and contribution requirements were established and can only be amended by authorization of the County Commission. In 2017, the County contributed \$1,494,998 and employees contributed \$546,004.

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

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### Defined Contribution Pension Plan – Road Commission

The Road Commission maintains a defined contribution plan administered by MERS for those employees who do not participate in the defined benefit pension plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Administrative employees are eligible to participate from the date of employment. Union employees are eligible after one year as established by agreement. The Commission contributes 9% of administrative and 8% of union personnel gross earnings, respectively plus match employee contributions in an amount equal to 3% administrative and 2% union. Contributions for each employee (adjusted for gains and losses allocated to the employee's account) are vested 20%, 40%, 60%, 80% and 100% in years two through six, respectively. Plan provisions and contribution requirements are established and may be amended by the Board of County Road Commissioners. During 2017, the Commission contributed \$188,825 and employees contributed \$45,683 towards the defined contribution plan.

### Defined Benefit Plans

#### General Plan Description

The following is applicable to the Grand Traverse County defined benefit pension plan (closed to new employees), Grand Traverse Pavilions defined benefit pension plan (open to new employees) and Grand Traverse County Road Commission defined benefit pension plan (closed to new employees).

#### Plan Description

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

#### Investments

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	57.5%	5.02%
Fixed Income	20.0%	2.18%
Real Assets	12.5%	4.23%
Diversifying Strategies	10.0%	6.56%

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

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#### **Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of December 31, 2016, using the following actuarial assumptions:

Inflation – 2.5%

Salary increases – 3.75% in the long term

Investment rate of return - 7.75 percent; net of investment expense including inflation

Mortality rates – based on the RP-2014 Group Annuity Mortality Table of a 50% male and 50% female blend

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

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

#### **Discount Rate**

The discount rate used to measure the total pension liability was 8 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made at the current actuarially determined rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

#### **Aggregate Primary Government Defined Benefit Pension Plan Balances**

	<b>County</b>	<b>Pavilions</b>	<b>Total</b>
Net pension liability	\$46,078,344	\$7,864,621	\$53,942,965
Deferred outflows	2,613,846	2,740,718	5,354,564
Deferred inflows	-	469,483	469,483
Pension expense	1,524,481	(693,442)	831,039

#### **Net Pension Liability**

The employer's Net Pension Liability was measured as of December 31, 2016, and the total pension liability used to calculate the Net Pension Liability at December 31, 2017 was determined utilizing roll forward procedures as part of the annual actuarial valuation as of December 31, 2016.

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

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#### Defined Benefit Pension Plan – Grand Traverse County

##### **Plan Membership**

At December 31, 2016, participants included the following:

Active plan members	64
Terminated vested plan members	43
Retirees and beneficiaries	<u>295</u>
Total participants	<u>402</u>

##### **Benefits**

Pension benefits vary by division and are calculated as final average compensation (based on a 3 or 5 year period) and multipliers ranging from 2.25% to 2.80%. Participants are considered to be fully vested in the plan after 6, 8, or 10 years. Normal retirement age is 60 with early retirement at age 50 with 25 years of service, age 55 with 15 years of service, age 55 with 25 years of service, or with 25 years of service (no age requirement).

##### **Contributions**

The County is required to contribute at least an amount 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. In addition, the employer may establish contribution rates to be paid by its covered employees.

Employer and employee monthly contribution amounts are generally fixed by division/bargaining unit and based on a percentage of payroll for employee contributions. The employer actuarial required contribution of \$6,106,164 was exceeded by the actual contribution of \$11,014,005 for the year ended December 31, 2017; employee contributions amounted to \$44,784.

##### **Sensitivity of the Net Pension Liability to Changes in the Discount rate**

The following presents the net pension liability of the County, calculated using the discount rate of 8 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7 percent) or 1-percentage point higher (9 percent) than the current rate:

	One percent decrease (7%)	Current Discount rate (8%)	One percent increase (9%)
Total pension liability	\$105,493,964	\$ 95,780,941	\$ 87,508,383
Fiduciary net position	<u>49,702,687</u>	<u>49,702,687</u>	<u>49,702,687</u>
Net pension liability	<u>\$ 55,791,277</u>	<u>\$ 46,078,254</u>	<u>\$ 37,805,696</u>

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### **Changes in the Net Pension Liability of the County**

The components of the change in the net pension liability of the County were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance at December 31, 2016	\$94,773,899	\$40,435,044	\$54,338,855
Changes for the Year:			
Service costs	442,309	-	442,309
Interest	7,311,954	-	7,311,954
Benefit changes	(798,573)	-	(798,573)
Differences between expected and actual experience	1,099,991	-	1,099,991
Other changes	142,625	-	142,625
Contributions: employer	-	11,014,005	(11,014,005)
Contributions: member	-	44,784	(44,784)
Net investment income	-	5,485,938	(5,485,938)
Administrative expense	-	(85,910)	85,910
Benefit payments, including refunds	(7,191,264)	(7,191,264)	-
Net changes	1,007,042	9,267,553	(8,260,511)
Balance at December 31, 2017	\$95,780,941	\$49,702,597	\$46,078,344

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

For the year ended December 31, 2017, the County recognized pension expense of \$1,524,481. At December 31, 2017, the County reported pension-related deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 88,024
Net difference between projected and actual earnings on pension plan investments	2,525,822
Total	<u>\$2,613,846</u>

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

<u>Year Ending December 31</u>	<u>Amount</u>
2018	\$ 981,473
2019	981,472
2020	208,921
2021	441,980
Total	<u>\$2,613,846</u>

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

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#### Defined Benefit Pension Plan – Grand Traverse Pavilions

##### **Plan Membership**

At December 31, 2016, participants included the following:

Active plan members	379
Terminated vested plan members	117
Retirees and beneficiaries	171
Total participants	<u>667</u>

##### **Benefits**

Pension benefits vary by division and are calculated as final average compensation (based on a 5 year period) and multipliers ranging from 2.0% to 2.5%. Participants are considered to be fully vested in the plan after 6 years. Normal retirement age is 60 with early retirement at age 50 with 25 years of service, age 55 with 15 years of service.

##### **Contributions**

The Pavilions are required to contribute at least an amount 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. In addition, the employer may establish contribution rates to be paid by its covered employees.

Employer and employee monthly contribution amounts or rates (percentage of covered payroll), by division/bargaining unit, were as follows for the year ended December 31, 2017:

Division	Employer Contribution Rate	Employee Contribution Rate
04-General Unit	7.37%	0.40%
40-LPN Unit	9.26%	3.41%
41-NonUnion Unit	-	10.35%
42-Union RN	5.57%	7.81%
43-Non-Union after 9/1/15	7.77%	3.00%

##### **Sensitivity of the Net Pension Liability to Changes in the Discount rate**

The following presents the net pension liability of the Grand Traverse Pavilions, calculated using the discount rate of 8 percent, as well as what the Pavilions' net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7 percent) or 1-percentage point higher (9 percent) than the current rate:

	One percent decrease (7%)	Current Discount rate (8%)	One percent increase (9%)
Total pension liability	\$43,944,877	\$38,972,485	\$34,847,736
Fiduciary net position	31,107,864	31,107,864	31,107,864
Net pension liability	<u>\$12,837,013</u>	<u>\$ 7,864,621</u>	<u>\$ 3,739,872</u>

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### **Changes in the Net Pension Liability of the Pavilions**

The components of the change in the net pension liability of the Pavilions were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance at December 31, 2016	\$37,038,443	\$27,029,333	\$10,009,110
Changes for the Year:			
Service costs	1,348,278	-	1,348,278
Interest	2,951,871	-	2,951,871
Benefit changes	-	-	-
Differences between expected and actual experience	(669,008)	-	(669,008)
Other changes	(68,705)	-	(68,705)
Contributions: employer	-	1,442,859	(1,442,859)
Contributions: member	-	691,765	(691,765)
Net investment income	-	3,629,624	(3,629,624)
Administrative expense	-	(57,323)	57,323
Benefit payments, including refunds	(1,628,394)	(1,628,394)	-
Net changes	1,934,042	4,078,531	(2,144,489)
Balance at December 31, 2017	\$38,972,485	\$ 31,107,864	\$ 7,864,621

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

For the year ended December 31, 2017, the Pavilions recognized pension expense of \$(693,442). At December 31, 2017, the Pavilions reported pension-related deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources	Net Deferred Inflow/Outflow of Resources
Difference between expected and actual experience	\$ -	\$1,598,748	\$1,598,748
Net difference between projected and actual earnings on pension plan investments	(469,483)	-	(469,483)
Net difference between assumptions		1,141,970	1,141,970
Total	\$(469,483)	\$2,740,718	\$2,271,235

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

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

<u>Year Ending December 31</u>	<u>Amount</u>
2018	\$ 788,501
2019	788,499
2020	319,874
2021	485,862
2022	(111,501)
<b>Total</b>	<b><u>\$2,271,235</u></b>

#### **Defined Benefit Pension Plan – Road Commission**

##### ***Employees Covered by Benefit Terms***

At December 31, 2017, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	56
Inactive employees entitled to but not yet receiving benefits	3
Active employees	<u>2</u>
	<u>61</u>

##### ***Benefits provided***

Benefits provided include plans with multipliers ranging from 2.25 to 2.50. Vesting period of 6-10 years. Normal retirement age is 60. Final average compensation is calculated based on a 5 years average.

##### ***Contributions***

The Commission is required to contribute at an actuarially determined amount, which for the current year was \$715,668. Actual contributions for the year were \$1,447,188 which is \$731,520 in excess of the actuarial required contribution. Participating employees are not required to contribute to the Plan. The contribution requirements of the Commission are established and may be amended by the MERS Retirement Board. The contribution requirements of employees are established and may be amended by labor agreements.



# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### **Changes in the Net Pension Liability of the Road Commission**

The components of the change in the net pension liability of the Road Commission were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance at December 31, 2016	\$9,421,354	\$6,590,393	\$2,830,961
Changes for the Year:			
Service cost	8,085	-	8,085
Interest	717,457	-	717,457
Change in benefits	-	-	-
Differences between expected and actual experience	(207,073)	-	(207,073)
Change in assumptions	-	-	-
Contributions: employer	-	1,447,188	(1,447,188)
Contributions: employee	-	-	-
Net investment Income	-	862,966	(862,966)
Benefit payments, including refunds	(914,379)	(914,379)	-
Administrative expense	-	(13,667)	13,667
Other changes	(10,481)	-	(10,481)
Net changes	(406,391)	1,382,108	(1,788,499)
Balance at December 31, 2017	\$9,014,963	\$7,972,501	\$1,042,462

*Sensitivity of the net pension liability to changes in the discount rate.* The following presents the Net Pension Liability of the employer, calculated using the discount rate of 8.0%, as well as what the employer's Net Pension Liability would be using a discount rate that is 1 percentage point lower (7.0%) or 1% higher (9.0%) than the current rate.

	1% Decrease	Current Discount rate	1% increase
Total Pension Liability	\$9,735,044	\$9,014,963	\$8,386,014
Fiduciary Net Position	7,972,501	7,972,501	7,972,501
Net Pension Liability	\$1,762,543	\$1,042,462	\$ 413,513

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

For the year ended December 31, 2017 the Road Commission recognized pension expense of (\$18,132). The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ -	\$ -
Differences in assumptions	-	-
Excess(Deficit) Investment Returns	-	149,535
Contributions subsequent to the measurement date	-	-
Total	\$ -	\$149,535

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

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

2017	\$ 8,209
2018	8,207
2019	(102,958)
2020	(62,993)
2021	-
Thereafter	-
Total	<u><u>\$(149,535)</u></u>

#### 8. OTHER POST-EMPLOYMENT BENEFITS

##### Defined Benefit Plan – Grand Traverse County (excluding Pavilions)

###### *Plan Description*

**Grand Traverse County Retiree Health Care Plan** is a single employer defined benefit plan sponsored and administered by Grand Traverse County. The plan is reported as an OPEB Trust Fund in the County's financial statements.

The Plan provides of health insurance premiums for retirees based on specified contributions. The plan is closed to new participant. Benefit provisions may be amended by the Plan administrator (subject to bargaining agreements). Separate financial statements are not issued for the Plan.

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	55.5%	5.25%
Global Equity	18.5%	1.05%
Real Assets	13.5%	3.75%
Diversifying Strategies	12.5%	3.00%
	<u>100%</u>	

###### *Plan Membership*

At December 31, 2017, participants included the following:

Active plan members	203
Retired plan members	35
Total participants	<u>238</u>

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

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#### **Benefits**

Retirees have access to employer sponsored Medical, Dental, Vision and Life Insurance coverage subject to varying specified contributions. Members pay a percentage of premiums; additional beneficiaries must pay 100% of additional premiums.

#### **Contributions**

The Plan was established and is being funded under the authority of the County and under agreements with the unions representing various classes of employees. The Plan's funding policy is to contribute \$1,350,000 in 2018 and \$250,000 per year thereafter beginning in 2019. There are no long-term contracts for contributions to the Plan. The Plan has no legally required reserves.

#### **Rate of Return**

For the year ended December 31, 2017, the money-weighted rate of return was 2.4%.

#### **Net OPEB Liability of the County**

The components of the net OPEB liability of the County at December 31, 2017, were as follows:

Total OPEB liability	\$2,771,988
Plan fiduciary net position	<u>256,131</u>
County's net OPEB liability	<u>\$2,515,857</u>
Plan fiduciary net position as a percentage of total OPEB liability	<u>9.2%</u>

#### **Actuarial Assumptions**

The total OPEB liability was determined at December 31, 2017 using the entry age normal actuarial cost method by an actuarial valuation using the following actuarial assumptions based on 2017 County experience:

- Inflation – 2.0%
- Salary increases – 2.0%
- Investment rate of return - 6.0% (including 2% inflation)
- 20-year Aa Municipal bond rate – 3.15%
- Remaining amortization period of 14 year
- Healthcare cost trend – 6.5% in 2017 graded to 4% in 2021
- Asset value - market
- Mortality rates – based on SOA RPH-2014 at 2006 projected with MP-2017, annuitant, non-annuitant (sex-distinct) Mortality Table

#### **Discount Rate**

The discount rate used to measure the total OPEB liability was 6 percent. The projection of cash flows used to determine the discount rate assumed that County contributions will be made at the current contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. For projected benefits that are covered by projected assets, the long-term expected rate was used to discount the projected benefits. From the year that the benefit payments were not projected to be covered by the projected assets (the "depletion date"), projected benefits were discounted at a discount rate reflecting a 20-year AA/Aa tax-exempt municipal bond yield. A single equivalent discount rate that yields the same present value of benefits is calculated. This discount rate is used to determine the total OPEB liability. As of December 31, 2016, the discount rate used to value OPEB liabilities was 4.0%

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### ***Sensitivity of the Net OPEB Liability to Changes in the Discount Rate***

The following presents the net OPEB liability of the County, calculated using the discount rate of 4% percent, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3 percent) or 1-percentage point higher (5 percent) than the current rate:

	One percent decrease (3%)	Current discount rate (4%)	One percent increase (5%)
Total pension liability	\$3,111,522	\$2,771,988	\$2,487,546
Fiduciary net position	(256,131)	(256,131)	(256,131)
Net pension liability	<u>\$2,855,391</u>	<u>\$2,515,857</u>	<u>\$2,231,415</u>

#### ***Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate***

The following presents the net OPEB liability of the County, calculated using the healthcare trend rate of 6.5% in 2017 graded to 4% in 2021, as well as what the County's net OPEB liability would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage point higher than the current rate:

	One Percent Decrease (-1%)	Current Healthcare Cost Trend Rate	One Percent Increase (+1%)
Total pension liability	\$2,465,935	\$2,771,988	\$3,151,178
Fiduciary net position	(256,131)	(256,131)	(256,131)
Net pension liability	<u>\$2,209,804</u>	<u>\$2,515,857</u>	<u>\$2,895,047</u>

#### ***Changes in the Net OPEB Liability of the County***

The components of the change in the net OPEB liability of the County were as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balance at December 31, 2016	\$7,704,334	\$ -	\$7,704,334
Changes for the Year:			
Service Costs	304,568	-	304,568
Interest	315,023	-	315,023
Benefit Changes	(40,269)	-	(40,269)
Differences between expected and actual experience	(82,134)	-	(82,134)
Change in actuarial assumptions	(5,296,210)	-	(5,296,210)
Contributions	-	383,324	(383,324)
Net investment Income	-	6,254	(6,254)
Benefit payments, including refunds	(133,324)	(133,324)	-
Administrative Expenses	-	(123)	123
Net changes	<u>(4,932,346)</u>	<u>256,131</u>	<u>(5,188,477)</u>
Balance at December 31, 2017	<u>\$2,771,988</u>	<u>\$256,131</u>	<u>\$2,515,857</u>

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### **Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2017, the County recognized OPEB expense of \$(41,849). At December 31, 2017, the County reported pension-related deferred outflows of resources and deferred inflows of resources from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
Difference between expected and actual experience	\$ -	\$ 76,493	\$ (76,493)
Changes of Assumptions	-	4,932,459	(4,932,459)
Investment Earnings (Gains)/Losses	2,997	-	2,997
<b>Total</b>	<b>\$2,997</b>	<b>\$5,008,952</b>	<b>\$ (5,005,955)</b>

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

<b><u>Year Ending December 31</u></b>	<b><u>Amount</u></b>
2018	\$ (368,643)
2019	(368,643)
2020	(368,643)
2021	(368,642)
2022	(369,392)
Thereafter	(3,161,992)
<b>Total</b>	<b><u>\$ (5,005,955)</u></b>

#### **Defined Benefit Plan – Grand Traverse Pavilions**

##### ***Plan Description***

**Grand Traverse Pavilions Retiree Health Insurance Plan** is a single employer defined benefit OPEB plan sponsored and administered by Grand Traverse Pavilions. The plan is unfunded and a trust has not been established.

The Plan provides single coverage health insurance benefits for retirees based on bargaining unit, hire date and years of service. The plan is closed to new participant. Benefit provisions may be amended by the Plan administrator as impacted by bargaining agreements. Separate financial statements are not issued for the Plan.

##### ***Plan Membership***

At January 1, 2016, the date of the most recent actuarial valuation, participants included the following:

Active plan members	302
Retirees and Beneficiaries	37
<b>Total participants</b>	<b><u>339</u></b>

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Contributions

The contributions of member and employees are established by action of the Pavilions pursuant to the applicable collective bargaining and employment agreements. The required contribution rates of the employer and members vary depending on the applicable agreement. The Pavilions has contributed sufficiently to the plan to satisfy current obligations on a pay-as-you-go basis. The Pavilions cover the cost of administering the plan.

<u>Fiscal Year Ended</u>	<u>Actuarial Required Contribution</u>	<u>Actual Contribution</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation</u>
12/31/15	\$405,076	\$56,711	14.0%	\$ 1,030,470
12/31/16	495,910	43,340	8.7%	1,471,452
12/31/17	518,025	62,104	12.0%	1,914,079

#### Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio Total</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
1/1/16	\$0	\$5,631,381	\$5,631,381	0%	n/a	n/a

#### Net OPEB Obligation of the Pavilions

The components of the net OPEB obligation of the Pavilions at December 31, 2017, were as follows:

Annual required contribution	\$ 518,025
Interest on Net OPEB obligation	42,864
Adjustment to annual required Contribution	(56,158)
Annual OPEB cost (expense)	504,731
Contribution made	62,104
Increase (decrease) in net OPEB Obligation	442,627
Net OPEB obligation, beginning of Year	1,471,452
Net OPEB obligation, end of year	\$ 1,914,079

#### Actuarial Assumptions

In the January 1, 2016 actuarial valuation, the individual entry-age actuarial cost method was used. The assumptions were as follows:

Actuarial Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

In the January 1, 2016 actuarial valuation, the individual entry-age actuarial cost method was used. The actuarial assumptions included a 3.0% investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets, and an annual healthcare cost trend inflation rate of from 8.4% to 4.2%. The UAAL is being amortized as a level percentage of projected payroll over 30 years.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

#### Defined Benefit Plan – Road Commission

The Commission provides health care benefits to retirees and their survivor as established by resolution of the County Road Commission. Under the Plan, a \$500 monthly stipend is provided to early retirees for health care expenses until age 65 (Medicare eligible). Retirees age 65 and older receive a \$112/\$224 monthly stipend for gap insurance. At December 31, 2016 the plan provided benefits to 47 retirees and 13 survivors. The plan is not open to active employees. During the year, the Commission contributed \$159,128 to the Plan.

The following table shows the components of the Commissions annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Commission OPEB obligation to the plan.

Annual required contribution	\$ 90,845
Interest on Net OPEB obligation	93,556
Adjustment to annual required contribution	(225,218)
Annual OPEB cost (expense)	(40,817)
Contribution made	159,128
Increase (decrease) in net OPEB obligation	(199,945)
Net OPEB obligation, beginning of year	2,338,906
Net OPEB obligation, end of year	\$2,138,961

#### Three-Year Trend Information

<u>Fiscal Year Ending</u>	<u>Actuarial Required Contribution</u>	<u>Employer Contribution</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation</u>
12/31/15	\$ 90,845	\$172,670	175%	\$2,546,289
12/31/16	97,580	175,032	179%	2,338,906
12/31/17	264,348	159,128	48%	2,138,961

#### Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Market Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio Total</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
12/31/16	\$155,960	\$1,224,136	\$1,068,176	12.7%	n/a	n/a

# **GRAND TRAVERSE COUNTY**

## ***NOTES TO THE FINANCIAL STATEMENTS***

### ***FOR THE YEAR ENDED DECEMBER 31, 2017***

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Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. The Commission is currently funding the plan based on its discretion.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculation.

In the December 31, 2016, actuarial valuation, the projected unit credit actuarial cost method, level dollar, and closed amortization method were used. The remaining amortization period at December 31, 2016, was 14 years. The actuarial assumptions included a 4% return on plan assets and a discount rate of 4%.

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

#### **Defined Contribution Plan – Road Commission**

The Road Commission administers a single-employer defined contribution Retirement Health Savings account (the Retiree Health Savings Plan). The Commission contributes \$80 monthly to a healthcare savings plan (HCSP) for all fulltime employees. In addition, the commission provided additional one-time contributions during 2016. The Commission plan contribution requirements were established and may be amended under the authority of the Board of County Road Commissioners. The Plan has no vesting period. During the year the commission contributed \$27,840 to the plan.



# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### 9. LONG-TERM DEBT

The following is a summary of the debt transactions for the year ended December 31, 2017:

	<u>Balance January 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2017</u>	<u>Due Within One Year</u>
<b>Governmental Activities</b>					
\$6,170,000 2012 County Building Authority Hall of Justice Refunding Bonds; due in annual installments of \$420,000 to \$560,000 through May 2025; interest rate of 2.000% to 3.125%	\$ 4,510,000	\$ -	\$ 440,000	\$ 4,070,000	\$ 460,000
\$5,000,000 2012 County Building Authority Health Department Development Bonds; due in annual installments of \$150,000 to \$310,000 through December 2036; interest rate of 2.0% to 4.0%	4,285,000	-	150,000	4,135,000	155,000
\$3,500,000 2017 County Building Authority Pavilion Bonds; due in annual installments of \$115,000 to \$235,000 through November 2037; interest rate of 3.0% to 3.65%	-	3,500,000	-	3,500,000	115,000
<b>Total</b>	<b>8,795,000</b>	<b>3,500,000</b>	<b>590,000</b>	<b>11,705,000</b>	<b>730,000</b>
Bond discounts	(38,896)	-	(1,852)	(37,044)	-
Accrued compensated absences	1,482,647	137,798	159,790	1,460,655	-
<b>Total Governmental Activities</b>	<b>\$10,238,751</b>	<b>\$3,637,798</b>	<b>\$ 747,938</b>	<b>\$ 13,128,611</b>	<b>\$ 730,000</b>

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Balance January 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2017</u>	<u>Due Within One Year</u>
<b>Business-type Activities</b>					
\$3,745,000 2007 County Building Authority Pavilions Refunding Bonds; due in annual installments of \$35,000 to \$270,000 through May 2031; interest rate of 4.000% to 4.375%	\$3,210,000	\$ -	\$3,210,000	\$ -	\$ -
\$3,745,000 2017 County Building Authority Pavilions Refunding Bonds; due in annual installments of \$35,000 to \$270,000 through May 2031; interest rate of 2.000% to 3.125%	-	3,210,000	-	3,210,000	225,000
Total	3,210,000	3,210,000	3,210,000	3,210,000	225,000
Bond premiums	328	-	328	-	-
Accrued compensated absences	575,954	105,589	8,297	673,246	-
Deferred charge	-	91,102	6,507	84,595	-
<b>Total Business-type Activities</b>	<b>\$3,786,282</b>	<b>\$3,406,691</b>	<b>\$3,225,132</b>	<b>\$ 3,967,841</b>	<b>\$ 225,000</b>
<b>Component Unit – Road Commission</b>					
\$945,000 2015 Michigan Transportation Fund Series Bond; due in variable annual installments through September 2030; interest rate of .65% to 3.50%	\$ 915,000	\$ -	\$ 50,000	\$ 865,000	\$ 55,000
\$1,659,000 2013 Fifth Third August Equipment Lease; due in variable monthly installments through August 2018; interest rate of 1.53%	567,152	-	338,555	228,597	228,597
Total	1,482,152	-	388,555	1,093,597	283,597
Accrued compensated absences	120,931	31,392	48,783	103,540	103,540
<b>Total Component Unit – Road Commission</b>	<b>\$1,603,083</b>	<b>\$ 31,392</b>	<b>\$ 437,338</b>	<b>\$ 1,197,137</b>	<b>\$ 387,137</b>
<b>Component Unit – Drain Commission</b>					
\$300,000 2015 Cass Road Drain Note; due June 2017 plus interest at 1.7%	\$ 300,000	\$ -	\$ 300,000	\$ -	\$ -

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

	Balance January 1, 2017	Additions	Deletions	Balance December 31, 2017	Due Within One Year
<b>Component Unit – Brownfield Redevelopment Authority</b>					
\$886,591 2006 MI Environmental Quality Redemption Loan; due in annual installments of \$45,523 to \$49,275 through August 2021; interest rate of 2.0%	\$ 233,902	\$ -	\$ 44,946	\$ 188,956	\$ 45,845
\$1,000,000 2009 MI Environmental Quality Redemption Loan; due in annual installments of \$83,822 to \$98,210 through June 2027; interest rate of 2.0%	733,826	-	85,498	648,328	87,702
\$863,395 2012 MI Environmental Quality Redemption Loan; due in annual installments of \$72,779 to \$84,463 through August 2027; interest rate of 1.5%	863,395	-	280,000	583,395	54,509
\$1,397,424 2013 MI Environmental Quality Redemption Loan; due in annual installments of \$117,794 to \$134,685 through May 2027; interest rate of 1.5%	1,397,424	-	-	1,397,424	149,289
\$600,000 2013 MI Environmental Quality Redemption Loan; due in annual installments of \$50,576 to \$57,828 through August 2028; interest rate of 1.5%	600,000	-	-	600,000	58,696
\$163,796 2014 MI Environmental Quality Redemption Loan; due in annual installments of \$13,807 to \$15,787 through September 2029; interest rate of 1.5%	163,796	-	46,296	117,500	-
<b>Total Component Unit – Brownfield Redevelopment Authority</b>	<b>\$ 3,992,343</b>	<b>\$ -</b>	<b>\$ 456,740</b>	<b>\$ 3,535,603</b>	<b>\$ 396,041</b>

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

	Balance January 1, 2017	Additions	Deletions	Balance December 31, 2017	Due Within One Year
<b>Component Unit – Department of Public Works</b>					
\$5,015,000 2007 Blair Water System Improvement Refunding Bonds; due in annual installments of \$330,000 to \$410,000 through November 2023; interest rate of 4.000% to 4.625%	\$ 2,715,000	\$ -	\$2,715,000	\$ -	\$ -
\$4,010,000 2017 Blair Water System Improvement Refunding Bonds; due in annual installments of \$380,000 to \$210,000 through November 2032; interest rate of 2.5% to 3%	-	4,010,000	-	4,010,000	380,000
\$2,725,000 2015 Blair Sewer System Improvement Refunding Bonds; due in annual installments of \$255,000 to \$290,000 through November 2025; interest rate of 1.0% to 2.1%	2,455,000	-	260,000	2,195,000	255,000
\$2,895,000 2012 East Bay and Peninsula Sewer/Water Refunding Bonds; due in annual installments of \$255,000 to \$290,000 through November 2023; interest rate of 1.25% to 2.20%	1,870,000	-	265,000	1,605,000	260,000
\$21,470,000 2011 Traverse City Wastewater Treatment Plan Upgrade Refunding Bonds; due in annual installments of \$1,830,000 to \$2,225,000 through May 2022; interest rate of 3.0% to 4.0%	12,190,000	-	1,830,000	10,360,000	1,910,000
\$5,000,000 2016 East Bay Township Water System Improvements, Series 2016 Refunding Bonds; due in annual installments of \$200,000 to \$330,000 through November 35; interest rate of 2.0% to 3.0%	4,800,000	-	200,000	4,600,000	205,000
\$1,300,000 2004 Septage Treatment Facility Refunding Bonds; due in annual installments of \$75,000 through November 2024; interest rate of 3.05% to 5.00%	600,000	-	75,000	525,000	75,000

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Balance January 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2017</u>	<u>Due Within One Year</u>
\$2,381,231 2013 Septage Treatment Facility Note Payable; due in annual installments of \$150,000 through November 2032; interest rate of 2.0%	\$ 1,997,000	\$ -	\$ 110,000	\$ 1,887,000	\$ 110,000
Total	26,627,000	4,010,000	5,455,000	25,182,000	3,195,000
Bond discounts	(6,500)	-	(813)	(5,687)	-
Accrued compensated absences	63,212	-	4,244	58,968	-
<b>Total Component Unit – Department of Public Works</b>	<b>\$26,683,712</b>	<b>\$4,010,000</b>	<b>\$5,458,431</b>	<b>\$25,235,281</b>	<b>\$3,195,000</b>

The annual requirements to amortize all debt outstanding (excluding accrued employee benefits) as of December 31, 2017 are as follows:

<u>Year Ending December 31</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Component Units</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ 730,000	\$ 356,536	\$ 225,000	\$ 74,025	\$ 3,874,638	\$ 798,361
2019	775,000	344,824	225,000	69,525	3,763,185	695,300
2020	785,000	322,774	230,000	64,975	3,843,351	578,092
2021	815,000	300,160	230,000	60,375	3,914,868	455,501
2022	830,000	276,410	230,000	55,775	3,936,872	330,089
2023-2027	3,410,000	1,020,350	1,150,000	204,395	6,072,975	938,281
2028-2032	2,115,000	647,471	920,000	55,702	3,455,311	415,210
2033-2037	2,245,000	237,978	-	-	950,000	57,750
<b>Total</b>	<b>\$11,705,000</b>	<b>\$3,506,503</b>	<b>\$3,210,000</b>	<b>\$584,772</b>	<b>\$29,811,200</b>	<b>\$4,268,584</b>

During fiscal 2017, the County and its component units issued \$3,210,000 and \$4,010,000 of refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for debt service. As a result, \$3,210,000 and \$2,715,000 of refunded bonds were called and the liability has been removed from the statement of net position. A portion of the \$4,010,000 proceeds were used to refund \$2,468,000 of local unit bonds that resulted in additional Department of Public Works long-term receivables. This advanced refunding was undertaken to reduce total debt service payments by \$482,184 and \$318,975 which resulted in an economic gain of \$377,909 and \$250,075, respectively.

The County has pledged its full faith and credit for the repayment of Building Authority Bonds. The County has pledged state revenue sharing payments for the repayment of Brownfield Redevelopment Authority loans. The County and participating municipalities have pledged their full faith and credit for the repayment of Department of Public Works bonds.

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### 10. SHORT-TERM DEBT

The following is a summary of the short-term debt transactions for the year ended December 31, 2017:

	<u>Balance January 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2017</u>
<b>Component Unit – Drain Commission</b>				
\$475,000 2018 Cass Road Drain Note; due December 21, 2018 plus interest at 1.32%	\$ -	\$475,000	\$ -	\$475,000

#### 11. DEFICIT FUND EQUITY

The Building Authority reported deficit unassigned fund balance of \$715,000 in the LaFranier Department of Public Works nonmajor governmental debt service fund. This was the result of the fund receiving a lump sum payment (advance from other funds) in a prior year in order to call the related bonds early which is reduced ratably over the course of the related building rental agreement.

The Woodmere nonmajor governmental debt service fund also reported a deficit unassigned fund balance of \$240,000. This was also the result of the fund receiving a lump sum payment (advance from other funds) in a prior year in order to call the related bonds early which is reduced ratably over the course of the related building rental agreement.

The Motor Pool internal service fund reported an unassigned deficit net position of \$2,719,112. Overall, the total net position for this fund amounted to \$416,230.

The Drain Commission component unit reported a deficit unassigned fund balance of \$28,140 and \$295,058 in the Drain Revolving special revenue and Cass Road Drain Special Assessment capital projects funds respectively.

The Septage Facility fund within the Department of Public Works component unit reported an unrestricted deficit net position of \$1,140,238. Overall, the net position within this fund was \$3,218,331.

#### 12. TAX ABATEMENTS

Certain local units of government 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, provides a tax incentive to manufacturers to enable renovation and expansion of aging facilities, assist in the building of new facilities, and to promote the establishment of high tech facilities. An Industrial Facilities Exemption (IFE) certificate entitles the facility to exemption from ad valorem real and/or personal property taxes for a term of 1-12 years as determined by the local unit of government. The agreements entered into by the local units of government include claw back provisions should the recipient of the tax abatement fail to fully meet its commitments, such as employment levels and timelines for relocation. The IFT is computed at half the local property tax millage rate. This amounts to a reduction in property taxes of approximately 50%. For the year ended December 31, 2017, the County's property tax revenues were reduced by \$54,934 as a result of Industrial Facilities Tax exemptions.

Certain local units of government entered into property tax abatements through the Payments-in-Lieu-of-Tax (PILOT) program related to housing. For the year ended December 31, 2017, the County's property tax revenues were reduced by \$163,588 as a result of this program.

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

### 13. RISK MANAGEMENT

#### *Primary Government*

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the government carries commercial insurance and participates in the Michigan Municipal Risk Management Authority (the Authority). The County is covered for general and auto liability, motor vehicle physical damage and property coverage through the Authority. The Authority has entered into reinsurance agreements providing for loss coverage in excess of the amounts to be retained by the Authority and individual members. The County's risk retention on general liability and auto liability is \$75,000. The limits on auto physical damage are \$15,000 per unit and \$30,000 per occurrence. The retention limits for property coverage are subject to a \$1,000 deductible to be paid by the member. In the event a reinsurance company does not meet its obligation to the Authority, responsibility for payment of any unreimbursed claims will be that of the Authority reinsurance fund. The Authority has retained certain levels of risk rather than obtaining coverage through reinsurance agreements. The Authority established the Authority reinsurance fund in order to participate in the reinsurance agreements. Individual members are provided the same level of coverage previously afforded through a combination of the reinsurance agreements and the reinsurance fund. The claims liabilities reported at year are based on the requirements of GASB Statement No.10, which requires that a liability for claims be reported if it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated.

The change in claims liability for the years ended December 31 is as follows:

<u>Year</u>	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>End of Year Liability</u>
2017	\$16,000	\$174,983	\$ 5,900	\$185,083
2016	25,000	15,000	24,000	16,000

The County reports the activity and its share of the reinsurance fund in the County Insurance internal service fund. The County has had no settled claims resulting from these risks that exceeded their coverage in any of the past three fiscal years. There have been no reductions in insurance coverage from the prior fiscal year.

The County has established a self-insurance program for workers' compensation, which is accounted for in the Fringe Benefits internal service fund. This program is administered by a third-party administrator that provides claims reviews and processing. A specific excess workers' compensation reinsurance policy indemnifies the County up to \$5,000,000 for each loss in excess of the first \$400,000 for all employees except for police officers and drivers who have a \$500,000 retention amount. All applicable funds are charged premiums based on payroll. Settled claims have not exceeded insurance coverage in the history of the self-insurance program. There have been no significant reductions in insurance coverage from the prior fiscal year. The claims liabilities reported at year are based on the requirements of GASB Statement No.10, which requires that a liability for claims be reported if it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated.

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

The changes in the claims liability for the years ended December 31, 2017 and 2016 were as follows:

<u>Year</u>	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>End of Year Liability</u>
2017	\$87,815	\$43,581	\$43,581	\$87,815
2016	40,833	72,865	25,883	87,815

#### Risk Management - Road Commission

The Road Commission is exposed to various risks related to property loss, torts, error and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Road Commission mitigates risk by carrying workers' compensation insurance through the County Road Association Self-Insurance Fund. The Road Commission is also a member of the Michigan County Road Commission Self-Insurance Pool (MCRCSIP). The insurance coverage provided by MCRCSIP includes, but is not limited to, general liability, auto, property insurance, stop loss protection, errors and omissions, trunk line liability and an umbrella policy. The amount the Road Commission pays annually is determined by the Administrator of MCRCSIP and is based on miles of roads, population and prior claim history. In addition to premiums paid, the Road Commission is responsible for the first \$1,000 of legal expense incurred per occasion. All other risk is transferred to MCRCSIP.

#### 14. OPERATING AGREEMENTS AND LEASES

##### Governmental Center

In June 1978, the County entered into an agreement with the City of Traverse City for the joint ownership and operation of the Government Center. Under the terms of the agreement, the City of Traverse City owns 26.39% of the property and the County owns the remaining 73.61%. The County's share of the original building cost was approximately \$2,900,000. Under the terms of a separate agreement, the City of Traverse City reimburses the County for its' pro rata share of operation and maintenance costs.

##### Operating Leases

The County is a lessee under various operating leases for vehicles. Lease expenditures for the year ended December 31, 2017 amounted to \$87,287. Future minimum lease payments for these leases are as follows:

<u>Fiscal Year Ended</u>	<u>Minimum Payment</u>
12/31/18	\$ 87,287
12/31/19	87,287
12/31/20	87,287
12/31/21	34,786
Total	<u>\$236,647</u>



# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

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### 15. JOINT VENTURES/RELATED ORGANIZATIONS

#### Northwestern Regional Airport Commission

The Northwestern Regional Airport Commission (NRAC) consists of representatives from Grand Traverse and Leelanau counties. The NRAC operates and maintains the Cherry Capital Airport in Traverse City, Michigan. By resolution adopted in 1990, Grand Traverse County was granted representation by five members and Leelanau County two members on the NRAC Board. At the same time, Antrim, Benzie and Kalkaska counties were granted the opportunity to join the NRAC with two representatives from Antrim County and one member each from Benzie and Kalkaska counties. As of December 31, 2016, Antrim, Benzie and Kalkaska counties had not joined the NRAC. Separate financial statements for NRAC are available at 144 W. S. Airport Rd. Traverse City, MI 49686.

Financial information as of December 31, 2017 (the most recent audited financial statements) is as follows:

Assets	\$66,991,984
Deferred outflows of resources	332,321
Liabilities	3,333,529
Deferred inflows of resources	153,501
Change in net position	4,701,466

#### Northern Lakes Community Mental Health

Northern Lakes Community Mental Health (NLCMH) was created by joint action of the Boards of Commissioners for the following counties in the State of Michigan: Crawford, Grand Traverse, Leelanau, Missaukee, Roscommon and Wexford. NLCMH operates under the provisions of Act 258 – Public Act of 1974 (the Michigan Mental Health Code), as amended. NLCMH arranges for or provides support and services for persons with developmental disabilities, adults with severe mental illness, children with serious emotional disturbance, and individuals with addictive disorder and substance abuse. The support and services are made available to residents of Crawford, Grand Traverse, Leelanau, Missaukee, Roscommon and Wexford counties who meet eligibility and other criteria. As the community mental health services provider for the previously mentioned counties, NLCMH also serves to represent community members, assure local access, organize and integrate the provision of services, coordinate care, implement public policy, ensure interagency collaboration and preserve public interest. The County contribution to NLCMH for the year was \$682,200. Separate financial statements for NLCMH are available at 105 Hall St. Traverse City, MI 49684.

Financial information as of September 30, 2017 (the most recent audited financial statements) is as follows:

Assets	\$23,572,027
Deferred outflows of resources	1,432,416
Liabilities	14,527,627
Change in net position	(560,147)

# GRAND TRAVERSE COUNTY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

### 16. FUND BALANCES/NET POSITION

Fund balances of governmental funds consisted of the following balances at year end:

	<u>General Fund</u>	<u>Health Fund</u>	<u>Commission on Aging</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental</u>
<b>Nonspendable</b>					
Prepaid items	\$ 12,443	\$ 26,660	\$ -	\$ 15,574	\$ 54,677
Inventories	-	34,574	-	147,063	181,637
Advances to Other Funds	1,359,496	-	-	-	1,359,496
Advances to Component Units	2,339,960	-	-	-	2,339,960
<b>Total Nonspendable</b>	<b>\$3,711,899</b>	<b>\$ 61,234</b>	<b>\$ -</b>	<b>\$ 162,637</b>	<b>\$3,935,770</b>
<b>Restricted</b>					
Commission on Aging	\$ -	\$ -	\$1,575,813	\$ -	\$1,575,813
Local Crime Victims' Rights	-	-	-	18,270	18,270
Veterans Millage	-	-	-	164,428	164,428
Register of Deeds Automation	-	-	-	282,522	282,522
County Law Library	-	-	-	29,210	29,210
Federal Equitable Sharing	-	-	-	8,245	8,245
Concealed Pistol Licensing	-	-	-	66,546	66,546
Criminal Justice Training Act	-	-	-	23,092	23,092
Housing Trust	-	-	-	286,474	286,474
CDBG Housing Grant	-	-	-	1,742,394	1,742,394
EDC Revolving Loan	-	-	-	408,311	408,311
TNT Forfeiture	-	-	-	103,123	103,123
TNT Grant	-	-	-	7,864	7,864
Animal Control	-	-	-	10,467	10,467
Senior Center	-	-	-	627,963	627,963
Building Authority – Pavilion	-	-	-	3,284,234	3,284,234
<b>Total Restricted</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$1,575,813</b>	<b>\$7,063,143</b>	<b>\$8,638,956</b>
<b>Committed</b>					
Health Fund	\$ -	\$1,891,621	\$ -	\$ -	\$ 1,891,621
86 <sup>th</sup> District Court	-	-	-	1	1
County Special Projects	-	-	-	18,323	18,323
Parks and Recreation	-	-	-	76,850	76,850
Central Dispatch/911	-	-	-	1,821	1,821
Maple Bay Development	-	-	-	11,244	11,244
Friend of the Court	-	-	-	1,353,602	1,353,602
Gypsy Moth Suppression	-	-	-	626	626
Corrections P.A. 511	-	-	-	404,528	404,528
Corrections Officers Training	-	-	-	67,362	67,362
Mitchell Creek Water Shed	-	-	-	8,155	8,155
Next Michigan	-	-	-	52,742	52,742
Capital Improvements	-	-	-	1,089,156	1,089,156
Capital Projects	-	-	-	408,992	408,992
<b>Total Committed</b>	<b>-</b>	<b>\$1,891,621</b>	<b>\$ -</b>	<b>\$3,493,402</b>	<b>\$ 5,385,023</b>
<b>Unassigned</b>	<b>\$8,214,689</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (955,000)</b>	<b>\$7,259,689</b>

**GRAND TRAVERSE COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

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Net position of governmental activities was restricted for the following purposes at year end:

Building Authority – Pavilions	\$3,284,234
CDBG Housing Grant	1,742,394
Commission on Aging	1,575,813
Senior Center	627,963
EDC Revolving Loan	408,311
Housing Trust	286,474
Register of Deeds	282,522
Veterans Millage	164,428
TNT Forfeiture	103,123
Concealed Pistol Licensing	66,546
County Law Library	29,210
Criminal Justice Training Act	23,092
Local Crime Victims' Rights	18,270
Animal Control	10,467
Other	16,109
Total	<u>\$8,638,956</u>

**17. COMMITMENTS**

At year-end, the County had outstanding commitments of approximately \$3.3 million for Pavilions building improvements to be funded with 2017 Building Authority Pavilions bond proceeds.

**18. CONDUIT DEBT**

At year end, the County had outstanding conduit debt for which the County had no responsibility for repayment as follows:

- Loan to Montessori Children's House with a balance of \$2,508,137
- Loan to YMCA with a balance of \$3,579,059

**19. CONTINGENCIES**

In the normal course of its operations, the County has become a party in various legal actions, including property tax appeals. Management of the County is of the opinion that the outcome of such actions will not have a material effect on the financial position of the County. Amounts reserved for losses related to legal actions have not been included as a liability in the financial statements.

Under the terms of various Federal and State grants and regulatory requirements, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants and requirements. Such audits could lead to reimbursement to the grantor or regulatory agencies. However, management believes such disallowances, if any, will not be material to the financial position of the County.

**20. SUBSEQUENT EVENT**

Subsequent to December 31, 2017 the County issued Grand Traverse County Michigan Transportation Fund Bonds in the amount of \$3,600,000.

# **GRAND TRAVERSE COUNTY**

## ***NOTES TO THE FINANCIAL STATEMENTS***

***FOR THE YEAR ENDED DECEMBER 31, 2017***

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### **21. PRIOR PERIOD ADJUSTMENT**

Beginning net position of governmental activities was decreased by \$4,555,063 to record the County net OPEB liability at December 31, 2016 as required by the guidance provided for implementing GASB Statement No. 75.

Beginning net position of the Brownfield Redevelopment Authority was increased by \$3,250,750 to reflect long-term receivables associated with redevelopment projects that had not previously been reported.

Beginning net position of the Drain Commissioner component unit was increased by \$256,941 to reflect construction in progress at December 31, 2016.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

# GRAND TRAVERSE COUNTY

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

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive</u> <u>(Negative)</u>
<b>Revenues</b>				
Property taxes	\$ 22,968,526	\$ 22,968,526	\$ 24,382,630	\$ 1,414,104
Intergovernmental revenues				
Federal	700	73,200	91,441	18,241
State	3,556,367	3,631,469	3,647,247	15,778
Local	1,578,138	1,595,056	1,503,267	(91,789)
Licenses and permits	197,000	197,000	217,610	20,610
Charges for services	4,888,904	4,736,854	4,445,442	(291,412)
Fines and forfeitures	111,500	111,500	97,463	(14,037)
Reimbursements	2,351,430	2,352,980	2,413,540	60,560
Rental	554,435	554,435	550,678	(3,757)
Interest	133,495	133,495	182,000	48,505
Miscellaneous	-	-	470	470
<b>Total revenues</b>	<u>36,340,495</u>	<u>36,354,515</u>	<u>37,531,788</u>	<u>1,177,273</u>
<b>Expenditures</b>				
Current				
Legislative	250,551	255,800	234,175	21,625
Judicial	2,448,936	2,366,067	2,247,601	118,466
General government	9,274,955	9,171,450	8,786,059	385,391
Public safety	13,354,444	13,227,510	13,006,167	221,343
Public works	254,153	239,401	228,223	11,178
Health and welfare	412,488	434,886	433,823	1,063
Unallocated benefits and insurance	-	4,892,234	4,892,234	-
Debt service				
Capital outlay	105,000	431,200	304,911	126,289
<b>Total expenditures</b>	<u>26,100,527</u>	<u>31,018,548</u>	<u>30,133,193</u>	<u>885,355</u>
<b>Revenues over (under) expenditures</b>	<u>10,239,968</u>	<u>5,335,967</u>	<u>7,398,595</u>	<u>2,062,628</u>
Other financing sources (uses)				
Sales of capital assets	8,000	248,523	254,782	6,259
Transfers in	775,620	2,848,096	2,848,095	(1)
Transfers out	(11,023,127)	(11,336,935)	(10,920,586)	416,349
Total other financing sources (uses)	<u>(10,239,507)</u>	<u>(8,240,316)</u>	<u>(7,817,709)</u>	<u>422,607</u>
Net changes in fund balance	461	(2,904,349)	(419,114)	2,485,235
<b>Fund balance, beginning of year</b>	<u>12,345,702</u>	<u>12,345,702</u>	<u>12,345,702</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 12,346,163</u>	<u>\$ 9,441,353</u>	<u>\$ 11,926,588</u>	<u>\$ 2,485,235</u>

# GRAND TRAVERSE COUNTY

## HEALTH DEPARTMENT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget Amounts		Actual	Variance
	Original	Final	Amount	Positive (Negative)
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ 1,322,564	\$ 1,375,909	\$ 1,275,096	\$ (100,813)
State	1,722,719	1,766,219	2,027,401	261,182
Local	266,259	296,309	295,664	(645)
Licenses and permits	371,350	432,100	417,427	(14,673)
Charges for services	144,100	178,050	169,427	(8,623)
Reimbursements	634,250	674,515	577,029	(97,486)
Interest	-	-	2,506	2,506
Miscellaneous	-	-	518	518
<b>Total revenues</b>	<u>4,461,242</u>	<u>4,723,102</u>	<u>4,765,068</u>	<u>41,966</u>
<b>Expenditures</b>				
Current				
Health and welfare	7,776,026	8,345,447	6,213,658	2,131,789
Capital outlay	-	56,051	56,048	3
<b>Total expenditures</b>	<u>7,776,026</u>	<u>8,401,498</u>	<u>6,269,706</u>	<u>2,131,792</u>
<b>Revenues over (under) expenditures</b>	<u>(3,314,784)</u>	<u>(3,678,396)</u>	<u>(1,504,638)</u>	<u>2,173,758</u>
Other financing sources (uses)				
Transfers in	<u>1,269,000</u>	<u>1,269,000</u>	<u>1,474,000</u>	<u>205,000</u>
Net changes in fund balance	<u>(2,045,784)</u>	<u>(2,409,396)</u>	<u>(30,638)</u>	<u>2,378,758</u>
<b>Fund balance, beginning of year</b>	<u>1,983,493</u>	<u>1,983,493</u>	<u>1,983,493</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ (62,291)</u>	<u>\$ (425,903)</u>	<u>\$ 1,952,855</u>	<u>\$ 2,378,758</u>



**GRAND TRAVERSE COUNTY**  
**COMMISSION ON AGING FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive</u> <u>(Negative)</u>
<b>Revenues</b>				
Property taxes	\$ 2,252,044	\$ 2,252,044	\$ 2,364,391	\$ 112,347
Intergovernmental revenues				
Local	22,800	9,800	9,810	10
Charges for services	290,268	290,268	238,479	(51,789)
Reimbursements	-	-	276	276
Interest	6,000	6,000	17,218	11,218
Miscellaneous	40,779	45,204	43,799	(1,405)
<b>Total revenues</b>	<u>2,611,891</u>	<u>2,603,316</u>	<u>2,673,973</u>	<u>70,657</u>
<b>Expenditures</b>				
Current				
Health and welfare	2,689,457	3,566,370	2,974,046	592,324
Capital outlay	67,400	63,900	46,563	17,337
<b>Total expenditures</b>	<u>2,756,857</u>	<u>3,630,270</u>	<u>3,020,609</u>	<u>609,661</u>
Net changes in fund balance	(144,966)	(1,026,954)	(346,636)	680,318
<b>Fund balance, beginning of year</b>	<u>1,922,449</u>	<u>1,922,449</u>	<u>1,922,449</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 1,777,483</u>	<u>\$ 895,495</u>	<u>\$ 1,575,813</u>	<u>\$ 680,318</u>

**Note to required supplementary information**

***Budgets and Budgetary Accounting***

The County adopts an annual budget for the general and each special revenue fund following the basis of accounting required by generally accepted accounting principles. Unexpended appropriations lapse at year-end.

# GRAND TRAVERSE COUNTY

## REQUIRED SUPPLEMENTARY INFORMATION

**FOR THE YEAR ENDED DECEMBER 31, 2017**

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### **GRAND TRAVERSE COUNTY DEFINED BENEFIT PENSION PLAN SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

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	<u><b>2015</b></u>	<u><b>2016</b></u>	<u><b>2017</b></u>
<b>Total pension liability</b>			
Service costs	\$ 548,234	\$ 505,704	\$ 442,309
Interest	6,923,107	7,004,145	7,311,954
Benefit changes	-	-	(798,573)
Difference between expected and actual experience	-	947,500	1,099,991
Assumption changes	-	4,941,688	-
Benefit payments	(6,270,104)	(6,651,752)	(7,191,264)
Other changes	(6,868)	54,865	142,625
	<hr/>	<hr/>	<hr/>
<b>Net change in total pension liability</b>	1,194,369	6,802,150	1,007,042
<b>Total pension liability, beginning of year</b>	<u>86,777,380</u>	<u>87,971,749</u>	<u>94,773,899</u>
<b>Total pension liability, end of year (a)</b>	<u><u>\$ 87,971,749</u></u>	<u><u>\$ 94,773,899</u></u>	<u><u>\$ 95,780,941</u></u>
<b>Plan fiduciary net position</b>			
Contributions - employer	\$ 4,479,187	\$ 4,782,033	\$ 11,014,005
Contributions - member	6,978	5,907	44,784
Net investment income	(589,551)	4,232,341	5,485,938
Benefit payments	(6,270,104)	(6,651,752)	(7,191,294)
Administrative expense	(87,177)	(83,603)	(85,820)
Refunds of contributions	-	-	-
Transfer	-	-	-
Other	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Net change in plan fiduciary net position</b>	(2,460,667)	2,284,926	9,267,613
<b>Plan fiduciary net position, beginning of year</b>	<u>40,610,785</u>	<u>38,150,118</u>	<u>40,435,044</u>
<b>Plan fiduciary net position, end of year (b)</b>	<u><u>\$ 38,150,118</u></u>	<u><u>\$ 40,435,044</u></u>	<u><u>\$ 49,702,657</u></u>
<b>Net pension liability (a-b)</b>	<u><u>\$ 49,821,631</u></u>	<u><u>\$ 54,338,855</u></u>	<u><u>\$ 46,078,284</u></u>
Plan fiduciary net position as a percentage of total pension liability	43.37%	42.66%	51.89%
Covered employee payroll	<u><u>\$ 4,557,937</u></u>	<u><u>\$ 4,213,993</u></u>	<u><u>\$ 3,516,849</u></u>
Net pension liability as a percentage of covered employee payroll	1093.07%	1289.49%	1310.22%

This schedule will be accumulated prospectively until 10 years data is provided.

# GRAND TRAVERSE COUNTY

## REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2017

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### GRAND TRAVERSE COUNTY DEFINED BENEFIT PENSION PLAN SCHEDULE OF EMPLOYER CONTRIBUTIONS

---

<u>Year Ended December 31</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Excess (Deficiency)</u>	<u>Covered Payroll</u>	<u>Percent of Covered Payroll Contributed</u>
2015	\$ 4,479,187	\$ 4,479,187	\$ -	\$ 4,557,937	98.27%
2016	4,782,033	4,782,033	-	4,213,993	113.48%
2017	5,174,005	11,014,005	5,840,000	3,516,849	313.18%

The actuarially determined contribution was based on the amortization of prior service costs. Actual contributions were made to meet funding requirements of the Plan.

#### Notes to schedule of contributions

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of pay, open
Remaining amortization period	21-24 years
Asset valuation method	5-year smoothed
Inflation	2.50%
Salary increases	3.75% in the long-term
Investment rate of return	7.75%, net of investment expense, including inflation
Retirement age	Experience-based tables of rates that are specific to the type of eligibility condition
Mortality	Rates used were based on the RP-2014 Group Annuity Mortality Table of a 50% male and 50% female blend
Other information	Actuarial assumptions were updated in accordance with an experience study for the period of 2015

This schedule will be accumulated prospectively until 10 years data is provided.

**GRAND TRAVERSE COUNTY**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

**GRAND TRAVERSE PAVILIONS DEFINED BENEFIT PENSION PLAN**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

	<u><b>2015</b></u>	<u><b>2016</b></u>	<u><b>2017</b></u>
<b>Total pension liability</b>			
Service costs	\$ 1,277,800	\$ 1,365,747	\$ 1,348,278
Interest	2,486,886	2,606,420	2,951,871
Benefit changes	-	-	-
Difference between expected and actual experience	-	132,036	(669,008)
Assumption changes	-	1,712,954	-
Benefit payments	(1,334,411)	(1,381,081)	(1,628,394)
Other changes	(14,734)	14,453	(68,705)
	<u>2,415,541</u>	<u>4,450,529</u>	<u>1,934,042</u>
<b>Net change in total pension liability</b>			
	<u>30,172,373</u>	<u>32,587,914</u>	<u>37,038,443</u>
<b>Total pension liability, beginning of year</b>			
	<u>\$ 32,587,914</u>	<u>\$ 37,038,443</u>	<u>\$ 38,972,485</u>
<b>Total pension liability, end of year (a)</b>			
	<u>\$ 32,587,914</u>	<u>\$ 37,038,443</u>	<u>\$ 38,972,485</u>
<b>Plan fiduciary net position</b>			
Contributions - employer	\$ 1,030,460	\$ 1,124,502	\$ 1,442,859
Contributions - member	727,311	838,781	691,765
Net investment income	(368,610)	2,751,075	3,629,624
Benefit payments	(1,334,411)	(1,381,081)	(1,628,394)
Administrative expense	(52,824)	(54,225)	(57,323)
Refunds of contributions	-	-	-
Transfer	-	-	-
Other	-	-	-
	<u>1,926</u>	<u>3,279,052</u>	<u>4,078,531</u>
<b>Net change in plan fiduciary net position</b>			
	<u>23,748,355</u>	<u>23,750,281</u>	<u>27,029,333</u>
<b>Plan fiduciary net position, beginning of year</b>			
	<u>\$ 23,750,281</u>	<u>\$ 27,029,333</u>	<u>\$ 31,107,864</u>
<b>Plan fiduciary net position, end of year (b)</b>			
	<u>\$ 23,750,281</u>	<u>\$ 27,029,333</u>	<u>\$ 31,107,864</u>
<b>Net pension liability (a-b)</b>			
	<u>\$ 8,837,633</u>	<u>\$ 10,009,110</u>	<u>\$ 7,864,621</u>
Plan fiduciary net position as a percentage of total pension liability	72.88%	72.98%	79.82%
Covered employee payroll	<u>\$ 13,864,604</u>	<u>\$ 15,117,289</u>	<u>\$ 14,936,116</u>
Net pension liability as a percentage of covered employee payroll	63.74%	66.21%	52.66%

This schedule will be accumulated prospectively until 10 years data is provided.

# GRAND TRAVERSE COUNTY

## REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2017

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### GRAND TRAVERSE PAVILIONS DEFINED BENEFIT PENSION PLAN SCHEDULE OF EMPLOYER CONTRIBUTIONS

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<u>Year Ended December 31</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Excess (Deficiency)</u>	<u>Covered Payroll</u>	<u>Percent of Covered Payroll Contributed</u>
2015	\$ 1,030,460	\$ 1,030,460	\$ -	\$ 13,864,604	7.43%
2016	1,124,502	1,124,502	-	15,117,289	7.44%
2017	1,442,859	1,442,859	-	14,936,116	9.66%

The actuarially determined contribution was based on the amortization of prior service costs. Actual contributions were made to meet funding requirements of the Plan.

#### Notes to schedule of contributions

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of pay, open
Remaining amortization period	21-24 years
Asset valuation method	5-year smoothed
Inflation	2.50%
Salary increases	3.75% in the long-term
Investment rate of return	7.75%, net of investment expense, including inflation
Retirement age	Experience-based tables of rates that are specific to the type of eligibility condition
Mortality	Rates used were based on the RP-2014 Group Annuity Mortality Table of a 50% male and 50% female blend
Other information	Actuarial assumptions were updated in accordance with an experience study for the period of 2015

This schedule will be accumulated prospectively until 10 years data is provided.

# GRAND TRAVERSE COUNTY

## REQUIRED SUPPLEMENTARY INFORMATION

**FOR THE YEAR ENDED DECEMBER 31, 2017**

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### GRAND TRAVERSE COUNTY ROAD COMMISSOIN DEFINED BENEFIT PENSION PLAN SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

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	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Total pension liability</b>			
Service costs	\$ 18,465	\$ 8,471	\$ 8,085
Interest	728,316	693,212	717,457
Benefit changes	-	-	-
Difference between expected and actual experience	-	91,234	(207,073)
Assumption changes	-	430,437	-
Benefit payments	(951,391)	(960,311)	(914,379)
Other changes	51,136	17,244	(10,481)
	<hr/>	<hr/>	<hr/>
<b>Net change in total pension liability</b>	(153,474)	280,287	(406,391)
<b>Total pension liability, beginning of year</b>	<hr/> 9,294,541	<hr/> 9,141,067	<hr/> 9,421,354
<b>Total pension liability, end of year (a)</b>	<u>\$ 9,141,067</u>	<u>\$ 9,421,354</u>	<u>\$ 9,014,963</u>
<b>Plan fiduciary net position</b>			
Contributions - employer	\$ 618,432	\$ 1,454,636	\$ 1,447,188
Contributions - member	-	-	-
Net investment income	(84,678)	655,362	862,966
Benefit payments	(951,391)	(960,311)	(914,379)
Administrative expense	(12,553)	(12,834)	(13,667)
Refunds of contributions	-	-	-
Transfer	-	-	-
Other	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Net change in plan fiduciary net position</b>	(430,190)	1,136,853	1,382,108
<b>Plan fiduciary net position, beginning of year</b>	<hr/> 5,883,730	<hr/> 5,453,540	<hr/> 6,590,393
<b>Plan fiduciary net position, end of year (b)</b>	<u>\$ 5,453,540</u>	<u>\$ 6,590,393</u>	<u>\$ 7,972,501</u>
<b>Net pension liability (a-b)</b>	<u>\$ 3,687,527</u>	<u>\$ 2,830,961</u>	<u>\$ 1,042,462</u>
Plan fiduciary net position as a percentage of total pension liability	60%	70%	88%
Covered employee payroll	<u>\$ 226,661</u>	<u>\$ 93,103</u>	<u>\$ 88,257</u>
Net pension liability as a percentage of covered employee payroll	1627%	3041%	1181%

This schedule will be accumulated prospectively until 10 years data is provided.

# GRAND TRAVERSE COUNTY

## REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2017

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### GRAND TRAVERSE COUNTY ROAD COMMISSION DEFINED BENEFIT PENSION PLAN SCHEDULE OF EMPLOYER CONTRIBUTIONS

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<u>Year Ended December 31</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Excess (Deficiency)</u>	<u>Covered Payroll</u>	<u>Percent of Covered Payroll Contributed</u>
2015	\$ 618,432	\$ 618,432	\$ -	\$ 226,661	273%
2016	654,636	1,454,636	800,000	93,103	1562%
2017	715,668	1,447,188	731,520	88,257	1640%

The actuarially determined contribution was based on the amortization of prior service costs. Actual contributions were made to meet funding requirements of the Plan.

#### Notes to schedule of contributions

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of pay, open
Remaining amortization period	25 years
Asset valuation method	5-year smoothed
Inflation	2.50%
Salary increases	3.75% in the long-term
Investment rate of return	7.75%, net of investment expense, including inflation
Retirement age	Experience-based tables of rates that are specific to the type of eligibility condition
Mortality	Rates used were based on the RP-2014 Group Annuity Mortality Table of a 50% male and 50% female blend
Other information	Actuarial assumptions were updated in accordance with an experience study for the period of 2015

This schedule will be accumulated prospectively until 10 years data is provided.

**GRAND TRAVERSE COUNTY**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

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**GRAND TRAVERSE COUNTY RETIREE OPEB PLAN**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**

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	<u><b>2017</b></u>
<b>Total pension liability</b>	
Service costs	\$ 304,568
Interest	315,023
Benefit changes	(40,269)
Difference between expected and actual experience	(82,134)
Assumption changes	(5,296,210)
Benefit payments	(133,324)
Other changes	<u>-</u>
<b>Net change in total pension liability</b>	(4,932,346)
<b>Total pension liability, beginning of year</b>	<u>7,704,334</u>
<b>Total pension liability, end of year (a)</b>	<u><u>\$ 2,771,988</u></u>
<b>Plan fiduciary net position</b>	
Contributions to OPEB trust	\$ 250,000
Contributions/benefit payments made from general operating funds	133,324
Net investment income	6,254
Benefit payments	(133,324)
Administrative expense	(123)
Refunds of contributions	-
Transfer	-
Other	<u>-</u>
<b>Net change in plan fiduciary net position</b>	256,131
<b>Plan fiduciary net position, beginning of year</b>	<u>-</u>
<b>Plan fiduciary net position, end of year (b)</b>	<u><u>\$ 256,131</u></u>
<b>Net OPEB liability (a-b)</b>	<u><u>\$ 2,515,857</u></u>
Plan fiduciary net position as a percentage of total pension liability	9.24%
Covered employee payroll	<u><u>\$ 9,943,750</u></u>
Net pension liability as a percentage of covered employee payroll	25.30%

This schedule will be accumulated prospectively until 10 years data is provided.



# **GRAND TRAVERSE COUNTY**

## ***REQUIRED SUPPLEMENTARY INFORMATION***

***FOR THE YEAR ENDED DECEMBER 31, 2017***

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### ***GRAND TRAVERSE COUNTY RETIREE OPEB PLAN SCHEDULE OF INVESTMENT RETURNS***

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<b><u>Year Ended December 31</u></b>	<b><u>Annual Return</u></b>
2017	2.40%

This schedule will be accumulated prospectively until 10 years data is provided.

# GRAND TRAVERSE COUNTY

## REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2017

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### GRAND TRAVERSE COUNTY RETIREE OPEB PLAN SCHEDULE OF EMPLOYER CONTRIBUTIONS

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<u>Year Ended December 31</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Excess (Deficiency)</u>	<u>Covered Payroll</u>	<u>Percent of Covered Payroll Contributed</u>
2017	\$ 665,740	\$ 383,324	(282,416)	\$ 9,943,750	-2.84%

#### Notes to schedule of contributions

Actuarial cost method	Entry-age normal
Amortization method	Level percentage, closed
Remaining amortization period	14 years (average future service)
Asset valuation method	Market Value
Inflation	2.00%
Salary increases	2.00%
Investment rate of return	6.00%
Retirement age	Experience-based tables of rates
Mortality	SOA RPH-2014 at 2006 projected with MP-2017 Annuitant, Non-Annuitant (sex distinct) Mortality Table

This schedule will be added to prospectively until 10 years data is provided

# GRAND TRAVERSE COUNTY

## REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2017

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### GRAND TRAVERSE COUNTY PAVILIONS OPEB PLAN SCHEDULE OF EMPLOYER CONTRIBUTIONS

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<u>Year Ended December 31</u>	<u>Actuarial Required Contribution</u>	<u>Actual Contribution</u>	<u>Percent of Covered Payroll Contributed</u>	<u>Net OPEB Obligation</u>
2014	\$ 408,138	\$ 58,364	14.3%	\$ 685,886
2015	405,076	56,711	14.0%	1,030,470
2016	495,910	43,340	8.7%	1,471,452
2017	518,025	62,104	12.0%	1,914,079

**GRAND TRAVERSE COUNTY**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

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**GRAND TRAVERSE COUNTY PAVILIONS OPEB PLAN**  
**SCHEDULE OF FUNDING PROGRESS**

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Actuarial Valuation <u>Date</u>	Market Value of Assets <u>(a)</u>	Actuarial Accrued Liability (AAL) <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded Ratio <u>Total</u>	Covered Payroll <u>(c)</u>	UAAL as a Percentage of Covered Payroll <u>((b-a)/c)</u>
12/31/2012	\$ -	\$ 4,843,273	\$ 4,843,273	0.0%	\$ 14,507,965	33.38%
12/31/2014	-	4,720,079	4,720,079	0.0%	14,652,011	32.21%
12/31/2016	-	5,631,381	5,631,381	0.0%	14,131,917	39.85%

# GRAND TRAVERSE COUNTY

## REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2017

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### GRAND TRAVERSE COUNTY ROAD COMMISSION OPEB PLAN SCHEDULE OF EMPLOYER CONTRIBUTIONS

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<u>Year Ended December 31</u>		<u>Actuarial Required Contribution</u>		<u>Actual Contribution</u>	<u>Percentage of ARC Contributed</u>	<u>Net OPEB Obligation</u>
2015	\$	264,348	\$	126,670	48%	\$2,546,289
2016		97,580		175,032	179%	2,338,906
2017		90,845		159,128	175%	3,138,961

**GRAND TRAVERSE COUNTY**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

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**GRAND TRAVERSE COUNTY ROAD COMMISSION OPEB PLAN**  
**SCHEDULE OF FUNDING PROGRESS**

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Actuarial Valuation <u>Date</u>	Market Value of Assets <u>(a)</u>	Actuarial Accrued Liability (AAL) <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded Ratio <u>Total</u>	Covered Payroll <u>(c)</u>	UAAL as a Percentage of Covered Payroll <u>((b-a)/c)</u>
12/31/2008	\$ -	\$ 6,695,670	\$ (6,695,670)	0.0%	not available	not available
12/31/2011	30,000	5,571,962	(5,541,962)	54.0%	not available	not available
12/31/2014	143,983	2,877,173	(2,733,190)	5.0%	not available	not available
12/31/2016	155,960	1,224,136	(1,068,176)	12.74%	not available	not available

**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

# GRAND TRAVERSE COUNTY

## FUND DESCRIPTIONS

### Special Revenue Funds

*13th Circuit Court Fund* - This fund is used to account for revenues received from Grand Traverse, Antrim and Leelanau Counties to cover court activities.

*Local Crime Victims Rights Fund* - This fund is used to account for payments from defendants for LCVR sentencing assessment, to allow timely payments to victims when restitution from defendants is not likely due to incarceration, etc. as determined by Circuit Court Administration.

*86th District Court Fund* - This fund is used to account for revenues received from Grand Traverse, Antrim and Leelanau Counties to cover court activities.

*County Special Projects Fund* - This fund is used to account for grants or other revenue received specifically for County special projects such as trails and the nature center.

*Central Dispatch/911 Fund* - This fund is used to account for revenue received from 911 surcharge fees to be used for central dispatch operations.

*Parks and Recreation Fund* - This fund is used to account for revenue sources generated by County park facilities to cover the cost of corresponding expenditures.

*Maple Bay Development Fund* - This fund is used to account for grants and other revenues received specifically for improvement of the Maple Bay property.

*Friend of the Court Fund* - This fund is used to account for judgment fees, state grants, Title IV-D, charges for services, and revenues received from Grand Traverse, Antrim, and Leelanau Counties used to fund FOC activities.

*Safe Havens Fund* - This fund is used to account for revenues received from the federal government for the supervised visitation and safe exchange program.

*Gypsy Moth Suppression Program Fund* - This fund is used to account for revenues received from property owners and federal and state grants for controlling gypsy moths.

*Veterans Trust Fund* - This fund is used to account for revenue received from the State and County match funds to provide emergency assistance to Michigan veterans.

*Veterans Millage Fund* - This fund is used to account for funds provided by a tax levy for indigent veterans.

*Register of Deeds Automation Fund* - This fund is used to account for the collection of \$5.00 of the total fee collected for each recording, which is used for upgrading technology in the Register of Deeds' Office.



# GRAND TRAVERSE COUNTY

## FUND DESCRIPTIONS

*Corrections P.A. 511 Fund* - This fund is used to account for tether program revenue, appropriations from the general fund and state grant revenue for community corrections programs such as the transition house and tether program.

*County Law Library Fund* - This fund is used to account for revenue received from penal fines and general fund appropriations earmarked for maintaining a law library.

*Federal Equitable Sharing Fund* - This fund is used to account for revenue received from the United States Treasury/IRS for a portion of properties seized/confiscated during a federal investigation. Revenue is to be used for law enforcement purposes.

*Concealed Pistol Licensing Fund* - This fund is used to account for revenue received from concealed pistol licensing fees to be used for law enforcement activities.

*Corrections Officers Training Fund* - This fund is used to account for revenue received from inmate booking fees to be used for costs relating to the continuing education, certification, recertification, and training of local correction officers.

*Criminal Justice Training Act Fund* - This fund is used to account for state grant revenue to help continue law enforcement employee training.

*Mitchell Creek Watershed Fund* - This fund is used to account for the DEQ Coastal Management state grant and County funds for improvement of the Mitchell Creek Watershed.

*Housing Trust Fund* - This fund is used to account for HUD grant revenue and County contributions for affordable housing, corridor revitalization plans, and housing inventory/assessment.

*CDBG Housing Grant Fund* - This fund accounts for federal Community Development Block Grant (CDBG) funds provided to the County and program income for the rehabilitation of owner-occupied, single family residential units in the County.

*Next Michigan Fund* - This fund is used to account for economic development activities relating to the expansion and attraction of businesses that ship goods by two or more modes of transportation.

*EDC Revolving Loan Fund* - This fund is used to account for interest revenue and principal repayments from EDC loans to help promote economic development within the County.

*TNT Forfeiture Fund* - This fund is used to account for revenue generated by multijurisdictional drug task force activities.

*TNT Grant Fund* - This fund is used to account for revenue generated by federal grant funding for the TNT program.

# GRAND TRAVERSE COUNTY

## FUND DESCRIPTIONS

*Child Care Fund* - This fund is used to account for revenues received from the general fund, federal and state grants, private agencies, and individuals to provide care, guidance, and control of children coming under the jurisdiction of the Family Division of the 13th Circuit Court.

*Animal Control Fund* – This fund is used to account for revenues generated from licenses as well as the related animal control service expenditures.

*Senior Center Fund* – This fund is used to account for a dedicated millage, as well as charges for services, for activities within the County for senior citizens.

### Debt Service Funds

*Building Authority LaFranier DPW Debt Fund* - This fund was established to accumulate resources to meet the annual debt service requirements for the bond issued to construct the Public Services Building and to construct an addition to the DPW shop.

*Woodmere Debt Fund* - This fund was established to accumulate resources to meet the annual debt service requirements for the bond issued to purchase and renovate the Woodmere Law Enforcement Building.

*Courthouse Debt Fund* - This fund was established to accumulate resources to meet the annual debt service requirements for the bond issued to build the new Hall of Justice Building.

Building Authority – Pavilion - This fund was established to accumulate resources from the rent on County facilities that is used to service annual debt service requirements on the related facilities.

*Health Services Debt Fund* - This fund was established to accumulate resources to meet the annual debt service requirements for the bond issued to build the new Health Services Building.

### Capital Projects Funds

*County Facilities Fund* - This fund was established to account for the cost of maintaining and operating County facilities.

Building Authority – Pavilion - This fund was established to account for the construction of County facilities financed with bond proceeds.

*Capital Improvement Fund* - This fund was established to accumulate resources for infrastructure, capital improvements, major repairs, and maintenance expenditures.

# GRAND TRAVERSE COUNTY

## FUND DESCRIPTIONS

### Enterprise Funds

*Homestead Fund* - This fund is used to account for interest earned on delinquent tax revenues from properties determined not eligible for homestead exemptions. Collected tax payments are remitted to local school districts.

*Inspections Fund* - This fund was established to account for revenue received by the individual construction code trades through permit fees and charges for service and track the corresponding expenditures by trade.

*Foreclosure Tax Collection Fund* - This fund was established to account for the collection of tax revenue on foreclosed properties.

*Solid Waste Fund* - This fund was established to account for revenue received from fees for landfill tipping, tub grinder fees, service fees and state grants for hazardous waste and pesticide management to provide corresponding services to the community.

*Homestead Fund* - This fund is used to account for interest earned on delinquent tax revenues from properties determined not eligible for homestead exemptions. Collected tax payments are remitted to local school districts.

*Building Authority Fund* - This fund was established to account for the operation of public facilities by the Building Authority board.

### Internal Service Funds

*Information Technology Fund* - This fund was established by the County to account for the cost of the IT and telecommunications department and properly distribute the cost back to the departments that utilize their service proportionately.

*County Insurance Fund* - This fund was established by the County to provide insurance coverage to its departments or funds for general liability insurance. It is funded by charges to the various funds covered under the program, with all claims being paid from the fund.

*Fringe Benefits Fund* - This fund was established by the County to provide insurance coverage and fringe benefits to its departments or funds for healthcare, post-employment healthcare, workers' compensation, short-term and long-term disability, life insurance, MERS and defined contribution retirement plan costs. It is funded by charges to the various funds covered under the program, with all claims/costs being paid from the fund.

*Central Services Fund* - This fund was established by the County to centralize the purchase of supply items to obtain a volume discount, perform the postage and mailing tasks for all departments, and purchase and maintain departmental copiers.

*Motor Pool Fund* - This fund was established by the County to track the purchase of County vehicles and maintain the inventory for insurance and depreciation purposes.

# GRAND TRAVERSE COUNTY

## FUND DESCRIPTIONS

### Fiduciary Funds

*Trust and Agency Fund* - This fund accounts for money held by the County in trust for other local units of government and their political subdivisions as well as some receipts that are not initially allocated to individual funds. As required by accounting principles generally accepted in the United States of America (GAAP), all monies that accrue to the benefit of the County have been allocated to the appropriate funds within these financial statements. Any balance remaining in the Trust and Agency fund is held in a fiduciary capacity for other parties.

*Inmate Trust Fund* - This fund was established to account for the profits accruing from the inmate commissary activities in the county jail. These funds are used mainly to purchase items for common benefit or use by the inmates.

*District Court Trust Fund* - This fund was established to account for bond and other trust money held by the 86th District Court.

*Friend of the Court Trust Fund* - This fund accounts for escrow funds received until their ultimate disposition or use has been determined.

*Library Fines Fund* - This fund is used to accumulate money collected by courts for fines imposed for State law violations. The accumulated fines must be apportioned annually among the public libraries and county library in accordance with the directions of the State Board for Libraries.

*Water and Sewer Receiving Funds* - These funds were established to account for the user fees collected on the various township sewer and water systems to cover the related maintenance, operating, and debt service costs associated with those systems.

### Component Units

*Land Bank Authority* – Members of the governing body of the Land Bank Authority are appointed by the County Board of Commissioners. The County also has the ability to influence the operations of the Land Bank Authority and has accountability for fiscal matters.

*Brownfield Redevelopment Authority* – The members of the governing board of the Brownfield Redevelopment Authority are appointed by the County Board of Commissioners. They review and approve plans for business development within designated areas of the County where property was once contaminated. Revenues received from local units of government are restricted to pay for site clean-up expenditures and future development depending on the development plan adopted for each project.

# **GRAND TRAVERSE COUNTY**

## ***FUND DESCRIPTIONS***

*Drainage Districts* – Each of the drainage districts established pursuant to the Drain Code of 1956 are separate legal entities, with the power to contract, to sue and be sued, to hold, manage and dispose of real and personal property, etc. The statutory drainage board of Chapter 21 drainage districts consists of the State Director of Agriculture and the Drain Commissioner of each county involved in the project. The County Drain Commissioner has sole responsibility to administer the drainage districts established pursuant to Chapters 3, 4 and 8 of the Drain Code.

The Drainage Board or Drain Commissioner, on behalf of the drainage districts, may issue debt and levy special assessments authorized by the Drain Code without the prior approval of the County Board of Commissioners. The full faith and credit of the County may be given for the debt of the drainage district. The County also has the ability to influence operations of the Drain Commission and has accountability for fiscal matters.

*Department of Public Works (the “DPW”)* - Members of the governing body of the Department of Public Works are appointed by the County Board of Commissioners. The County also has the ability to influence operations of the Department of Public Works and has accountability for fiscal matters.

**GRAND TRAVERSE COUNTY**

**NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET**

**DECEMBER 31, 2017**

	<b>Special Revenue</b>					
	<b>13th Circuit Court</b>	<b>Local Crime Victims Rights</b>	<b>86th District Court</b>	<b>County Special Projects</b>	<b>Central Dispatch/911</b>	<b>Parks and Recreation</b>
<b>Assets</b>						
Cash and pooled investments	\$ -	\$ 18,855	\$ -	\$ 18,323	\$ -	\$ 129,994
Accounts receivable	300,114	-	631,111	-	525,264	15,090
Property tax receivable	-	-	-	-	-	-
Advance to other funds	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	9,252	-	58,498	-
Loans receivable	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Prepaid items	745	-	250	-	-	12,014
<b>Total assets</b>	<b>\$ 300,859</b>	<b>\$ 18,855</b>	<b>\$ 640,613</b>	<b>\$ 18,323</b>	<b>\$ 583,762</b>	<b>\$ 157,098</b>
<b>Liabilities, deferred inflows of resources and fund balances</b>						
<b>Liabilities</b>						
Accounts payable	\$ 50,718	\$ 585	\$ 94,186	\$ -	\$ 17,381	\$ 14,978
Accrued liabilities	4,798	-	27,931	-	29,844	4,450
Unearned revenue	-	-	-	-	-	10,000
Due to other funds	77,518	-	181,617	-	534,716	-
Due to other governments	36,370	-	93,741	-	-	38,806
Advance from other funds	130,710	-	242,887	-	-	-
<b>Total liabilities</b>	<b>300,114</b>	<b>585</b>	<b>640,362</b>	<b>-</b>	<b>581,941</b>	<b>68,234</b>
<b>Deferred inflows of resources</b>						
Taxes levied for subsequent year	-	-	-	-	-	-
<b>Fund balances</b>						
Nonspendable						
Inventory	-	-	-	-	-	-
Prepaid	745	-	250	-	-	12,014
Restricted						
Special revenue funds	-	18,270	-	-	-	-
Capital projects funds	-	-	-	-	-	-
Committed						
Special revenue funds	-	-	1	18,323	1,821	76,850
Debt service funds	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<b>Total fund balances</b>	<b>745</b>	<b>18,270</b>	<b>251</b>	<b>18,323</b>	<b>1,821</b>	<b>88,864</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 300,859</b>	<b>\$ 18,855</b>	<b>\$ 640,613</b>	<b>\$ 18,323</b>	<b>\$ 583,762</b>	<b>\$ 157,098</b>

(continued)

**GRAND TRAVERSE COUNTY**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**DECEMBER 31, 2017**

	<b>Special Revenue</b>					
	<b>Maple Bay Development</b>	<b>Friend of the Court</b>	<b>Gypsy Moth Suppression</b>	<b>Veterans Trust</b>	<b>Veterans Millage</b>	<b>Register of Deeds Automation</b>
<b>Assets</b>						
Cash and pooled investments	\$ 11,244	\$ 1,013,720	\$ 626	\$ -	\$ 239,453	\$ 286,939
Accounts receivable	-	24	-	-	-	-
Property tax receivable	-	-	-	-	511,424	-
Advance to other funds	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Due from other governments	-	389,679	-	-	-	-
Loans receivable	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Prepaid items	-	1,170	-	-	220	-
<b>Total assets</b>	<b>\$ 11,244</b>	<b>\$ 1,404,593</b>	<b>\$ 626</b>	<b>\$ -</b>	<b>\$ 751,097</b>	<b>\$ 286,939</b>
<b>Liabilities, deferred inflows of resources and fund balances</b>						
<b>Liabilities</b>						
Accounts payable	\$ -	\$ 27,937	\$ -	\$ -	\$ 2,646	\$ 4,417
Accrued liabilities	-	21,884	-	-	3,484	-
Unearned revenue	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Advance from other funds	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>49,821</b>	<b>-</b>	<b>-</b>	<b>6,130</b>	<b>4,417</b>
<b>Deferred inflows of resources</b>						
Taxes levied for subsequent year	-	-	-	-	580,319	-
<b>Fund balances</b>						
Nonspendable						
Inventory	-	-	-	-	-	-
Prepaid	-	1,170	-	-	220	-
Restricted						
Special revenue funds	-	-	-	-	164,428	282,522
Capital projects funds	-	-	-	-	-	-
Committed						
Special revenue funds	11,244	1,353,602	626	-	-	-
Capital projects funds	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<b>Total fund balances</b>	<b>11,244</b>	<b>1,354,772</b>	<b>626</b>	<b>-</b>	<b>164,648</b>	<b>282,522</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 11,244</b>	<b>\$ 1,404,593</b>	<b>\$ 626</b>	<b>\$ -</b>	<b>\$ 751,097</b>	<b>\$ 286,939</b>

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**Special Revenue**

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<u>Corrections P.A. 511</u>	<u>County Law Library</u>	<u>Federal Equitable Sharing</u>	<u>Concealed Pistol Licensing</u>	<u>Corrections Officers Training</u>	<u>Criminal Justice Training Act</u>	<u>Mitchell Creek Water Shed</u>
\$ 305,512	\$ 29,210	\$ 8,245	\$ 67,333	\$ 64,501	\$ 23,092	\$ 8,155
8,370	-	-	-	2,861	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
135,185	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
125	-	-	-	-	-	-
<u>\$ 449,192</u>	<u>\$ 29,210</u>	<u>\$ 8,245</u>	<u>\$ 67,333</u>	<u>\$ 67,362</u>	<u>\$ 23,092</u>	<u>\$ 8,155</u>
\$ 38,697	\$ -	\$ -	\$ 538	\$ -	\$ -	\$ -
5,842	-	-	249	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>44,539</u>	<u>-</u>	<u>-</u>	<u>787</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
125	-	-	-	-	-	-
-	29,210	8,245	66,546	-	23,092	-
-	-	-	-	-	-	-
404,528	-	-	-	67,362	-	8,155
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>404,653</u>	<u>29,210</u>	<u>8,245</u>	<u>66,546</u>	<u>67,362</u>	<u>23,092</u>	<u>8,155</u>
<u>\$ 449,192</u>	<u>\$ 29,210</u>	<u>\$ 8,245</u>	<u>\$ 67,333</u>	<u>\$ 67,362</u>	<u>\$ 23,092</u>	<u>\$ 8,155</u>

(continued)



**GRAND TRAVERSE COUNTY**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**DECEMBER 31, 2017**

	<b>Special Revenue</b>					
	<b>Housing Trust</b>	<b>CDGB Housing Grant</b>	<b>Next Michigan</b>	<b>EDC Revolving Loan</b>	<b>TNT Forfeiture</b>	<b>TNT Grant</b>
<b>Assets</b>						
Cash and pooled investments	\$ 231,474	\$ 233,972	\$ 53,807	\$ 132,005	\$ 254,193	\$ -
Accounts receivable	55,000	1,615,862	-	276,338	-	-
Property tax receivable	-	-	-	-	-	-
Advance to other funds	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Due from other governments	-	19,016	-	-	-	20,736
Loans receivable	-	-	-	-	-	-
Inventory	-	-	-	-	147,063	-
Prepaid items	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 286,474</b>	<b>\$ 1,868,850</b>	<b>\$ 53,807</b>	<b>\$ 408,343</b>	<b>\$ 401,256</b>	<b>\$ 20,736</b>
<b>Liabilities, deferred inflows of resources and fund balances</b>						
<b>Liabilities</b>						
Accounts payable	\$ -	\$ 126,456	\$ 1,065	\$ 32	\$ 4,007	\$ -
Accrued liabilities	-	-	-	-	-	1,304
Unearned revenue	-	-	-	-	147,063	-
Due to other funds	-	-	-	-	-	11,568
Due to other governments	-	-	-	-	-	-
Advance from other funds	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>126,456</b>	<b>1,065</b>	<b>32</b>	<b>151,070</b>	<b>12,872</b>
<b>Deferred inflows of resources</b>						
Taxes levied for subsequent year	-	-	-	-	-	-
<b>Fund balances</b>						
Nonspendable						
Inventory	-	-	-	-	147,063	-
Prepaid	-	-	-	-	-	-
Restricted						
Special revenue funds	286,474	1,742,394	-	408,311	103,123	7,864
Capital projects funds	-	-	-	-	-	-
Committed						
Special revenue funds	-	-	52,742	-	-	-
Capital projects funds	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<b>Total fund balances</b>	<b>286,474</b>	<b>1,742,394</b>	<b>52,742</b>	<b>408,311</b>	<b>250,186</b>	<b>7,864</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 286,474</b>	<b>\$ 1,868,850</b>	<b>\$ 53,807</b>	<b>\$ 408,343</b>	<b>\$ 401,256</b>	<b>\$ 20,736</b>

Special Revenue			Debt Service				
<u>Child Care</u>	<u>Animal Control</u>	<u>Senior Center</u>	<u>Building Authority LaFranier DPW</u>	<u>Woodmere</u>	<u>Courthouse</u>	<u>Building Authority - Pavilion</u>	<u>Health Services</u>
\$ -	\$ 13,502	\$ 701,012	\$ -	\$ -	\$ -	\$ -	\$ -
-	8,363	148	-	-	-	215,766	-
-	-	435,005	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
102,495	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	1,050	-	-	-	-	-
<u>\$ 102,495</u>	<u>\$ 21,865</u>	<u>\$ 1,137,215</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 215,766</u>	<u>\$ -</u>
\$ 88,691	\$ 8,022	\$ 18,614	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	4,822	-	-	-	-	-
-	-	-	-	-	-	215,766	-
13,804	-	-	-	-	-	-	-
-	3,376	-	-	-	-	-	-
-	-	-	715,000	240,000	-	-	-
<u>102,495</u>	<u>11,398</u>	<u>23,436</u>	<u>715,000</u>	<u>240,000</u>	<u>-</u>	<u>215,766</u>	<u>-</u>
-	-	484,766	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	1,050	-	-	-	-	-
-	10,467	627,963	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	(715,000)	(240,000)	-	-	-
<u>-</u>	<u>10,467</u>	<u>629,013</u>	<u>(715,000)</u>	<u>(240,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 102,495</u>	<u>\$ 21,865</u>	<u>\$ 1,137,215</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 215,766</u>	<u>\$ -</u>

(continued)

**GRAND TRAVERSE COUNTY**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**DECEMBER 31, 2017**

	<b>Capital Projects</b>			
	<b>County Facilities</b>	<b>Building Authority - Pavilion</b>	<b>Capital Improvement</b>	<b>Total</b>
<b>Assets</b>				
Cash and pooled investments	\$ 558,894	\$ 3,446,317	\$ 1,102,704	\$ 8,953,082
Accounts receivable	61,794	-	-	3,716,105
Property tax receivable	-	-	-	946,429
Advance to other funds	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	734,861
Loans receivable	-	-	-	-
Inventory	-	-	-	147,063
Prepaid items	-	-	-	15,574
<b>Total assets</b>	<b>\$ 620,688</b>	<b>\$ 3,446,317</b>	<b>\$ 1,102,704</b>	<b>\$ 14,513,114</b>
<b>Liabilities, deferred inflows of resources and fund balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 211,696	\$ 153,691	\$ 13,548	\$ 877,905
Accrued liabilities	-	8,392	-	113,000
Unearned revenue	-	-	-	372,829
Due to other funds	-	-	-	819,223
Due to other governments	-	-	-	172,293
Advance from other funds	-	-	-	1,328,597
<b>Total liabilities</b>	<b>211,696</b>	<b>162,083</b>	<b>13,548</b>	<b>3,683,847</b>
<b>Deferred inflows of resources</b>				
Taxes levied for subsequent year	-	-	-	1,065,085
<b>Fund balances</b>				
Nonspendable				
Inventory	-	-	-	147,063
Prepaid	-	-	-	15,574
Restricted				
Special revenue funds	-	-	-	3,778,909
Capital projects funds	-	3,284,234	-	3,284,234
Committed				
Special revenue funds	-	-	-	1,995,254
Capital projects funds	408,992	-	1,089,156	1,498,148
Unassigned	-	-	-	(955,000)
<b>Total fund balances</b>	<b>408,992</b>	<b>3,284,234</b>	<b>1,089,156</b>	<b>9,764,182</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 620,688</b>	<b>\$ 3,446,317</b>	<b>\$ 1,102,704</b>	<b>\$ 14,513,114</b>

(concluded)

**GRAND TRAVERSE COUNTY**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Special Revenue</b>					
	<b>13th Circuit Court</b>	<b>Local Crime Victims Rights</b>	<b>86th District Court</b>	<b>County Special Projects</b>	<b>Central Dispatch/911</b>	<b>Parks and Recreation</b>
<b>Revenues</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues						
Federal	-	-	-	-	-	-
State	-	-	14,040	-	260,468	-
Local	373,336	12,799	803,013	-	2,058,694	2,500
Licenses and permits	-	-	-	-	-	-
Charges for services	-	-	-	-	4,001	183,951
Fines and forfeitures	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Miscellaneous	3,754	-	341	-	16,448	14,579
<b>Total revenues</b>	<b>377,090</b>	<b>12,799</b>	<b>817,394</b>	<b>-</b>	<b>2,339,611</b>	<b>201,030</b>
<b>Expenditures</b>						
Current						
Judicial	1,893,349	9,171	3,758,753	-	-	-
General government	-	-	-	-	-	-
Public safety	-	-	-	-	2,386,953	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	470,875
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	9,160	-	-	9,000	-	172,977
<b>Total expenditures</b>	<b>1,902,509</b>	<b>9,171</b>	<b>3,758,753</b>	<b>9,000</b>	<b>2,386,953</b>	<b>643,852</b>
Revenues over (under) expenditures	(1,525,419)	3,628	(2,941,359)	(9,000)	(47,342)	(442,822)
Other financing sources (uses)						
Issuance of bonds	-	-	-	-	-	-
Transfers in	1,477,504	-	2,941,485	-	47,341	350,664
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	1,477,504	-	2,941,485	-	47,341	350,664
Net changes in fund balances	(47,915)	3,628	126	(9,000)	(1)	(92,158)
<b>Fund balances, beginning of year</b>	<b>48,660</b>	<b>14,642</b>	<b>125</b>	<b>27,323</b>	<b>1,822</b>	<b>181,022</b>
<b>Fund balances, end of year</b>	<b>\$ 745</b>	<b>\$ 18,270</b>	<b>\$ 251</b>	<b>\$ 18,323</b>	<b>\$ 1,821</b>	<b>\$ 88,864</b>

(continued)

# GRAND TRAVERSE COUNTY

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

FOR THE YEAR ENDED DECEMBER 31, 2017

	Special Revenue					
	<u>Maple Bay Development</u>	<u>Friend of the Court</u>	<u>Gypsy Moth Suppression</u>	<u>Veterans Trust</u>	<u>Veterans Millage</u>	<u>Register of Deeds Automation</u>
<b>Revenues</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	556,672	\$ -
Intergovernmental revenues						
Federal	-	1,373,884	-	-	-	-
State	-	120,859	-	2,529	-	-
Local	-	75,867	-	-	77,869	-
Licenses and permits	-	-	-	-	-	-
Charges for services	389	201,541	-	-	-	117,578
Fines and forfeitures	-	-	-	-	-	-
Interest	-	-	-	-	1,961	-
Miscellaneous	-	-	-	-	296	-
<b>Total revenues</b>	<u>389</u>	<u>1,772,151</u>	<u>-</u>	<u>2,529</u>	<u>636,798</u>	<u>117,578</u>
<b>Expenditures</b>						
Current						
Judicial	-	2,079,027	-	-	-	-
General government	-	-	-	-	-	100,098
Public safety	-	-	-	-	-	-
Health and welfare	-	-	-	11,691	472,150	-
Economic development	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>2,079,027</u>	<u>-</u>	<u>11,691</u>	<u>472,150</u>	<u>100,098</u>
Revenues over (under) expenditures	<u>389</u>	<u>(306,876)</u>	<u>-</u>	<u>(9,162)</u>	<u>164,648</u>	<u>17,480</u>
Other financing sources (uses)						
Issuance of bonds	-	-	-	-	-	-
Transfers in	-	213,610	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>213,610</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	389	(93,266)	-	(9,162)	164,648	17,480
<b>Fund balances, beginning of year</b>	<u>10,855</u>	<u>1,448,038</u>	<u>626</u>	<u>9,162</u>	<u>-</u>	<u>265,042</u>
<b>Fund balances, end of year</b>	<u>\$ 11,244</u>	<u>\$ 1,354,772</u>	<u>\$ 626</u>	<u>\$ -</u>	<u>\$ 164,648</u>	<u>\$ 282,522</u>

**Special Revenue**

<b><u>Corrections P.A. 511</u></b>	<b><u>County Law Library</u></b>	<b><u>Federal Equitable Sharing</u></b>	<b><u>Concealed Pistol Licensing</u></b>	<b><u>Corrections Officers Training</u></b>	<b><u>Criminal Justice Training Act</u></b>	<b><u>Mitchell Creek Water Shed</u></b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
323,932	-	-	-	-	11,363	-
21,564	-	-	-	-	-	-
-	-	-	44,777	-	-	-
468,889	-	-	-	35,739	-	-
-	6,500	-	-	-	-	-
-	-	53	-	-	-	-
25,630	-	-	-	37,000	-	-
<u>840,015</u>	<u>6,500</u>	<u>53</u>	<u>44,777</u>	<u>72,739</u>	<u>11,363</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
842,614	-	-	21,541	47,617	12,097	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>842,614</u>	<u>-</u>	<u>-</u>	<u>21,541</u>	<u>47,617</u>	<u>12,097</u>	<u>-</u>
<u>(2,599)</u>	<u>6,500</u>	<u>53</u>	<u>23,236</u>	<u>25,122</u>	<u>(734)</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(2,599)</u>	<u>6,500</u>	<u>53</u>	<u>23,236</u>	<u>25,122</u>	<u>(734)</u>	<u>-</u>
<u>407,252</u>	<u>22,710</u>	<u>8,192</u>	<u>43,310</u>	<u>42,240</u>	<u>23,826</u>	<u>8,155</u>
\$ <u>404,653</u>	\$ <u>29,210</u>	\$ <u>8,245</u>	\$ <u>66,546</u>	\$ <u>67,362</u>	\$ <u>23,092</u>	\$ <u>8,155</u>

(continued)

**GRAND TRAVERSE COUNTY**

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

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Special Revenue</u>					
	<u>Housing Trust</u>	<u>CDGB Housing Grant</u>	<u>Next Michigan</u>	<u>EDC Revolving Loan</u>	<u>TNT Forfeiture</u>	<u>TNT Grant</u>
<b>Revenues</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues						
Federal	-	224,613	-	-	-	112,445
State	-	-	-	-	-	-
Local	-	-	25,784	-	1,500	-
Licenses and permits	-	-	-	-	-	-
Charges for services	-	57	2,691	-	-	-
Fines and forfeitures	-	-	-	-	121,825	-
Interest	3,102	-	-	10,546	7	-
Miscellaneous	-	-	-	-	32,017	-
<b>Total revenues</b>	<u>3,102</u>	<u>224,670</u>	<u>28,475</u>	<u>10,546</u>	<u>155,349</u>	<u>112,445</u>
<b>Expenditures</b>						
Current						
Judicial	-	-	-	-	-	-
General government	-	-	-	-	-	-
Public safety	-	-	-	-	82,265	112,444
Health and welfare	-	-	-	-	-	-
Economic development	-	357,813	51,026	294,869	-	-
Parks and recreation	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>357,813</u>	<u>51,026</u>	<u>294,869</u>	<u>82,265</u>	<u>112,444</u>
Revenues over (under) expenditures	<u>3,102</u>	<u>(133,143)</u>	<u>(22,551)</u>	<u>(284,323)</u>	<u>73,084</u>	<u>1</u>
Other financing sources (uses)						
Issuance of bonds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>3,102</u>	<u>(133,143)</u>	<u>(22,551)</u>	<u>(284,323)</u>	<u>73,084</u>	<u>1</u>
<b>Fund balances, beginning of year</b>	<u>283,372</u>	<u>1,875,537</u>	<u>75,293</u>	<u>692,634</u>	<u>177,102</u>	<u>7,863</u>
<b>Fund balances, end of year</b>	<u>\$ 286,474</u>	<u>\$ 1,742,394</u>	<u>\$ 52,742</u>	<u>\$ 408,311</u>	<u>\$ 250,186</u>	<u>\$ 7,864</u>

Special Revenue			Debt Service				
<u>Child Care</u>	<u>Animal Control</u>	<u>Senior Center</u>	<u>Building Authority LaFranier DPW</u>	<u>Woodmere</u>	<u>Courthouse</u>	<u>Building Authority - Pavilion</u>	<u>Health Services</u>
\$ -	\$ -	\$ 472,335	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
550,578	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	118,371	-	-	-	-	-	-
-	11,217	94,865	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	6,667	-	-	-	-	-
177,140	288	7,239	-	-	-	-	-
727,718	129,876	581,106	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	138,622	-	-	-	-	-	-
1,305,938	-	547,918	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	440,000	-	150,000
-	-	-	-	-	127,500	-	141,369
-	-	-	-	-	-	-	-
1,305,938	138,622	547,918	-	-	567,500	-	291,369
(578,220)	(8,746)	33,188	-	-	(567,500)	-	(291,369)
-	-	-	-	-	-	-	-
578,220	-	-	215,000	225,000	567,500	-	291,369
-	-	-	-	-	-	-	-
578,220	-	-	215,000	225,000	567,500	-	291,369
-	(8,746)	33,188	215,000	225,000	-	-	-
-	19,213	595,825	(930,000)	(465,000)	-	-	-
\$ -	\$ 10,467	\$ 629,013	\$ (715,000)	\$ (240,000)	\$ -	\$ -	\$ -

(continued)



# GRAND TRAVERSE COUNTY

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

FOR THE YEAR ENDED DECEMBER 31, 2017

	Capital Projects			
	County Facilities	Building Authority - Pavilion	Capital Improvement	Total
<b>Revenues</b>				
Property taxes	\$ -	\$ -	\$ -	\$ 1,029,007
Intergovernmental revenues				
Federal	-	-	-	1,710,942
State	-	-	-	1,283,769
Local	34,198	-	-	3,487,124
Licenses and permits	-	-	-	163,148
Charges for services	-	-	-	1,120,918
Fines and forfeitures	-	-	-	128,325
Interest	-	573	-	22,909
Miscellaneous	101,381	-	-	416,113
<b>Total revenues</b>	<u>135,579</u>	<u>573</u>	<u>-</u>	<u>9,362,255</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	7,740,300
General government	1,689,809	77,213	-	1,867,120
Public safety	-	-	-	3,644,153
Health and welfare	-	-	-	2,337,697
Economic development	-	-	-	703,708
Parks and recreation	-	-	-	470,875
Debt service				
Principal	-	-	-	590,000
Interest	-	-	-	268,869
Capital outlay	-	139,126	249,400	579,663
<b>Total expenditures</b>	<u>1,689,809</u>	<u>216,339</u>	<u>249,400</u>	<u>18,202,385</u>
Revenues over (under) expenditures	<u>(1,554,230)</u>	<u>(215,766)</u>	<u>(249,400)</u>	<u>(8,840,130)</u>
Other financing sources (uses)				
Issuance of bonds	-	3,500,000	-	3,500,000
Transfers in	1,662,623	-	876,270	9,446,586
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>1,662,623</u>	<u>3,500,000</u>	<u>876,270</u>	<u>12,946,586</u>
Net changes in fund balances	108,393	3,284,234	626,870	4,106,456
<b>Fund balances, beginning of year</b>	<u>300,599</u>	<u>-</u>	<u>462,286</u>	<u>5,657,726</u>
<b>Fund balances, end of year</b>	<u>\$ 408,992</u>	<u>\$ 3,284,234</u>	<u>\$ 1,089,156</u>	<u>\$ 9,764,182</u>

(concluded)

# GRAND TRAVERSE COUNTY

## 13TH CIRCUIT COURT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amount</u></b>	<b><u>Positive (Negative)</u></b>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	485,602	485,602	373,336	(112,266)
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	3,754	3,754
<b>Total revenues</b>	<u>485,602</u>	<u>485,602</u>	<u>377,090</u>	<u>(108,512)</u>
<b>Expenditures</b>				
Current				
Judicial	1,901,407	2,046,407	1,893,349	153,058
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	41,000	21,000	9,160	11,840
<b>Total expenditures</b>	<u>1,942,407</u>	<u>2,067,407</u>	<u>1,902,509</u>	<u>164,898</u>
Revenues over (under) expenditures	<u>(1,456,805)</u>	<u>(1,581,805)</u>	<u>(1,525,419)</u>	<u>56,386</u>
Other financing sources (uses)				
Transfers in	1,456,805	1,581,805	1,477,504	(104,301)
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>1,456,805</u>	<u>1,581,805</u>	<u>1,477,504</u>	<u>(104,301)</u>
Net changes in fund balance	-	-	(47,915)	(47,915)
<b>Fund balance, beginning of year</b>	<u>48,660</u>	<u>48,660</u>	<u>48,660</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 48,660</u>	<u>\$ 48,660</u>	<u>\$ 745</u>	<u>\$ (47,915)</u>

# GRAND TRAVERSE COUNTY

## LOCAL CRIME VICTIMS RIGHTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive</u> <u>(Negative)</u>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	13,000	12,799	(201)
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	-	13,000	12,799	(201)
<b>Expenditures</b>				
Current				
Judicial	-	13,000	9,171	3,829
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	-	13,000	9,171	3,829
Revenues over (under) expenditures	-	-	3,628	3,628
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	-	-	3,628	3,628
<b>Fund balance, beginning of year</b>	14,642	14,642	14,642	-
<b>Fund balance, end of year</b>	<u>\$ 14,642</u>	<u>\$ 14,642</u>	<u>\$ 18,270</u>	<u>\$ 3,628</u>

# GRAND TRAVERSE COUNTY

## 86th DISTRICT COURT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amount</u></b>	<b><u>Positive (Negative)</u></b>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	49,604	14,040	(35,564)
Local	1,025,877	1,025,877	803,013	(222,864)
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	341	341
<b>Total revenues</b>	<b>\$ 1,025,877</b>	<b>\$ 1,075,481</b>	<b>\$ 817,394</b>	<b>\$ (258,087)</b>
<b>Expenditures</b>				
Current				
Judicial	3,998,408	4,148,012	3,758,753	389,259
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<b>3,998,408</b>	<b>4,148,012</b>	<b>3,758,753</b>	<b>389,259</b>
Revenues over (under) expenditures	\$ (2,972,531)	\$ (3,072,531)	\$ (2,941,359)	\$ 131,172
Other financing sources (uses)				
Transfers in	2,972,532	3,072,532	2,941,485	(131,047)
Transfers out	-	-	-	-
Total other financing sources (uses)	2,972,532	3,072,532	2,941,485	(131,047)
Net changes in fund balance	1	1	126	125
<b>Fund balance, beginning of year</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>-</b>
<b>Fund balance, end of year</b>	<b>\$ 126</b>	<b>\$ 126</b>	<b>\$ 251</b>	<b>\$ 125</b>

# GRAND TRAVERSE COUNTY

## COUNTY SPECIAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive</u> <u>(Negative)</u>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	-	-	-	-
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	9,000	9,000	-
<b>Total expenditures</b>	-	9,000	9,000	-
Revenues over (under) expenditures	-	(9,000)	(9,000)	-
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	-	(9,000)	(9,000)	-
<b>Fund balance, beginning of year</b>	27,323	27,323	27,323	-
<b>Fund balance, end of year</b>	<u>\$ 27,323</u>	<u>\$ 18,323</u>	<u>\$ 18,323</u>	<u>\$ -</u>

# GRAND TRAVERSE COUNTY

## CENTRAL DISPATCH / 911 FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	260,000	260,000	260,468	468
Local	2,000,000	2,000,000	2,058,694	58,694
Licenses and permits	-	-	-	-
Charges for services	4,800	4,800	4,001	(799)
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	16,448	16,448
<b>Total revenues</b>	<u>2,264,800</u>	<u>2,264,800</u>	<u>2,339,611</u>	<u>74,811</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	2,490,107	2,490,107	2,386,953	103,154
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>2,490,107</u>	<u>2,490,107</u>	<u>2,386,953</u>	<u>103,154</u>
Revenues over (under) expenditures	<u>(225,307)</u>	<u>(225,307)</u>	<u>(47,342)</u>	<u>177,965</u>
Other financing sources (uses)				
Transfers in	225,307	225,307	47,341	(177,966)
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>225,307</u>	<u>225,307</u>	<u>47,341</u>	<u>(177,966)</u>
Net changes in fund balance	-	-	(1)	(1)
<b>Fund balance, beginning of year</b>	<u>1,822</u>	<u>1,822</u>	<u>1,822</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 1,822</u>	<u>\$ 1,822</u>	<u>\$ 1,821</u>	<u>\$ (1)</u>

# GRAND TRAVERSE COUNTY

## PARKS AND RECREATION FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amount</u></b>	<b><u>Positive (Negative)</u></b>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	21,500	2,500	(19,000)
Licenses and permits	-	-	-	-
Charges for services	156,195	170,425	183,951	13,526
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	8,762	14,579	5,817
	<u>156,195</u>	<u>200,687</u>	<u>201,030</u>	<u>343</u>
<b>Total revenues</b>	<u>156,195</u>	<u>200,687</u>	<u>201,030</u>	<u>343</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	560,794	547,102	470,875	76,227
Capital outlay	1,000	183,369	172,977	10,392
	<u>561,794</u>	<u>730,471</u>	<u>643,852</u>	<u>86,619</u>
<b>Total expenditures</b>	<u>561,794</u>	<u>730,471</u>	<u>643,852</u>	<u>86,619</u>
Revenues over (under) expenditures	<u>(405,599)</u>	<u>(529,784)</u>	<u>(442,822)</u>	<u>86,962</u>
Other financing sources (uses)				
Transfers in	339,599	350,664	350,664	-
Transfers out	-	-	-	-
	<u>339,599</u>	<u>350,664</u>	<u>350,664</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>339,599</u>	<u>350,664</u>	<u>350,664</u>	<u>-</u>
Net changes in fund balance	(66,000)	(179,120)	(92,158)	86,962
<b>Fund balance, beginning of year</b>	<u>181,022</u>	<u>181,022</u>	<u>181,022</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 115,022</u>	<u>\$ 1,902</u>	<u>\$ 88,864</u>	<u>\$ 86,962</u>

# GRAND TRAVERSE COUNTY

## MAPLE BAY DEVELOPMENT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive</u> <u>(Negative)</u>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	389	389
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	-	-	389	389
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	-	-	-	-
Revenues over (under) expenditures	-	-	389	389
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	-	-	389	389
<b>Fund balance, beginning of year</b>	10,855	10,855	10,855	-
<b>Fund balance, end of year</b>	<u>\$ 10,855</u>	<u>\$ 10,855</u>	<u>\$ 11,244</u>	<u>\$ 389</u>



# GRAND TRAVERSE COUNTY

## *FRIEND OF THE COURT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL*

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amount</u></b>	<b><u>Positive (Negative)</u></b>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ 1,270,000	\$ 1,270,000	\$ 1,373,884	\$ 103,884
State	135,000	135,000	120,859	(14,141)
Local	94,938	94,938	75,867	(19,071)
Licenses and permits	-	-	-	-
Charges for services	193,414	193,414	201,541	8,127
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>1,693,352</u>	<u>1,693,352</u>	<u>1,772,151</u>	<u>78,799</u>
<b>Expenditures</b>				
Current				
Judicial	2,068,164	2,180,164	2,079,027	101,137
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>2,068,164</u>	<u>2,180,164</u>	<u>2,079,027</u>	<u>101,137</u>
Revenues over (under) expenditures	<u>(374,812)</u>	<u>(486,812)</u>	<u>(306,876)</u>	<u>179,936</u>
Other financing sources (uses)				
Transfers in	296,137	396,137	213,610	(182,527)
Transfers out	<u>(11,324)</u>	<u>(11,324)</u>	<u>-</u>	<u>11,324</u>
Total other financing sources (uses)	<u>284,813</u>	<u>384,813</u>	<u>213,610</u>	<u>(171,203)</u>
Net changes in fund balance	(78,675)	(101,999)	(93,266)	8,733
<b>Fund balance, beginning of year</b>	<u>1,448,038</u>	<u>1,448,038</u>	<u>1,448,038</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 1,369,363</u>	<u>\$ 1,346,039</u>	<u>\$ 1,354,772</u>	<u>\$ 8,733</u>

# GRAND TRAVERSE COUNTY

## GYPSY MOTH SUPPRESSION FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive</u> <u>(Negative)</u>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	-	-	-	-
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	-	-	-	-
Revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	-	-	-	-
<b>Fund balance, beginning of year</b>	626	626	626	-
<b>Fund balance, end of year</b>	<u>\$ 626</u>	<u>\$ 626</u>	<u>\$ 626</u>	<u>\$ -</u>

# GRAND TRAVERSE COUNTY

## VETERANS TRUST FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amount</u></b>	<b><u>Positive (Negative)</u></b>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	48,000	48,000	2,529	(45,471)
Local	2,200	2,200	-	(2,200)
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>50,200</u>	<u>50,200</u>	<u>2,529</u>	<u>(47,671)</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	50,200	50,200	11,691	38,509
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>50,200</u>	<u>50,200</u>	<u>11,691</u>	<u>38,509</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(9,162)</u>	<u>(9,162)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	-	-	(9,162)	(9,162)
<b>Fund balance, beginning of year</b>	<u>9,162</u>	<u>9,162</u>	<u>9,162</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 9,162</u>	<u>\$ 9,162</u>	<u>\$ -</u>	<u>\$ (9,162)</u>

# GRAND TRAVERSE COUNTY

## VETERANS MILLAGE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
<b>Revenues</b>				
Property taxes	\$ 549,700	\$ 549,700	\$ 556,672	\$ 6,972
Intergovernmental revenues				
Federal	-	-	-	-
State	-	-	-	-
Local	77,689	77,689	77,869	180
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	1,961	1,961
Miscellaneous	-	-	296	296
<b>Total revenues</b>	<u>627,389</u>	<u>627,389</u>	<u>636,798</u>	<u>9,409</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	627,389	627,389	472,150	155,239
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>627,389</u>	<u>627,389</u>	<u>472,150</u>	<u>155,239</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>164,648</u>	<u>164,648</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	-	-	164,648	164,648
<b>Fund balance, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 164,648</u>	<u>\$ 164,648</u>

# GRAND TRAVERSE COUNTY

## REGISTER OF DEEDS AUTOMATION FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amount</u></b>	<b><u>Positive (Negative)</u></b>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	113,100	117,578	4,478
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>113,100</u>	<u>117,578</u>	<u>4,478</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	169,500	175,065	100,098	74,967
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	10,000	3,035	-	3,035
<b>Total expenditures</b>	<u>179,500</u>	<u>178,100</u>	<u>100,098</u>	<u>78,002</u>
Revenues over (under) expenditures	<u>(179,500)</u>	<u>(65,000)</u>	<u>17,480</u>	<u>82,480</u>
Other financing sources (uses)				
Transfers in	179,500	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>179,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	-	(65,000)	17,480	82,480
<b>Fund balance, beginning of year</b>	<u>265,042</u>	<u>265,042</u>	<u>265,042</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 265,042</u>	<u>\$ 200,042</u>	<u>\$ 282,522</u>	<u>\$ 82,480</u>

# GRAND TRAVERSE COUNTY

## CORRECTIONS P.A. 511 FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amount</u></b>	<b><u>Positive (Negative)</u></b>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	269,186	313,351	323,932	10,581
Local	21,564	21,564	21,564	-
Licenses and permits	-	-	-	-
Charges for services	385,710	424,545	468,889	44,344
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	37,000	37,000	25,630	(11,370)
<b>Total revenues</b>	<u>713,460</u>	<u>796,460</u>	<u>840,015</u>	<u>43,555</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	733,913	816,913	842,614	(25,701)
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>733,913</u>	<u>816,913</u>	<u>842,614</u>	<u>(25,701)</u>
Revenues over (under) expenditures	<u>(20,453)</u>	<u>(20,453)</u>	<u>(2,599)</u>	<u>17,854</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	(20,453)	(20,453)	(2,599)	17,854
<b>Fund balance, beginning of year</b>	<u>407,252</u>	<u>407,252</u>	<u>407,252</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 386,799</u>	<u>\$ 386,799</u>	<u>\$ 404,653</u>	<u>\$ 17,854</u>

# GRAND TRAVERSE COUNTY

## COUNTY LAW LIBRARY FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amount</u></b>	<b><u>Positive (Negative)</u></b>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	6,500	6,500	6,500	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>6,500</u>	<u>6,500</u>	<u>6,500</u>	<u>-</u>
<b>Expenditures</b>				
Current				
Judicial	15,500	15,500	-	15,500
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>15,500</u>	<u>15,500</u>	<u>-</u>	<u>15,500</u>
Revenues over (under) expenditures	<u>(9,000)</u>	<u>(9,000)</u>	<u>6,500</u>	<u>15,500</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>(9,000)</u>	<u>(9,000)</u>	<u>6,500</u>	<u>15,500</u>
<b>Fund balance, beginning of year</b>	<u>22,710</u>	<u>22,710</u>	<u>22,710</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 13,710</u>	<u>\$ 13,710</u>	<u>\$ 29,210</u>	<u>\$ 15,500</u>

# GRAND TRAVERSE COUNTY

## FEDERAL EQUITABLE SHARING FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive</u> <u>(Negative)</u>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	53	53
Miscellaneous	-	-	-	-
<b>Total revenues</b>	-	-	53	53
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	-	-	-	-
Revenues over (under) expenditures	-	-	53	53
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	-	-	53	53
<b>Fund balance, beginning of year</b>	8,192	8,192	8,192	-
<b>Fund balance, end of year</b>	<u>\$ 8,192</u>	<u>\$ 8,192</u>	<u>\$ 8,245</u>	<u>\$ 53</u>



# GRAND TRAVERSE COUNTY

## CONCEALED PISTOL LICENSING FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amount</u></b>	<b><u>Positive (Negative)</u></b>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	28,000	28,000	44,777	16,777
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>28,000</u>	<u>28,000</u>	<u>44,777</u>	<u>16,777</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	24,105	24,105	21,541	2,564
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>24,105</u>	<u>24,105</u>	<u>21,541</u>	<u>2,564</u>
Revenues over (under) expenditures	<u>3,895</u>	<u>3,895</u>	<u>23,236</u>	<u>19,341</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	3,895	3,895	23,236	19,341
<b>Fund balance, beginning of year</b>	<u>43,310</u>	<u>43,310</u>	<u>43,310</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 47,205</u>	<u>\$ 47,205</u>	<u>\$ 66,546</u>	<u>\$ 19,341</u>

# GRAND TRAVERSE COUNTY

## CORRECTIONS OFFICERS TRAINING FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amount</u></b>	<b><u>Positive (Negative)</u></b>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	42,000	42,000	35,739	(6,261)
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	<u>1,500</u>	<u>1,500</u>	<u>37,000</u>	<u>35,500</u>
<b>Total revenues</b>	<u>43,500</u>	<u>43,500</u>	<u>72,739</u>	<u>29,239</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	63,500	63,500	47,617	15,883
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>63,500</u>	<u>63,500</u>	<u>47,617</u>	<u>15,883</u>
Revenues over (under) expenditures	<u>(20,000)</u>	<u>(20,000)</u>	<u>25,122</u>	<u>45,122</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	(20,000)	(20,000)	25,122	45,122
<b>Fund balance, beginning of year</b>	<u>42,240</u>	<u>42,240</u>	<u>42,240</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 22,240</u>	<u>\$ 22,240</u>	<u>\$ 67,362</u>	<u>\$ 45,122</u>

# GRAND TRAVERSE COUNTY

## CRIMINAL JUSTICE TRAINING ACT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive</u> <u>(Negative)</u>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	13,000	13,000	11,363	(1,637)
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>13,000</u>	<u>13,000</u>	<u>11,363</u>	<u>(1,637)</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	14,000	14,000	12,097	1,903
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>14,000</u>	<u>14,000</u>	<u>12,097</u>	<u>1,903</u>
Revenues over (under) expenditures	<u>(1,000)</u>	<u>(1,000)</u>	<u>(734)</u>	<u>266</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>(1,000)</u>	<u>(1,000)</u>	<u>(734)</u>	<u>266</u>
<b>Fund balance, beginning of year</b>	<u>23,826</u>	<u>23,826</u>	<u>23,826</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 22,826</u>	<u>\$ 22,826</u>	<u>\$ 23,092</u>	<u>\$ 266</u>

# GRAND TRAVERSE COUNTY

## MITCHELL CREEK WATER SHED FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive</u> <u>(Negative)</u>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	-	-	-	-
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	-	-	-	-
Revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	-	-	-	-
<b>Fund balance, beginning of year</b>	8,155	8,155	8,155	-
<b>Fund balance, end of year</b>	<u>\$ 8,155</u>	<u>\$ 8,155</u>	<u>\$ 8,155</u>	<u>\$ -</u>

# GRAND TRAVERSE COUNTY

## HOUSING TRUST FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amount</u></b>	<b><u>Positive (Negative)</u></b>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	300	300	3,102	2,802
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>300</u>	<u>300</u>	<u>3,102</u>	<u>2,802</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	73,000	73,000	-	73,000
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>73,000</u>	<u>73,000</u>	<u>-</u>	<u>73,000</u>
Revenues over (under) expenditures	<u>(72,700)</u>	<u>(72,700)</u>	<u>3,102</u>	<u>75,802</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>(72,700)</u>	<u>(72,700)</u>	<u>3,102</u>	<u>75,802</u>
<b>Fund balance, beginning of year</b>	<u>283,372</u>	<u>283,372</u>	<u>283,372</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 210,672</u>	<u>\$ 210,672</u>	<u>\$ 286,474</u>	<u>\$ 75,802</u>

# GRAND TRAVERSE COUNTY

## CDBG HOUSING GRANT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amount</u></b>	<b><u>Positive (Negative)</u></b>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ 2,200	\$ 275,477	\$ 224,613	\$ (50,864)
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	57	57
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>2,200</u>	<u>275,477</u>	<u>224,670</u>	<u>(50,807)</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	2,200	309,066	357,813	(48,747)
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>2,200</u>	<u>309,066</u>	<u>357,813</u>	<u>(48,747)</u>
Revenues over (under) expenditures	<u>-</u>	<u>(33,589)</u>	<u>(133,143)</u>	<u>(99,554)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	-	(33,589)	(133,143)	(99,554)
<b>Fund balance, beginning of year</b>	<u>1,875,537</u>	<u>1,875,537</u>	<u>1,875,537</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 1,875,537</u>	<u>\$ 1,841,948</u>	<u>\$ 1,742,394</u>	<u>\$ (99,554)</u>

# GRAND TRAVERSE COUNTY

## NEXT MICHIGAN FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amount</u></b>	<b><u>Positive (Negative)</u></b>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	5,483	25,784	20,301
Licenses and permits	-	-	-	-
Charges for services	30,000	30,000	2,691	(27,309)
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>30,000</u>	<u>35,483</u>	<u>28,475</u>	<u>(7,008)</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	43,100	64,300	51,026	13,274
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>43,100</u>	<u>64,300</u>	<u>51,026</u>	<u>13,274</u>
Revenues over (under) expenditures	<u>(13,100)</u>	<u>(28,817)</u>	<u>(22,551)</u>	<u>6,266</u>
Other financing sources (uses)				
Transfers in	33,054	33,054	-	(33,054)
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>33,054</u>	<u>33,054</u>	<u>-</u>	<u>(33,054)</u>
Net changes in fund balance	19,954	4,237	(22,551)	(26,788)
<b>Fund balance, beginning of year</b>	<u>75,293</u>	<u>75,293</u>	<u>75,293</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 95,247</u>	<u>\$ 79,530</u>	<u>\$ 52,742</u>	<u>\$ (26,788)</u>

# GRAND TRAVERSE COUNTY

## EDC REVOLVING LOAN FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	11,784	11,813	10,546	(1,267)
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>11,784</u>	<u>11,813</u>	<u>10,546</u>	<u>(1,267)</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	29	294,869	(294,840)
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>29</u>	<u>294,869</u>	<u>(294,840)</u>
Revenues over (under) expenditures	<u>11,784</u>	<u>11,784</u>	<u>(284,323)</u>	<u>(296,107)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(33,054)	(33,054)	-	33,054
Total other financing sources (uses)	<u>(33,054)</u>	<u>(33,054)</u>	<u>-</u>	<u>33,054</u>
Net changes in fund balance	11,784	(21,270)	(284,323)	(263,053)
<b>Fund balance, beginning of year</b>	<u>692,634</u>	<u>692,634</u>	<u>692,634</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 704,418</u>	<u>\$ 671,364</u>	<u>\$ 408,311</u>	<u>\$ (263,053)</u>



# GRAND TRAVERSE COUNTY

## TNT FORFEITURE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amount</u></b>	<b><u>Positive</u></b> <b><u>(Negative)</u></b>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ 2,000	\$ 2,000	\$ -	\$ (2,000)
State	-	-	-	-
Local	600	600	1,500	900
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	42,500	72,500	121,825	49,325
Interest	120	120	7	(113)
Miscellaneous	50,000	50,000	32,017	(17,983)
<b>Total revenues</b>	<u>95,220</u>	<u>125,220</u>	<u>155,349</u>	<u>30,129</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	95,220	125,220	82,265	42,955
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>95,220</u>	<u>125,220</u>	<u>82,265</u>	<u>42,955</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>73,084</u>	<u>73,084</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	-	-	73,084	73,084
<b>Fund balance, beginning of year</b>	<u>177,102</u>	<u>177,102</u>	<u>177,102</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 177,102</u>	<u>\$ 177,102</u>	<u>\$ 250,186</u>	<u>\$ 73,084</u>

# GRAND TRAVERSE COUNTY

## TNT GRANT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amount</u></b>	<b><u>Positive (Negative)</u></b>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ 97,000	\$ 129,400	\$ 112,445	\$ (16,955)
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>97,000</u>	<u>129,400</u>	<u>112,445</u>	<u>(16,955)</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	97,000	129,400	112,444	16,956
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>97,000</u>	<u>129,400</u>	<u>112,444</u>	<u>16,956</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<b>Fund balance, beginning of year</b>	<u>7,863</u>	<u>7,863</u>	<u>7,863</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u><u>\$ 7,863</u></u>	<u><u>\$ 7,863</u></u>	<u><u>\$ 7,864</u></u>	<u><u>\$ 1</u></u>

# GRAND TRAVERSE COUNTY

## CHILD CARE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amount</u></b>	<b><u>Positive (Negative)</u></b>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	759,898	759,898	550,578	(209,320)
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	180,000	180,000	177,140	(2,860)
<b>Total revenues</b>	<u>939,898</u>	<u>939,898</u>	<u>727,718</u>	<u>(212,180)</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	1,863,500	1,633,500	1,305,938	327,562
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>1,863,500</u>	<u>1,633,500</u>	<u>1,305,938</u>	<u>327,562</u>
Revenues over (under) expenditures	<u>(923,602)</u>	<u>(693,602)</u>	<u>(578,220)</u>	<u>115,382</u>
Other financing sources (uses)				
Transfers in	923,602	693,602	578,220	(115,382)
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>923,602</u>	<u>693,602</u>	<u>578,220</u>	<u>(115,382)</u>
Net changes in fund balance	-	-	-	-
<b>Fund balance, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

# GRAND TRAVERSE COUNTY

## ANIMAL CONTROL FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Amount</u></b>	<b><u>Positive (Negative)</u></b>
<b>Revenues</b>				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	128,328	121,771	118,371	(3,400)
Charges for services	4,500	11,057	11,217	160
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	240	240	288	48
<b>Total revenues</b>	<u>133,068</u>	<u>133,068</u>	<u>129,876</u>	<u>(3,192)</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	133,068	133,068	138,622	(5,554)
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>133,068</u>	<u>133,068</u>	<u>138,622</u>	<u>(5,554)</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(8,746)</u>	<u>(8,746)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	-	-	(8,746)	(8,746)
<b>Fund balance, beginning of year</b>	<u>19,213</u>	<u>19,213</u>	<u>19,213</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 19,213</u>	<u>\$ 19,213</u>	<u>\$ 10,467</u>	<u>\$ (8,746)</u>

# GRAND TRAVERSE COUNTY

## SENIOR CENTER FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
<b>Revenues</b>				
Property taxes	\$ 462,495	\$ 462,495	\$ 472,335	\$ 9,840
Intergovernmental revenues				
Federal	-	-	-	-
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	53,500	73,500	94,865	21,365
Fines and forfeitures	-	-	-	-
Interest	2,000	2,000	6,667	4,667
Miscellaneous	7,000	7,000	7,239	239
<b>Total revenues</b>	<u>524,995</u>	<u>544,995</u>	<u>581,106</u>	<u>36,111</u>
<b>Expenditures</b>				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	584,694	610,539	547,918	62,621
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>584,694</u>	<u>610,539</u>	<u>547,918</u>	<u>62,621</u>
Revenues over (under) expenditures	<u>(59,699)</u>	<u>(65,544)</u>	<u>33,188</u>	<u>98,732</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	(59,699)	(65,544)	33,188	98,732
<b>Fund balance, beginning of year</b>	<u>595,825</u>	<u>595,825</u>	<u>595,825</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 536,126</u>	<u>\$ 530,281</u>	<u>\$ 629,013</u>	<u>\$ 98,732</u>

**GRAND TRAVERSE COUNTY**  
**NONMAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**DECEMBER 31, 2017**

	Enterprise Funds					
<b>Assets</b>	<b><u>Homestead</u></b>	<b><u>Inspections</u></b>	<b><u>Foreclosure Tax Collection</u></b>	<b><u>Solid Waste</u></b>	<b><u>Building Authority</u></b>	<b><u>Total</u></b>
Current assets						
Cash and pooled investments	\$ 219,763	\$ 2,858,838	\$ 715,494	\$ 421,836	\$ 40	\$ 4,215,971
Accounts receivable	-	611	-	9,696	-	10,307
Property tax receivable	62,607	-	-	-	-	62,607
Prepaid and other assets	-	-	-	460	-	460
Total current assets	<u>282,370</u>	<u>2,859,449</u>	<u>715,494</u>	<u>431,992</u>	<u>40</u>	<u>4,289,345</u>
Noncurrent assets						
Capital assets						
Capital assets, net	-	71,425	-	-	-	71,425
<b>Total assets</b>	<u>282,370</u>	<u>2,930,874</u>	<u>715,494</u>	<u>431,992</u>	<u>40</u>	<u>4,360,770</u>
<b>Deferred outflows of resources</b>						
Pension related	-	32,411	-	-	-	32,411
<b>Liabilities</b>						
Current liabilities						
Accounts payable	36	11,358	-	43,489	-	54,883
Accrued liabilities	228	11,127	1,057	-	-	12,412
Due to other governmental units	111,905	-	-	550	-	112,455
Total current liabilities	<u>112,169</u>	<u>22,485</u>	<u>1,057</u>	<u>44,039</u>	<u>-</u>	<u>179,750</u>
Long-term liabilities						
Compensated absences	-	48,153	-	-	-	48,153
Net pension obligation	-	571,460	-	-	-	571,460
Total long-term liabilities	<u>-</u>	<u>619,613</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>619,613</u>
<b>Total liabilities</b>	<u>112,169</u>	<u>642,098</u>	<u>1,057</u>	<u>44,039</u>	<u>-</u>	<u>799,363</u>
<b>Net position</b>						
Net investment in capital assets	-	71,425	-	-	-	71,425
Unrestricted	170,201	2,249,762	714,437	387,953	40	3,522,393
<b>Total net position</b>	<u>\$ 170,201</u>	<u>\$ 2,321,187</u>	<u>\$ 714,437</u>	<u>\$ 387,953</u>	<u>\$ 40</u>	<u>\$ 3,593,818</u>

**GRAND TRAVERSE COUNTY**  
**NONMAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Enterprise Funds</u>					
	<u>Homestead</u>	<u>Inspections</u>	<u>Foreclosure Tax Collection</u>	<u>Solid Waste</u>	<u>Building Authority</u>	<u>Total</u>
<b>Operating revenue</b>						
Charges for services	\$ -	\$ 1,891,238	\$ 106,073	\$ 245,292	\$ -	\$ 2,242,603
Miscellaneous	53,318	2,630	125,055	2,948	-	183,951
<b>Total operating revenue</b>	<u>53,318</u>	<u>1,893,868</u>	<u>231,128</u>	<u>248,240</u>	<u>-</u>	<u>2,426,554</u>
<b>Operating expense</b>						
Personnel services	10,068	403,555	44,907	(261,636)	-	196,894
Contracted services	314	242,370	73,765	284,687	-	601,136
Supplies	1,041	21,985	3,890	2,779	-	29,695
Other	508	97,054	1,590	9,221	-	108,373
Depreciation	-	20,407	-	-	-	20,407
<b>Total operating expense</b>	<u>11,931</u>	<u>785,371</u>	<u>124,152</u>	<u>35,051</u>	<u>-</u>	<u>956,505</u>
Operating income (loss)	<u>41,387</u>	<u>1,108,497</u>	<u>106,976</u>	<u>213,189</u>	<u>-</u>	<u>1,470,049</u>
Non-operating revenue (expense)						
Interest income	866	4	2,930	-	-	3,800
Income (loss) before transfers	<u>42,253</u>	<u>1,108,501</u>	<u>109,906</u>	<u>213,189</u>	<u>-</u>	<u>1,473,849</u>
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(113,284)	-	-	(113,284)
Total transfers	<u>-</u>	<u>-</u>	<u>(113,284)</u>	<u>-</u>	<u>-</u>	<u>(113,284)</u>
Change in net position	42,253	1,108,501	(3,378)	213,189	-	1,360,565
<b>Net position, beginning of year</b>	<u>127,948</u>	<u>1,212,686</u>	<u>717,815</u>	<u>174,764</u>	<u>40</u>	<u>2,233,253</u>
<b>Net position, end of year</b>	<u>\$ 170,201</u>	<u>\$ 2,321,187</u>	<u>\$ 714,437</u>	<u>\$ 387,953</u>	<u>\$ 40</u>	<u>\$ 3,593,818</u>

**GRAND TRAVERSE COUNTY**

**NONMAJOR PROPRIETARY FUNDS  
COMBINING STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	Enterprise Funds					Total
	Homestead	Inspections	Foreclosure Tax Collection	Solid Waste	Building Authority	
<b>Cash flows from operating activities</b>						
Receipts from customers and users	\$ 216,469	\$ 1,893,257	\$ 231,128	\$ 273,780	\$ -	\$ 2,614,634
Payments to employees	(10,068)	(850,697)	(44,907)	(9,139)	-	(914,811)
Payments to suppliers	(128,483)	(357,874)	(78,815)	(294,713)	-	(859,885)
<b>Net cash provided by (used in) operating activities</b>	<u>77,918</u>	<u>684,686</u>	<u>107,406</u>	<u>(30,072)</u>	<u>-</u>	<u>839,938</u>
<b>Cash flows from non-capital financing activities</b>						
Transfer out	-	-	(113,284)	-	-	(113,284)
<b>Cash flows from investing activities</b>						
Interest income	866	4	2,930	-	-	3,800
Net increase (decrease) in cash and pooled investments	78,784	684,690	(2,948)	(30,072)	-	730,454
<b>Cash and pooled investments, beginning of year</b>	<u>140,979</u>	<u>2,174,148</u>	<u>718,442</u>	<u>451,908</u>	<u>40</u>	<u>3,485,517</u>
<b>Cash and pooled investments, end of year</b>	<u>\$ 219,763</u>	<u>\$ 2,858,838</u>	<u>\$ 715,494</u>	<u>\$ 421,836</u>	<u>\$ 40</u>	<u>\$ 4,215,971</u>
<b>Cash flows from operating activities</b>						
Operating income (loss)	\$ 41,387	\$ 1,108,497	\$ 106,976	\$ 213,189	\$ -	\$ 1,470,049
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities						
Depreciation	-	20,407	-	-	-	20,407
Changes in operating assets and liabilities which provided (used) cash						
Accounts receivable	-	(611)	-	25,540	-	24,929
Property tax receivable	163,151	-	-	-	-	163,151
Net pension deferred outflows and inflows	-	(13,178)	-	4,573	-	(8,605)
Prepaid assets and other items	-	-	500	(460)	-	40
Accounts payable	11	2,136	-	2,434	-	4,581
Accrued liabilities	8	1,399	(70)	-	-	1,337
Due to other governments	(126,639)	-	-	-	-	(126,639)
Compensated absences	-	(878)	-	-	-	(878)
Net pension liability	-	(433,086)	-	(275,348)	-	(708,434)
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 77,918</u>	<u>\$ 684,686</u>	<u>\$ 107,406</u>	<u>\$ (30,072)</u>	<u>\$ -</u>	<u>\$ 839,938</u>



**GRAND TRAVERSE COUNTY**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**DECEMBER 31, 2017**

	Internal Service Funds					
	<u>Information Technology</u>	<u>County Insurance</u>	<u>Fringe Benefits</u>	<u>Central Services</u>	<u>Motor Pool</u>	<u>Total</u>
<b>Assets</b>						
Current assets						
Cash and pooled investments	\$ -	\$ 190,115	\$ 681,821	\$ 168,178	\$ -	\$ 1,040,114
Accounts receivable	392,721	-	77,362	54,043	-	524,126
Prepaid and other assets	243,446	-	51,842	19,648	-	314,936
<b>Total current assets</b>	<u>636,167</u>	<u>190,115</u>	<u>811,025</u>	<u>241,869</u>	<u>-</u>	<u>1,879,176</u>
Noncurrent assets						
Capital assets						
Capital assets	104,253	-	-	30,673	3,135,342	3,270,268
<b>Total assets</b>	<u>740,420</u>	<u>190,115</u>	<u>811,025</u>	<u>272,542</u>	<u>3,135,342</u>	<u>5,149,444</u>
<b>Liabilities</b>						
Current liabilities						
Accounts payable	12,962	5,032	1,981	3,509	-	23,484
Accrued liabilities	16,840	185,083	110,250	1,287	-	313,460
<b>Total current liabilities</b>	<u>29,802</u>	<u>190,115</u>	<u>112,231</u>	<u>4,796</u>	<u>-</u>	<u>336,944</u>
Long-term liabilities						
Advance from other funds	30,899	-	-	-	2,719,112	2,750,011
Compensated absences	43,660	-	-	-	-	43,660
<b>Total long-term liabilities</b>	<u>74,559</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,719,112</u>	<u>2,793,671</u>
<b>Total liabilities</b>	<u>104,361</u>	<u>190,115</u>	<u>112,231</u>	<u>4,796</u>	<u>2,719,112</u>	<u>3,130,615</u>
<b>Net position</b>						
Net investment in capital assets	104,253	-	-	30,673	3,135,342	3,270,268
Unrestricted	531,806	-	698,794	237,073	(2,719,112)	(1,251,439)
<b>Total net position</b>	<u>\$ 636,059</u>	<u>\$ -</u>	<u>\$ 698,794</u>	<u>\$ 267,746</u>	<u>\$ 416,230</u>	<u>\$ 2,018,829</u>

**GRAND TRAVERSE COUNTY**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	Internal Service Funds					
	<u>Information Technology</u>	<u>County Insurance</u>	<u>Fringe Benefits</u>	<u>Central Services</u>	<u>Motor Pool</u>	<u>Total</u>
<b>Operating revenue</b>						
Charges for services	\$ 1,705,470	\$ 525,924	\$ 11,698,631	\$ 247,776	\$ 674,128	\$ 14,851,929
Miscellaneous	102,819	419,148	519,212	118	-	1,041,297
<b>Total operating revenue</b>	<u>1,808,289</u>	<u>945,072</u>	<u>12,217,843</u>	<u>247,894</u>	<u>674,128</u>	<u>15,893,226</u>
<b>Operating expense</b>						
Personnel services	801,220	-	17,164	78,881	-	897,265
Contracted services	138,314	9,324	12,189,093	1,230	-	12,337,961
Supplies	129,587	-	183	138,146	-	267,916
Other	576,250	970,181	32,132	35,923	-	1,614,486
Depreciation	59,136	-	-	13,813	570,062	643,011
<b>Total operating expense</b>	<u>1,704,507</u>	<u>979,505</u>	<u>12,238,572</u>	<u>267,993</u>	<u>570,062</u>	<u>15,760,639</u>
Operating income (loss)	<u>103,782</u>	<u>(34,433)</u>	<u>(20,729)</u>	<u>(20,099)</u>	<u>104,066</u>	<u>132,587</u>
Non-operating revenue (expense)						
Interest income	-	-	4,850	-	-	4,850
Interest expense	-	-	-	-	(66,534)	(66,534)
Total non-operating revenue (expense)	<u>-</u>	<u>-</u>	<u>4,850</u>	<u>-</u>	<u>(66,534)</u>	<u>(61,684)</u>
Change in net position	103,782	(34,433)	(15,879)	(20,099)	37,532	70,903
<b>Net position, beginning of year</b>	<u>532,277</u>	<u>34,433</u>	<u>714,673</u>	<u>287,845</u>	<u>378,698</u>	<u>1,947,926</u>
<b>Net position, end of year</b>	<u>\$ 636,059</u>	<u>\$ -</u>	<u>\$ 698,794</u>	<u>\$ 267,746</u>	<u>\$ 416,230</u>	<u>\$ 2,018,829</u>

# GRAND TRAVERSE COUNTY

## INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2017

	Internal Service Funds					
	Information Technology	County Insurance	Fringe Benefits	Central Services	Motor Pool	Total
<b>Cash flows from operating activities</b>						
Receipts from customers and users	\$ 1,633,384	\$ 945,072	\$ 12,140,481	\$ 208,723	\$ 674,128	\$ 15,601,788
Payments to employees	(784,294)	-	(17,164)	(78,881)	-	(880,339)
Payments to suppliers	(903,336)	(805,390)	(12,208,112)	(179,607)	-	(14,096,445)
<b>Net cash provided by (used in) operating activities</b>	<u>(54,246)</u>	<u>139,682</u>	<u>(84,795)</u>	<u>(49,765)</u>	<u>674,128</u>	<u>625,004</u>
<b>Cash flows from non-capital financing activities</b>						
Payment of loan from other funds	(119,101)	(135,412)	-	-	(607,594)	(862,107)
Receipts of loan to other funds	-	-	64,846	-	-	64,846
<b>Net cash provided by (used in) non-capital financing activities</b>	<u>(119,101)</u>	<u>(135,412)</u>	<u>64,846</u>	<u>-</u>	<u>(607,594)</u>	<u>(797,261)</u>
<b>Cash flows from capital and related financing activities</b>						
Interest expense	-	-	-	-	(66,534)	(66,534)
Acquisitions of capital assets	(39,180)	-	-	-	-	(39,180)
<b>Net cash provided by (used in) capital and related financing activities</b>	<u>(39,180)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(66,534)</u>	<u>(105,714)</u>
<b>Cash flows from investing activities</b>						
Interest income	-	-	4,850	-	-	4,850
<b>Net cash provided by (used in) investing activities</b>	<u>-</u>	<u>-</u>	<u>4,850</u>	<u>-</u>	<u>-</u>	<u>4,850</u>
Net increase (decrease) in cash and pooled investments	(212,527)	4,270	(15,099)	(49,765)	-	(273,121)
<b>Cash and pooled investments, beginning of year</b>	<u>212,527</u>	<u>185,845</u>	<u>696,920</u>	<u>217,943</u>	<u>-</u>	<u>1,313,235</u>
<b>Cash and pooled investments, end of year</b>	<u>\$ -</u>	<u>\$ 190,115</u>	<u>\$ 681,821</u>	<u>\$ 168,178</u>	<u>\$ -</u>	<u>\$ 1,040,114</u>
<b>Cash flows from operating activities</b>						
Operating income (loss)	\$ 103,782	\$ (34,433)	\$ (20,729)	\$ (20,099)	\$ 104,066	\$ 132,587
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities						
Depreciation	59,136	-	-	13,813	570,062	643,011
Changes in operating assets and liabilities which provided (used) cash						
Accounts receivable	(174,905)	-	(77,362)	(39,171)	-	(291,438)
Prepaid assets and other items	(32,907)	-	413,457	(5,754)	-	374,796
Accounts payable	(27,752)	5,032	(402,005)	1,306	-	(423,419)
Accrued liabilities	1,474	169,083	1,844	140	-	172,541
Compensated absences	16,926	-	-	-	-	16,926
<b>Net cash provided by (used in) operating activities</b>	<u>\$ (54,246)</u>	<u>\$ 139,682</u>	<u>\$ (84,795)</u>	<u>\$ (49,765)</u>	<u>\$ 674,128</u>	<u>\$ 625,004</u>

# GRAND TRAVERSE COUNTY

## AGENCY FUNDS COMBINING BALANCE SHEET

DECEMBER 31, 2017

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	<u>Trust and Agency</u>	<u>Library Penal Fines</u>	<u>Inmate Trust</u>	<u>District Court Trust</u>	<u>Friend of the Court Trust</u>	<u>Water and Sewer Receiving Funds</u>	<u>Total</u>
<b>Assets</b>							
Cash and pooled investments	\$ 2,450,658	\$ 114,035	\$ 95,424	\$ 22,681	\$ 6,849	\$ 664,635	\$ 3,354,282
Due from other governments	-	-	-	-	-	304,948	304,948
<b>Total assets</b>	<u>\$ 2,450,658</u>	<u>\$ 114,035</u>	<u>\$ 95,424</u>	<u>\$ 22,681</u>	<u>\$ 6,849</u>	<u>\$ 969,583</u>	<u>\$ 3,659,230</u>
<b>Liabilities</b>							
Due to other governmental units	\$ 1,236,039	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,236,039
Court items payable	55,219	-	-	22,681	6,849	-	84,749
Undistributed receipts	16,453	114,035	-	-	-	969,583	1,100,071
Other	1,142,947	-	95,424	-	-	-	1,238,371
<b>Total liabilities</b>	<u>\$ 2,450,658</u>	<u>\$ 114,035</u>	<u>\$ 95,424</u>	<u>\$ 22,681</u>	<u>\$ 6,849</u>	<u>\$ 969,583</u>	<u>\$ 3,659,230</u>

# GRAND TRAVERSE COUNTY

## AGENCY FUNDS COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES FOR THE YEAR ENDED DECEMBER 31, 2017

### Trust and Agency Fund

	Balance January 1, <u>2017</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2017</u>
<b>Assets</b>				
Cash and pooled investments	\$ 3,744,859	\$ 70,720,542	\$ 72,014,743	\$ 2,450,658
Due from other governments	-	2,700	2,700	-
<b>Total assets</b>	<u>\$ 3,744,859</u>	<u>\$ 70,723,242</u>	<u>\$ 72,017,443</u>	<u>\$ 2,450,658</u>
<b>Liabilities</b>				
Due to other governmental units	\$ 1,198,227	\$ 61,922,947	\$ 61,885,135	\$ 1,236,039
Court items payable	1,683,052	441,899	2,069,732	55,219
Undistributed receipts	296,701	12,009,660	12,289,908	16,453
Other	566,879	801,142	225,074	1,142,947
<b>Total liabilities</b>	<u>\$ 3,744,859</u>	<u>\$ 75,175,648</u>	<u>\$ 76,469,849</u>	<u>\$ 2,450,658</u>

### Library Fines

<b>Assets</b>				
Cash and pooled investments	<u>\$ 118,249</u>	<u>\$ 250,736</u>	<u>\$ 254,950</u>	<u>\$ 114,035</u>
<b>Liabilities</b>				
Undistributed receipts	<u>\$ 118,249</u>	<u>\$ 250,736</u>	<u>\$ 254,950</u>	<u>\$ 114,035</u>

### Inmate Trust

<b>Assets</b>				
Cash and pooled investments	<u>\$ 70,586</u>	<u>\$ 702,767</u>	<u>\$ 677,929</u>	<u>\$ 95,424</u>
<b>Liabilities</b>				
Other	<u>\$ 70,586</u>	<u>\$ 702,767</u>	<u>\$ 677,929</u>	<u>\$ 95,424</u>

### District Court Trust

<b>Assets</b>				
Cash and pooled investments	<u>\$ 23,777</u>	<u>\$ 253,428</u>	<u>\$ 254,524</u>	<u>\$ 22,681</u>
<b>Liabilities</b>				
Court items payable	<u>\$ 23,777</u>	<u>\$ 253,428</u>	<u>\$ 254,524</u>	<u>\$ 22,681</u>

# GRAND TRAVERSE COUNTY

## AGENCY FUNDS COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES FOR THE YEAR ENDED DECEMBER 31, 2017

<b><u>Trust and Agency Fund</u></b>				
	Balance January 1, <u>2017</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2017</u>
<b><u>Friend of the Court</u></b>				
<b>Assets</b>				
Cash and pooled investments	\$ 4,554	\$ 1,497,636	\$ 1,495,341	\$ 6,849
<b>Liabilities</b>				
Court items payable	\$ 4,554	\$ 1,497,636	\$ 1,495,341	\$ 6,849
<b><u>Water and Sewer Receiving Funds</u></b>				
<b>Assets</b>				
Cash and pooled investments	\$ 757,453	\$ 10,290,930	\$ 10,383,748	\$ 664,635
Due from other governments	372,068	10,248,924	10,316,044	304,948
<b>Total assets</b>	<u>\$ 1,129,521</u>	<u>\$ 20,539,854</u>	<u>\$ 20,699,792</u>	<u>\$ 969,583</u>
<b>Liabilities</b>				
Undistributed receipts	\$ 1,129,521	\$ 10,901,220	\$ 11,061,158	\$ 969,583
<b><u>Total Agency Funds</u></b>				
<b>Assets</b>				
Cash and pooled investments	\$ 4,719,478	\$ 83,716,039	\$ 85,081,235	\$ 3,354,282
Due from other governments	372,068	10,251,624	10,318,744	304,948
<b>Total assets</b>	<u>\$ 5,091,546</u>	<u>\$ 93,967,663</u>	<u>\$ 95,399,979</u>	<u>\$ 3,659,230</u>
<b>Liabilities</b>				
Due to other governmental units	\$ 1,198,227	\$ 61,922,947	\$ 61,885,135	\$ 1,236,039
Court items payable	1,711,383	2,192,963	3,819,597	84,749
Undistributed receipts	1,544,471	23,161,616	23,606,016	1,100,071
Other	637,465	1,503,909	903,003	1,238,371
<b>Total liabilities</b>	<u>\$ 5,091,546</u>	<u>\$ 88,781,435</u>	<u>\$ 90,213,751</u>	<u>\$ 3,659,230</u>

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# GRAND TRAVERSE COUNTY

## LAND BANK AUTHORITY STATEMENT OF NET POSITION

DECEMBER 31, 2017

---

### Assets

Current assets	
Cash and pooled investments	\$ 244,132
Property tax receivable	6,486
Property inventory	<u>465,812</u>
Total current assets	<u>716,430</u>

### Liabilities

Current liabilities	
Accrued liabilities	5,000
Due to other primary government	<u>3,603</u>
Total current liabilities	<u>8,603</u>

### Deferred inflows of resources

Subsequent year property taxes	<u>18,269</u>
--------------------------------	---------------

### Net position

Restricted	689,558
Unrestricted	<u>-</u>

Total net position	<u><u>\$ 689,558</u></u>
--------------------	--------------------------



**GRAND TRAVERSE COUNTY**  
**LAND BANK AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

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<b>Operating revenue</b>	
Property sales	\$ 28,532
<b>Operating expense</b>	
Economic development	40,249
Operating income (loss)	(11,717)
Non-operating revenue (expense)	
Property taxes	13,964
Interest income	1,091
Total non-operating revenue (expense)	15,055
Change in net position	3,338
<b>Net position, beginning of year</b>	686,220
<b>Net position, end of year</b>	\$ 689,558

# GRAND TRAVERSE COUNTY

## LAND BANK AUTHORITY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2017

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**Cash flows from operating activities**

Receipts from customers and users	\$ 66,272
Payments to suppliers	<u>(55,666)</u>

**Net cash provided by (used in) operating activities** 10,606

**Cash flows from non-capital financing activities**

Receipt of property taxes	17,519
Payment of loan from primary government	<u>(25,603)</u>

**Net cash provided by (used in) non-capital financing activities** (8,084)

**Cash flows from investing activities**

Interest income	<u>1,091</u>
-----------------	--------------

Net increase (decrease) in cash and pooled investments 3,613

**Cash and pooled investments, beginning of year** 240,519

**Cash and pooled investments, end of year** \$ 244,132

**Cash flows from operating activities**

Operating income (loss)	\$ (11,717)
Changes in operating assets and liabilities which provided (used) cash	
Due from other governments	23,750
Long-term receivables	13,990
Accounts payable	(15,417)
Accrued liabilities	5,000
Unearned revenue	<u>(5,000)</u>

**Net cash provided by (used in) operating activities** \$ 10,606

**GRAND TRAVERSE COUNTY**  
**BROWNFIELD REDEVELOPMENT AUTHORITY**  
**COMBINING STATEMENT OF NET POSITION**

**DECEMBER 31, 2017**

	<u>General Operations</u>	<u>Local Revolving Fund</u>	<u>River's Edge</u>	<u>Park Street</u>	<u>CSXT Boardman Lake</u>	<u>Bridgestone Firestone</u>
<b>Assets</b>						
Cash and pooled investments	\$ 189,529	\$ 1,313,033	\$ -	\$ 1,906	\$ 704,843	\$ -
Due from other governments	-	-	-	-	-	-
Advance to other funds	-	1,556,393	-	-	-	-
Accounts receivable long-term	-	-	-	-	-	-
Prepaid items	-	33,488	-	-	-	-
<b>Total assets</b>	<u>\$ 189,529</u>	<u>\$ 2,902,914</u>	<u>\$ -</u>	<u>\$ 1,906</u>	<u>\$ 704,843</u>	<u>\$ -</u>
<b>Liabilities and fund balances</b>						
<b>Liabilities</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-	-
Due to primary government	140,000	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Advance from other funds	-	-	-	-	-	-
Long-term debt						
Due within one year	-	-	-	-	-	-
Due in more than one year	-	-	-	-	-	-
<b>Total liabilities</b>	<u>140,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net position</b>						
Restricted	49,529	2,902,914	-	1,906	704,843	-
Unrestricted	-	-	-	-	-	-
<b>Total net position</b>	<u>\$ 49,529</u>	<u>\$ 2,902,914</u>	<u>\$ -</u>	<u>\$ 1,906</u>	<u>\$ 704,843</u>	<u>\$ -</u>

<u>Traverse House Scamehorn</u>	<u>Grand Traverse Auto</u>	<u>Traverse Cast</u>	<u>Grand Traverse Commons</u>	<u>Kinney</u>	<u>Blarney Castle</u>	<u>River West Snowden</u>	<u>GT Land Bank Parcels</u>	<u>TC East Bay Plaza</u>
\$ 50,149	\$ 35,256	\$ -	\$ 310,502	\$ 231	\$ 121,470	\$ 190,598	\$ -	\$ 38,132
-	85,559	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	2,095,275	-	350,253	166,162	467,030	-	-	-
-	-	-	-	-	-	-	-	-
<u>\$ 50,149</u>	<u>\$ 2,216,090</u>	<u>\$ -</u>	<u>\$ 660,755</u>	<u>\$ 166,393</u>	<u>\$ 588,500</u>	<u>\$ 190,598</u>	<u>\$ -</u>	<u>\$ 38,132</u>
\$ -	\$ 85,559	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	1,575	-	12,427	-	5,105	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
50,000	1,340,000	-	-	166,393	-	-	-	-
-	104,541	-	87,208	-	54,509	-	-	-
-	684,415	-	561,120	-	528,886	-	-	-
<u>50,000</u>	<u>2,216,090</u>	<u>-</u>	<u>660,755</u>	<u>166,393</u>	<u>588,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
149	-	-	-	-	-	190,598	-	38,132
-	-	-	-	-	-	-	-	-
<u>\$ 149</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 190,598</u>	<u>\$ -</u>	<u>\$ 38,132</u>

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**GRAND TRAVERSE COUNTY**  
**BROWNFIELD REDEVELOPMENT AUTHORITY**  
**COMBINING STATEMENT OF NET POSITION**

**DECEMBER 31, 2017**

	<u>TBA Credit Union</u>	<u>Graetz Property</u>	<u>Old Town Center</u>	<u>Uptown</u>	<u>Total</u>
<b>Assets</b>					
Cash and pooled investments	\$ 158,917	\$ 308	\$ 2,775	\$ 292	\$ 3,117,941
Due from other governments	-	-	-	-	85,559
Advance to other funds	-	-	-	-	1,556,393
Accounts receivable long-term	1,238,507	287	2,097	117,208	4,436,819
Prepaid items	-	-	-	-	33,488
<b>Total assets</b>	<u>\$ 1,397,424</u>	<u>\$ 595</u>	<u>\$ 4,872</u>	<u>\$ 117,500</u>	<u>\$ 9,230,200</u>
<b>Liabilities and fund balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	85,559
Accrued liabilities	-	-	-	-	19,107
Due to primary government	-	-	-	-	140,000
Due to other governments	-	595	4,872	-	5,467
Advance from other funds	-	-	-	-	1,556,393
Long-term debt					
Due within one year	149,289	-	-	-	395,547
Due in more than one year	1,248,135	-	-	117,500	3,140,056
<b>Total liabilities</b>	<u>1,397,424</u>	<u>595</u>	<u>4,872</u>	<u>117,500</u>	<u>5,342,129</u>
<b>Net position</b>					
Restricted	-	-	-	-	3,888,071
Unrestricted	-	-	-	-	-
<b>Total net position</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,888,071</u>

(concluded)

**GRAND TRAVERSE COUNTY**  
**BROWNFIELD REDEVELOPMENT AUTHORITY**  
**COMBINING STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**DECEMBER 31, 2017**

	<u>General Operations</u>	<u>Local Revolving Fund</u>	<u>River's Edge</u>	<u>Park Street</u>	<u>CSXT Boardman Lake</u>	<u>Bridgestone Firestone</u>
<b>Revenues</b>						
Capture	\$ -	\$ 326,266	\$ -	\$ 129,839	\$ 593,526	\$ -
Charges for services	-	500	-	-	-	-
<b>Total revenues</b>	-	326,766	-	129,839	593,526	-
<b>Expense</b>						
Contracted services	184,783	31,950	-	245,000	911,885	-
Revenues over (under) expense	(184,783)	294,816	-	(115,161)	(318,359)	-
Non-operating revenue (expense)						
Interest income	-	(9,582)	-	348	4,291	-
Grants						
Federal	-	-	-	-	-	-
State	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-
Total other financing sources (uses)	-	(9,582)	-	348	4,291	-
Income (loss) before transfers	(184,783)	285,234	-	(114,813)	(314,068)	-
Other financing sources and (uses)						
Transfers in	175,000	846	-	-	-	-
Transfers out	-	-	-	(2,868)	(64,651)	-
Total transfers	175,000	846	-	(2,868)	(64,651)	-
Change in net position	(9,783)	286,080	-	(117,681)	(378,719)	-
<b>Net position, beginning of year, as restated</b>	<u>59,312</u>	<u>2,616,834</u>	<u>-</u>	<u>119,587</u>	<u>1,083,562</u>	<u>-</u>
<b>Net position, end of year</b>	<u>\$ 49,529</u>	<u>\$ 2,902,914</u>	<u>\$ -</u>	<u>\$ 1,906</u>	<u>\$ 704,843</u>	<u>\$ -</u>

<u>Traverse House Scamehorn</u>	<u>Grand Traverse Auto</u>	<u>Traverse Cast</u>	<u>Grand Traverse Commons</u>	<u>Kinney</u>	<u>Blarney Castle</u>	<u>River West Snowden</u>	<u>GT Land Bank Parcels</u>	<u>TC East Bay Plaza</u>
\$ 55,928	\$ 16,664	\$ -	\$ 614,630	\$ 59,874	\$ 58,297	\$ 20,367	\$ 1,422	\$ 35,085
-	-	-	-	-	-	-	-	-
55,928	16,664	-	614,630	59,874	58,297	20,367	1,422	35,085
45,000	204,800	-	543,756	58,500	46,743	-	13,990	20,325
10,928	(188,136)	-	70,874	1,374	11,554	20,367	(12,568)	14,760
201	533	-	1,269	16	913	922	36	169
-	84,774	-	-	-	-	-	-	-
-	111,746	-	-	-	-	-	-	-
-	(4,680)	-	(14,677)	-	-	-	-	-
201	192,373	-	(13,408)	16	913	922	36	169
11,129	4,237	-	57,466	1,390	12,467	21,289	(12,532)	14,929
-	-	-	-	-	-	-	-	-
(10,980)	(4,237)	-	(57,466)	(1,390)	(12,467)	(570)	(1,344)	(3,092)
(10,980)	(4,237)	-	(57,466)	(1,390)	(12,467)	(570)	(1,344)	(3,092)
149	-	-	-	-	-	20,719	(13,876)	11,837
-	-	-	-	-	-	169,879	13,876	26,295
\$ 149	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 190,598	\$ -	\$ 38,132

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**GRAND TRAVERSE COUNTY**  
**BROWNFIELD REDEVELOPMENT AUTHORITY**  
**COMBINING STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**

**DECEMBER 31, 2017**

	<u>TBA Credit Union</u>	<u>Graetz Property</u>	<u>Old Town Center</u>	<u>Uptown</u>	<u>Total</u>
<b>Revenues</b>					
Capture	\$ 14,694	\$ 10,074	\$ 68,836	\$ 76,125	\$ 2,081,627
Charges for services	-	-	-	-	500
<b>Total revenues</b>	<u>14,694</u>	<u>10,074</u>	<u>68,836</u>	<u>76,125</u>	<u>2,082,127</u>
<b>Expense</b>					
Contracted services	<u>7,943</u>	<u>9,139</u>	<u>132,057</u>	<u>76,041</u>	<u>2,531,912</u>
Revenues over (under) expense	<u>6,751</u>	<u>935</u>	<u>(63,221)</u>	<u>84</u>	<u>(449,785)</u>
Non-operating revenue (expense)					
Interest income	644	14	165	62	1
Grants					
Federal	-	-	-	-	84,774
State	-	-	-	614	112,360
Interest expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(19,357)</u>
Total Non-operating revenue (expense)	<u>644</u>	<u>14</u>	<u>165</u>	<u>676</u>	<u>177,778</u>
Income (loss) before transfers	7,395	949	(63,056)	760	(272,007)
Other financing sources and (uses)					
Transfers in	-	-	-	-	175,846
Transfers out	<u>(7,395)</u>	<u>(1,052)</u>	<u>(7,574)</u>	<u>(760)</u>	<u>(175,846)</u>
Total transfers	<u>(7,395)</u>	<u>(1,052)</u>	<u>(7,574)</u>	<u>(760)</u>	<u>-</u>
Change in net position	-	(103)	(70,630)	-	(272,007)
<b>Net position, beginning of year, as restated</b>	<u>-</u>	<u>103</u>	<u>70,630</u>	<u>-</u>	<u>4,160,078</u>
<b>Net position, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,888,071</u>

(concluded)

**GRAND TRAVERSE COUNTY**

**BROWNFIELD REDEVELOPMENT AUTHORITY  
COMBINING STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>General Operations</u>	<u>Local Revolving Fund</u>	<u>River's Edge</u>	<u>Park Street</u>	<u>CSXT Boardman Lake</u>	<u>Bridgestone Firestone</u>
<b>Cash flows from operating activities</b>						
Receipts from customers and users	\$ -	\$ 346,938	\$ -	\$ 129,839	\$ 593,526	\$ -
Payments to suppliers	(190,126)	(102,740)	-	(245,000)	(911,885)	-
<b>Net cash provided by (used in) operating activities</b>	<u>(190,126)</u>	<u>244,198</u>	<u>-</u>	<u>(115,161)</u>	<u>(318,359)</u>	<u>-</u>
<b>Cash flows from non-capital financing activities</b>						
Payment of loan from other funds	-	-	-	-	-	-
Receipts of loan to other funds	-	238,500	-	-	-	-
Contributions received	-	-	-	-	-	-
Transfer in	175,000	846	-	-	-	-
Transfer out	-	-	-	(2,868)	(64,651)	-
<b>Net cash provided by (used in) non-capital financing activities</b>	<u>175,000</u>	<u>239,346</u>	<u>-</u>	<u>(2,868)</u>	<u>(64,651)</u>	<u>-</u>
<b>Cash flows from capital and related financing activities</b>						
Interest expense	-	-	-	-	-	-
Principal payments	-	-	-	-	-	-
<b>Net cash provided by (used in) capital and related financing activities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash flows from investing activities</b>						
Interest income	-	(9,582)	-	348	4,291	-
<b>Net cash provided by (used in) investing activities</b>	<u>-</u>	<u>(9,582)</u>	<u>-</u>	<u>348</u>	<u>4,291</u>	<u>-</u>
Net increase (decrease) in cash and pooled investments	(15,126)	473,962	-	(117,681)	(378,719)	-
<b>Cash and pooled investments, beginning of year</b>	<u>204,655</u>	<u>839,071</u>	<u>-</u>	<u>119,587</u>	<u>1,083,562</u>	<u>-</u>
<b>Cash and pooled investments, end of year</b>	<u>\$ 189,529</u>	<u>\$ 1,313,033</u>	<u>\$ -</u>	<u>\$ 1,906</u>	<u>\$ 704,843</u>	<u>\$ -</u>
<b>Cash flows from operating activities</b>						
Operating income (loss)	\$ (184,783)	\$ 294,816	\$ -	\$ (115,161)	\$ (318,359)	\$ -
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities						
Changes in operating assets and liabilities which provided (used) cash						
Accounts receivable	-	20,172	-	-	-	-
Prepaid assets and other items	-	5,041	-	-	-	-
Accounts payable	(5,343)	(75,831)	-	-	-	-
Due to other governments	-	-	-	-	-	-
<b>Net cash provided by (used in) operating activities</b>	<u>\$ (190,126)</u>	<u>\$ 244,198</u>	<u>\$ -</u>	<u>\$ (115,161)</u>	<u>\$ (318,359)</u>	<u>\$ -</u>

<u>Traverse House Scamehorn</u>	<u>Grand Traverse Auto</u>	<u>Traverse Cast</u>	<u>Grand Traverse Commons</u>	<u>Kinney</u>	<u>Blarney Castle</u>	<u>River West Snowden</u>	<u>GT Land Bank Parcels</u>	<u>TC East Bay Plaza</u>
\$ 93,868 (45,000)	\$ 285,267 (148,794)	\$ - -	\$ 746,611 (474,356)	\$ 117,863 (58,500)	\$ 126,503 (46,743)	\$ 20,367 -	\$ 1,422 (13,990)	\$ 35,085 (20,325)
<u>48,868</u>	<u>136,473</u>	<u>-</u>	<u>272,255</u>	<u>59,363</u>	<u>79,760</u>	<u>20,367</u>	<u>(12,568)</u>	<u>14,760</u>
-	(180,000)	-	-	(58,500)	-	-	-	-
-	-	-	-	-	-	-	-	-
-	110,961	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>(10,980)</u>	<u>(4,237)</u>	<u>-</u>	<u>(57,466)</u>	<u>(1,390)</u>	<u>(12,467)</u>	<u>(570)</u>	<u>(1,344)</u>	<u>(3,092)</u>
<u>(10,980)</u>	<u>(73,276)</u>	<u>-</u>	<u>(57,466)</u>	<u>(59,890)</u>	<u>(12,467)</u>	<u>(570)</u>	<u>(1,344)</u>	<u>(3,092)</u>
-	(4,680)	-	(14,677)	-	-	-	-	-
<u>-</u>	<u>(44,946)</u>	<u>-</u>	<u>(85,498)</u>	<u>-</u>	<u>(280,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>(49,626)</u>	<u>-</u>	<u>(100,175)</u>	<u>-</u>	<u>(280,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>201</u>	<u>533</u>	<u>-</u>	<u>1,269</u>	<u>16</u>	<u>913</u>	<u>922</u>	<u>36</u>	<u>169</u>
201	533	-	1,269	16	913	922	36	169
38,089	14,104	-	115,883	(511)	(211,794)	20,719	(13,876)	11,837
<u>12,060</u>	<u>21,152</u>	<u>-</u>	<u>194,619</u>	<u>742</u>	<u>333,264</u>	<u>169,879</u>	<u>13,876</u>	<u>26,295</u>
<u>\$ 50,149</u>	<u>\$ 35,256</u>	<u>\$ -</u>	<u>\$ 310,502</u>	<u>\$ 231</u>	<u>\$ 121,470</u>	<u>\$ 190,598</u>	<u>\$ -</u>	<u>\$ 38,132</u>
\$ 10,928	\$ (188,136)	\$ -	\$ 70,874	\$ 1,374	\$ 11,554	\$ 20,367	\$ (12,568)	\$ 14,760
37,940	268,603	-	131,981	57,989	68,206	-	-	-
-	-	-	69,400	-	-	-	-	-
-	56,006	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 48,868</u>	<u>\$ 136,473</u>	<u>\$ -</u>	<u>\$ 272,255</u>	<u>\$ 59,363</u>	<u>\$ 79,760</u>	<u>\$ 20,367</u>	<u>\$ (12,568)</u>	<u>\$ 14,760</u>

(continued)

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**GRAND TRAVERSE COUNTY**

**BROWNFIELD REDEVELOPMENT AUTHORITY  
COMBINING STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>TBA Credit Union</b>	<b>Graetz Property</b>	<b>Old Town Center</b>	<b>Uptown</b>	<b>Total</b>
<b>Cash flows from operating activities</b>					
Receipts from customers and users	\$ 72,264	\$ 9,787	\$ 66,739	\$ 102,262	\$ 2,748,341
Payments to suppliers	(7,943)	(8,544)	(127,185)	(77,376)	(2,478,507)
<b>Net cash provided by (used in) operating activities</b>	<u>64,321</u>	<u>1,243</u>	<u>(60,446)</u>	<u>24,886</u>	<u>269,834</u>
<b>Cash flows from non-capital financing activities</b>					
Payment of loan from other funds	-	-	-	-	(238,500)
Receipts of loan to other funds	-	-	-	-	238,500
Contributions received	-	-	-	614	111,575
Transfer in	-	-	-	-	175,846
Transfer out	(7,395)	(1,052)	(7,574)	(760)	(175,846)
<b>Net cash provided by (used in) non-capital financing activities</b>	<u>(7,395)</u>	<u>(1,052)</u>	<u>(7,574)</u>	<u>(146)</u>	<u>111,575</u>
<b>Cash flows from capital and related financing activities</b>					
Interest expense	-	-	-	-	(19,357)
Principal payments	-	-	-	(46,296)	(456,740)
<b>Net cash provided by (used in) capital and related financing activities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(46,296)</u>	<u>(476,097)</u>
<b>Cash flows from investing activities</b>					
Interest income	644	14	165	62	1
<b>Net cash provided by (used in) investing activities</b>	<u>644</u>	<u>14</u>	<u>165</u>	<u>62</u>	<u>1</u>
Net increase (decrease) in cash and pooled investments	57,570	205	(67,855)	(21,494)	(94,687)
<b>Cash and pooled investments, beginning of year</b>	<u>101,347</u>	<u>103</u>	<u>70,630</u>	<u>21,786</u>	<u>3,212,628</u>
<b>Cash and pooled investments, end of year</b>	<u>\$ 158,917</u>	<u>\$ 308</u>	<u>\$ 2,775</u>	<u>\$ 292</u>	<u>\$ 3,117,941</u>
<b>Cash flows from operating activities</b>					
Operating income (loss)	\$ 6,751	\$ 935	\$ (63,221)	\$ 84	(449,785)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Changes in operating assets and liabilities which provided (used) cash					
Accounts receivable	57,570	(287)	(2,097)	26,137	666,214
Prepaid assets and other items	-	-	-	-	74,441
Accounts payable	-	-	-	(1,335)	(26,503)
Due to other governments	-	595	4,872	-	5,467
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 64,321</u>	<u>\$ 1,243</u>	<u>\$ (60,446)</u>	<u>\$ 24,886</u>	<u>\$ 269,834</u>

(concluded)

**GRAND TRAVERSE COUNTY**

**DRAIN COMMISSION  
COMBINING BALANCE SHEET / STATEMENT OF NET POSITION**

**DECEMBER 31, 2017**

	<u>Special Revenue</u>		<u>Capital Projects</u>				
	<u>Drain Revolving</u>	<u>Heritage Estates Drain Special Assessment</u>	<u>Acme Town Center Project</u>	<u>Sam's Club Drain Special Assessment</u>	<u>Silver Lake Farms Drain Special</u>	<u>Cherry Ridge Estates Drain Special</u>	<u>Holiday South Drain Special Assessment</u>
<b>Assets</b>							
Cash and pooled investments	\$ 6,860	\$ 1,538	\$ 1,872	\$ 4,366	\$ 942	\$ 4,643	\$ 710
Capital assets							
Construction in process	-	-	-	-	-	-	-
<b>Total assets</b>	<u>\$ 6,860</u>	<u>\$ 1,538</u>	<u>\$ 1,872</u>	<u>\$ 4,366</u>	<u>\$ 942</u>	<u>\$ 4,643</u>	<u>\$ 710</u>
<b>Liabilities and fund balances</b>							
<b>Liabilities</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to primary government	35,000	-	-	-	-	-	-
Notes payable	-	-	-	-	-	-	-
<b>Total liabilities</b>	<u>35,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances</b>							
Restricted	-	1,538	1,872	4,366	942	4,643	710
Unassigned	(28,140)	-	-	-	-	-	-
<b>Total fund balances</b>	<u>(28,140)</u>	<u>1,538</u>	<u>1,872</u>	<u>4,366</u>	<u>942</u>	<u>4,643</u>	<u>710</u>
<b>Total liabilities and fund balances</b>	<u>\$ 6,860</u>	<u>\$ 1,538</u>	<u>\$ 1,872</u>	<u>\$ 4,366</u>	<u>\$ 942</u>	<u>\$ 4,643</u>	<u>\$ 710</u>

Capital Projects									
Westchester Hills Drain Special Assessment	Silver Lake Lake Level Special Assessment	Deepwater Point Drain Special Assessment	Old Mission Drain Special Assessment	Cass Road Drain Special Assessment	Gilbert Park Drain Special Assessment	Timberlane Drive Drain Special Assessment	Total	Adjustments	Statement of Net Position
\$ 380	\$ 380	\$ 5,887	\$ 2,420	\$ 200,122	\$ 9,224	\$ 66,717	\$ 306,061	\$ -	\$ 306,061
-	-	-	-	-	-	-	-	287,155	287,155
<u>\$ 380</u>	<u>\$ 380</u>	<u>\$ 5,887</u>	<u>\$ 2,420</u>	<u>\$ 200,122</u>	<u>\$ 9,224</u>	<u>\$ 66,717</u>	<u>\$ 306,061</u>	<u>\$ 287,155</u>	<u>593,216</u>
\$ -	\$ -	\$ -	\$ -	\$ 20,180	\$ -	\$ -	\$ 20,180	\$ -	20,180
-	-	-	-	-	-	-	35,000	-	35,000
-	-	-	-	475,000	-	-	475,000	-	475,000
-	-	-	-	495,180	-	-	530,180	-	530,180
380	380	5,887	2,420		9,224	66,717	99,079	(99,079)	-
-	-	-	-	(295,058)	-	-	(323,198)	323,198	-
<u>380</u>	<u>380</u>	<u>5,887</u>	<u>2,420</u>	<u>(295,058)</u>	<u>9,224</u>	<u>66,717</u>	<u>(224,119)</u>	<u>224,119</u>	-
<u>\$ 380</u>	<u>\$ 380</u>	<u>\$ 5,887</u>	<u>\$ 2,420</u>	<u>\$ 200,122</u>	<u>\$ 9,224</u>	<u>\$ 66,717</u>	<u>\$ 306,061</u>		
<b>Net position</b>									
Net investment in capital assets									32,457
Restricted									30,579
Unrestricted									-
<b>Total net position</b>									<u>\$ 63,036</u>
<b>Reconciliation of Fund Balance on the Combining Balance Sheet to Net Position on the Statement of Net Position</b>									
<b>Fund balances</b>									\$ (224,119)
Add - capital assets									<u>287,155</u>
<b>Net position</b>									<u>\$ 63,036</u>



**GRAND TRAVERSE COUNTY**

**DRAIN COMMISSION  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES / STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Special Revenue</u>	<u>Capital Projects</u>					
	<u>Drain Revolving</u>	<u>Heritage Estates Drain Special Assessment</u>	<u>Acme Town Center Project</u>	<u>Sam's Club Drain Special Assessment</u>	<u>Silver Lake Farms Drain Special</u>	<u>Cherry Ridge Estates Drain Special</u>	<u>Holiday South Drain Special Assessment</u>
<b>Revenues</b>							
Interest	\$ -	\$ 17	\$ 20	\$ 48	\$ 10	\$ 52	\$ 8
<b>Total revenues</b>	-	17	20	48	10	52	8
<b>Expenditures</b>							
Current							
Public works	28,140	-	-	-	-	-	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
<b>Total expenditures</b>	28,140	-	-	-	-	-	-
Net changes in fund balances	(28,140)	17	20	48	10	52	8
Change in net position							
<b>Fund balances/net position beginning of year, as restated</b>	-	1,521	1,852	4,318	932	4,591	702
<b>Fund balances/net position, end of year</b>	\$ (28,140)	\$ 1,538	\$ 1,872	\$ 4,366	\$ 942	\$ 4,643	\$ 710

Capital Projects									
Westchester Hills Drain Special Assessment	Silver Lake Lake Level Special Assessment	Deepwater Point Drain Special Assessment	Old Mission Drain Special Assessment	Cass Road Drain Special Assessment	Gilbert Park Drain Special Assessment	Timberlane Drive Drain Special Assessment	Total	Adjustments	Statement of Activities
\$ 4	\$ 4	\$ 65	\$ 26	\$ 1,590	\$ 102	\$ 738	\$ 2,684	\$ -	\$ 2,684
4	4	65	26	1,590	102	738	2,684	-	2,684
-	-	-	-	33,102	-	-	61,242	(30,214)	31,028
-	-	-	-	300,000	-	-	300,000	(300,000)	-
-	-	-	-	7,688	-	-	7,688	(5,130)	2,558
-	-	-	-	340,790	-	-	368,930	(335,344)	33,586
4	4	65	26	(339,200)	102	738	(366,246)	335,344	(30,902)
									(30,902)
376	376	5,822	2,394	44,142	9,122	65,979	142,127	65,979	93,938
\$ 380	\$ 380	\$ 5,887	\$ 2,420	\$ (295,058)	\$ 9,224	\$ 66,717	\$ (224,119)	\$ 401,323	\$ 63,036

**Reconciliation of the Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
to the Change in Net Position on the Statement of Activities**

<b>Net change in fund balances</b>	\$ (366,246)
Add - capital asset additions	30,214
Add - principal paid on longterm debt	300,000
Add - decrease in accrued interest	5,130
<b>Change in net position</b>	<u>\$ (30,902)</u>

# GRAND TRAVERSE COUNTY

## DEPARTMENT OF PUBLIC WORKS STATEMENT OF NET POSITION

**DECEMBER 31, 2017**

	<b>Septage Facility</b>	<b>Garfield Septage Facility</b>	<b>DPW</b>	<b>Total</b>
<b>Assets</b>				
Current assets				
Cash and pooled investments	\$ 782,587	\$ -	\$ 825	\$ 783,412
Accounts receivable	69,573	1,379	1,230,558	1,301,510
Interest receivable	-	-	114,470	114,470
Due from other governments	-	-	65,106	65,106
<b>Total current assets</b>	<b>852,160</b>	<b>1,379</b>	<b>1,410,959</b>	<b>2,264,498</b>
Long-term assets				
Long-term receivable	-	-	23,222,960	23,222,960
Capital assets				
Land	400,000	-	-	400,000
Capital assets	6,364,882	-	-	6,364,882
<b>Net capital assets</b>	<b>6,764,882</b>	<b>-</b>	<b>-</b>	<b>6,764,882</b>
<b>Total assets</b>	<b>7,617,042</b>	<b>1,379</b>	<b>24,633,919</b>	<b>32,252,340</b>
<b>Liabilities</b>				
Current liabilities				
Accounts payable	36,932	752	329,143	366,827
Accrued liabilities	17,377	-	279,776	297,153
Due to primary government	-	389	422,292	422,681
Due to other governmental units	51,089	-	310,850	361,939
<b>Total current liabilities</b>	<b>105,398</b>	<b>1,141</b>	<b>1,342,061</b>	<b>1,448,600</b>
Long-term liabilities				
Advance from primary government	1,887,000	-	452,960	2,339,960
Compensated absences	-	-	58,968	58,968
Due within one year	185,000	-	3,010,000	3,195,000
Due in more than one year	2,221,313	-	19,760,000	21,981,313
<b>Total long-term liabilities</b>	<b>4,293,313</b>	<b>-</b>	<b>23,281,928</b>	<b>27,575,241</b>
<b>Total liabilities</b>	<b>4,398,711</b>	<b>1,141</b>	<b>24,623,989</b>	<b>29,023,841</b>
<b>Net position</b>				
Net investment in capital assets	4,358,569	-	-	4,358,569
Restricted	-	238	9,930	10,168
Unrestricted	(1,140,238)	-	-	(1,140,238)
<b>Total net position</b>	<b>\$ 3,218,331</b>	<b>\$ 238</b>	<b>\$ 9,930</b>	<b>\$ 3,228,499</b>

# GRAND TRAVERSE COUNTY

## DEPARTMENT OF PUBLIC WORKS STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Septage Facility</u>	<u>Garfield Septage Facility</u>	<u>DPW</u>	<u>Total</u>
<b>Operating revenue</b>				
Local sources	\$ -	\$ 596	\$ 5,733,851	\$ 5,734,447
Charges for services	1,225,271	6,337	493,095	1,724,703
<b>Total operating revenue</b>	1,225,271	6,933	6,226,946	7,459,150
<b>Operating expense</b>				
Personnel services	(17,151)	-	1,154,900	1,137,749
Contracted services	333,919	-	128,506	462,425
Supplies	1,263	-	428,807	430,070
Other	282,143	6,933	3,805,052	4,094,128
Depreciation	238,483	-	-	238,483
<b>Total operating expense</b>	838,657	6,933	5,517,265	6,362,855
Operating income (loss)	386,614	-	709,681	1,096,295
<b>Non-operating revenue (expense)</b>				
Interest income	768	-	-	768
Interest expense	(110,247)	-	(707,411)	(817,658)
<b>Total non-operating revenue (expense)</b>	(109,479)	-	(707,411)	(816,890)
Change in net position	277,135	-	2,270	279,405
<b>Net position, beginning of year</b>	2,941,196	238	7,660	2,949,094
<b>Net position, end of year</b>	\$ 3,218,331	\$ 238	\$ 9,930	\$ 3,228,499

# GRAND TRAVERSE COUNTY

## DEPARTMENT OF PUBLIC WORKS STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Septage Facility</u>	<u>Garfield Septage Facility</u>	<u>DPW</u>	<u>Total</u>
<b>Cash flows from operating activities</b>				
Receipts from customers and users	\$ 1,282,371	\$ 6,846	\$ 10,181,280	\$ 11,470,497
Payments to employees	(67,189)	-	(1,095,932)	(1,163,121)
Payments to suppliers	(624,195)	(6,441)	(4,848,366)	(5,479,002)
<b>Net cash provided by (used in) operating activities</b>	<u>590,987</u>	<u>405</u>	<u>4,236,982</u>	<u>4,828,374</u>
<b>Cash flows from non-capital financing activities</b>				
Payment of loan from other funds	(205,678)	(405)	(974,196)	(1,180,279)
<b>Cash flows from capital and related financing activities</b>				
Interest expense	(109,434)	-	(707,411)	(816,845)
Principal paid on long-term debt	(185,000)	-	(2,555,000)	(2,740,000)
<b>Net cash provided by (used in) capital and related financing activities</b>	<u>(294,434)</u>	<u>-</u>	<u>(3,262,411)</u>	<u>(3,556,845)</u>
<b>Cash flows from investing activities</b>				
Interest income	768	-	-	768
<b>Net cash provided by (used in) investing activities</b>	<u>768</u>	<u>-</u>	<u>-</u>	<u>768</u>
Net increase (decrease) in cash and pooled investments	91,643	-	375	92,018
<b>Cash and pooled investments, beginning of year</b>	<u>690,944</u>	<u>-</u>	<u>450</u>	<u>691,394</u>
<b>Cash and pooled investments, end of year</b>	<u>\$ 782,587</u>	<u>\$ -</u>	<u>\$ 825</u>	<u>\$ 783,412</u>
<b>Cash flows from operating activities</b>				
Operating income (loss)	\$ 386,614	\$ -	\$ 709,681	\$ 1,096,295
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation	238,483	-	-	238,483
Changes in operating assets and liabilities which provided (used) cash				
Accounts receivable	6,011	(87)	600,378	606,302
Due from other governments	-	-	(1,894)	(1,894)
Long-term lease receivable	-	-	3,045,000	3,045,000
Accounts payable	747	492	(408,162)	(406,923)
Accrued liabilities	(7,617)	-	(77,839)	(85,456)
Due to other governments	51,089	-	310,850	361,939
Net pension obligation	(84,340)	-	-	(84,340)
Compensated absences	-	-	58,968	58,968
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 590,987</u>	<u>\$ 405</u>	<u>\$ 4,236,982</u>	<u>\$ 4,828,374</u>

Noncash transaction

The DPW issued \$4,010,000 of refunding bonds to refund \$2,715,000 of bonds and to provide financing to other governmental units.

## **STATISTICAL SECTION**

GRAND TRAVERSE COUNTY, MICHIGAN

Table 1 - Unaudited

Net Position by Component										
Last Ten Fiscal Years										
(amounts expressed in thousands)										
Primary Government Activities	Fiscal Year					Fiscal Year				
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Governmental activities										
Net investment in capital assets	\$ 32,717	\$ 36,800	\$ 36,973	\$ 34,741	\$ 35,450	\$ 36,440	\$ 35,668	\$ 33,229	\$ 32,048	\$ 32,644
Restricted	8,639	8,117	6,333	5,991	5,926	10,177	15,617	7,077	8,645	10,218
Unrestricted	(36,604)	(44,384)	(39,143)	7,950	10,794	6,733	4,138	17,572	19,918	19,254
Total governmental activities net position	\$ 4,752	\$ 533	\$ 4,163	\$ 48,682	\$ 52,170	\$ 53,350	\$ 55,423	\$ 57,878	\$ 60,611	\$ 62,116
Business-type activities										
Net investment in capital assets	\$ 17,738	\$ 18,563	\$ 17,955	\$ 17,659	\$ 16,096	\$ 14,928	\$ 13,708	\$ 11,728	\$ 10,522	\$ 9,121
Unrestricted	15,778	14,039	15,499	22,088	21,552	20,520	20,216	19,630	17,173	17,237
Total business-type activities net position	\$ 33,516	\$ 32,602	\$ 33,454	\$ 39,747	\$ 37,648	\$ 35,448	\$ 33,924	\$ 31,358	\$ 27,695	\$ 26,358
Primary government										
Net investment in capital assets	\$ 50,455	\$ 55,363	\$ 54,928	\$ 52,400	\$ 51,546	\$ 51,368	\$ 49,376	\$ 44,957	\$ 42,570	\$ 41,765
Restricted	8,639	8,117	6,333	5,991	5,926	10,177	15,617	7,077	8,645	10,218
Unrestricted	(20,826)	(30,345)	(23,644)	30,038	32,346	27,253	24,354	37,202	37,091	36,491
Total primary government net position	\$ 38,268	\$ 33,135	\$ 37,617	\$ 88,429	\$ 89,818	\$ 88,798	\$ 89,347	\$ 89,236	\$ 88,306	\$ 88,474

Note: GASB Statement No.'s 63 and 65 were implemented for Fiscal Year Ended December 31, 2012. Information on this schedule is reported prospectively for the year of implementation. Grand Traverse County, Michigan has chosen not to make the necessary calculations to retroactively report the information for the four Fiscal Years Ended December 31, 2008 through 2011.

Note: GASB Statement No. 68 was implemented for the fiscal year ended December 31, 2015. This resulted in presentation of the County's net pension liability on the statement of net position. Prior years were not restated.

GRAND TRAVERSE COUNTY, MICHIGAN

Table 2 - Unaudited

Changes in Net Position										
Last Ten Fiscal Years										
(amounts expressed in thousands)										
	Fiscal Year					Fiscal Year				
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Expenses										
Governmental activities:										
Legislative	\$ 210	\$ 355	\$ 402	\$ 351	\$ 344	\$ 383	\$ 434	\$ 413	\$ 423	\$ 539
Judicial	9,735	11,702	10,769	10,460	10,685	10,570	8,639	8,862	8,826	8,511
General government	7,122	11,272	8,699	8,823	8,626	8,560	10,934	11,392	11,502	11,666
Public safety	16,244	20,353	17,690	17,283	16,203	16,544	16,379	16,058	15,480	16,471
Public works	228	256	251	243	213	278	268	261	263	301
Health and welfare	11,551	12,630	11,896	11,479	12,141	11,047	10,481	10,660	9,567	9,753
Economic development	704	159	118	1,497	213	9	445	84	322	251
Recreation and culture	659	698	953	892	985	888	915	966	1,640	650
Interest on long-term debt	270	280	291	303	314	442	360	481	516	537
Total governmental activities expenses	46,723	57,705	51,069	51,331	49,724	48,721	48,855	49,177	48,539	48,679
Business-type activities:										
Inspections	785	1,333	1,187	1,137	1,102	1,041	949	989	1,137	1,327
Medical Care Facility (Pavilions)	28,824	30,922	30,338	28,723	28,305	28,047	25,439	24,259	24,937	24,594
Solid waste	35	307	382	318	307	339	320	661	705	575
Delinquent tax collection and administration	168	162	539	185	348	280	193	250	277	89
Total business-type activities expenses	29,812	32,724	32,446	30,363	30,062	29,707	26,901	26,159	27,056	26,585
Total primary government expenses	76,535	90,429	83,515	81,694	79,786	78,428	75,756	75,336	75,595	75,264
Program revenues										
Governmental activities:										
Charges for services:										
Legislative	-	25	-	2	-	1	8	9	1	4
Judicial	2,545	2,722	2,946	2,882	2,944	2,832	2,920	3,005	2,927	3,100
General government	3,113	4,748	3,090	2,888	2,947	3,148	2,597	2,335	2,365	2,287
Public safety	1,379	3,500	981	1,739	1,628	1,509	1,516	1,625	1,603	1,593
Public works	210	178	166	120	102	90	80	75	61	64
Health and welfare	1,217	2,049	3,414	2,402	2,353	2,442	2,048	2,443	1,989	1,704
Economic development	3	68	-	3	-	-	-	-	-	-
Recreation and culture	187	289	344	486	471	419	395	460	306	402
Operating grants and contributions	13,358	10,715	11,780	9,908	11,218	9,828	10,033	10,438	11,218	11,944
Capital grants and contributions	-	-	3	9	-	165	387	443	33	900
Total governmental activities program revenues	22,012	24,294	22,724	20,439	21,663	20,434	19,984	20,833	20,503	21,998
Business-type activities:										
Charges for services:										
Inspections	1,892	1,730	1,685	1,676	1,428	990	925	871	846	1,017
Medical Care Facility (Pavilions)	30,086	27,297	26,213	24,736	24,753	24,037	25,191	23,747	23,429	23,280
Solid waste	245	196	296	261	284	357	442	568	576	737
Delinquent tax collection and administration	1,111	1,043	372	414	453	548	2,170	2,334	1,874	1,163
Operating grants and contributions	177	2,514	3,437	3,590	4,192	4,070	120	112	136	93
Total business-type activities program revenues	33,511	32,780	32,003	30,677	31,110	30,002	28,848	27,632	26,861	26,290



GRAND TRAVERSE COUNTY, MICHIGAN

Table 2 - Unaudited

Changes in Net Position										
Last Ten Fiscal Years										
(amounts expressed in thousands)										
	Fiscal Year					Fiscal Year				
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total primary government program revenues	55,523	57,074	54,727	51,116	52,773	50,436	48,832	48,465	47,364	48,288
Continued...										
Net (expense) revenues										
Governmental activities	\$ (24,711)	\$ (33,411)	\$ (28,345)	\$ (30,892)	\$ (28,061)	\$ (28,287)	\$ (28,871)	\$ (28,344)	\$ (28,036)	\$ (26,681)
Business-type activities	3,699	56	(443)	314	1,048	295	1,947	1,473	(195)	(295)
Total primary government net (expense) revenues	(21,012)	(33,355)	(28,788)	(30,578)	(27,013)	(27,992)	(26,924)	(26,871)	(28,231)	(26,976)
General revenues and other changes in net position										
Governmental activities:										
Property taxes	27,776	26,027	25,870	25,840	25,550	24,501	24,008	24,146	24,619	23,922
State revenue sharing	2,428	2,686	1,692	332	-	-	-	-	-	-
Unrestricted investment earnings	187	155	149	163	143	156	227	344	611	1,294
Other revenues (expense)	246	-	31	30	12	-	17	13	-	(29)
Transfers - internal activities	2,848	912	1,114	1,039	1,177	1,558	2,164	1,158	1,301	1,001
Total governmental activities	33,485	29,780	28,856	27,404	26,882	26,215	26,416	25,661	26,531	26,188
Business-type activities:										
Property taxes	-	2	2,754	2,824	2,767	2,882	2,754	3,203	2,784	2,677
Unrestricted investment earnings	61	2	-	-	-	-	29	78	60	237
Other revenues (expense)	2	-	-	1	-	-	-	16	(11)	5
Transfers - internal activities	(2,848)	(912)	(1,114)	(1,039)	(1,177)	(1,558)	(2,164)	(1,158)	(1,301)	(1,011)
Total business-type activities	(2,785)	(908)	1,640	1,786	1,590	1,324	619	2,139	1,532	1,908
Total primary government	30,700	28,872	30,496	29,190	28,472	27,539	27,035	27,800	28,063	28,096
Change in net position										
Governmental activities	8,774	(3,631)	511	(3,488)	(1,179)	(2,072)	(2,455)	(2,683)	(1,505)	(493)
Business-type activities	914	(852)	1,197	2,100	2,638	1,619	2,566	3,612	1,337	1,613
Total primary government change in net position	\$ 9,688	\$ (4,483)	\$ 1,708	\$ (1,388)	\$ 1,459	\$ (453)	\$ 111	\$ 929	\$ (168)	\$ 1,120
Concluded.										

GRAND TRAVERSE COUNTY, MICHIGAN

Table 3 - Unaudited

**Fund Balances - Governmental Funds**

Last Ten Fiscal Years

(amounts expressed in thousands)

	Fiscal Year					Fiscal Year				
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General fund:										
Nonspendable	\$ 3,712	\$ 4,876	\$ 2,351	\$ 2,811	\$ 3,194	\$ 3,434	\$ 2,988	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	10	-	-	-
Assigned	-	-	500	706	1,582	625	625	-	-	-
Unassigned	8,215	7,470	6,665	5,421	4,425	3,976	4,148	-	-	-
Reserved	-	-	-	-	-	-	-	870	961	660
Unreserved	-	-	-	-	-	-	-	7,230	8,206	8,909
Total general fund	<u>11,927</u>	<u>12,346</u>	<u>9,516</u>	<u>8,938</u>	<u>9,201</u>	<u>8,035</u>	<u>7,771</u>	<u>8,100</u>	<u>9,167</u>	<u>9,569</u>
All other governmental funds:										
Nonspendable	224	64	53	32	8	6	349	-	-	-
Restricted	10,530	7,924	6,330	3,411	5,925	9,949	10,130	-	-	-
Committed	3,493	2,970	4,562	3,958	4,061	216	104	-	-	-
Assigned	-	-	-	-	-	1,891	2,682	-	-	-
Unassigned	(955)	(1,395)	(1,820)	(2,235)	(2,621)	(2,995)	(1,845)	-	-	-
Reserved	-	-	-	-	-	-	-	7,184	8,645	10,218
Special revenues funds	-	-	-	-	-	-	-	7,173	6,873	5,658
Capital projects funds	-	-	-	-	-	-	-	1,064	1,996	2,217
Total all other governmental funds	<u>13,292</u>	<u>9,563</u>	<u>9,125</u>	<u>5,166</u>	<u>7,373</u>	<u>9,067</u>	<u>11,420</u>	<u>15,421</u>	<u>17,514</u>	<u>18,093</u>
Total governmental funds	<u>\$ 25,219</u>	<u>\$ 21,909</u>	<u>\$ 18,641</u>	<u>\$ 14,104</u>	<u>\$ 16,574</u>	<u>\$ 17,102</u>	<u>\$ 19,191</u>	<u>\$ 23,521</u>	<u>\$ 26,681</u>	<u>\$ 27,662</u>

Note: The County implemented GASB Statement No. 54 for the Fiscal Year Ended December 31, 2011. Prior years were not restated retroactively.

GRAND TRAVERSE COUNTY, MICHIGAN

Table 4 - Unaudited

Changes in Fund Balances - Governmental Funds

Last Ten Fiscal Years

(amounts expressed in thousands)

	Fiscal Year					Fiscal Year				
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<b>Revenues</b>										
Taxes	\$ 27,776	\$ 26,026	\$ 25,870	\$ 25,841	\$ 25,550	\$ 24,501	\$ 24,008	\$ 24,146	\$ 24,619	\$ 23,923
Licenses and permits	798	704	632	566	569	500	460	461	434	448
Intergovernmental:										
Federal sources	3,077	2,998	4,732	3,632	4,581	3,903	4,224	4,590	3,574	4,757
State sources	6,958	6,782	5,329	4,073	3,783	3,633	3,799	3,672	4,240	3,810
Local sources	5,296	6,049	5,185	3,714	3,645	3,576	3,470	3,704	3,522	3,644
Charges for services	5,974	5,708	6,164	6,623	6,548	6,311	6,068	6,222	5,915	5,789
Fines and forfeits	226	235	94	118	113	93	87	104	101	123
Reimbursements	2,991	3,373	2,478	2,506	2,780	3,062	3,040	3,172	3,023	2,360
Contributions	-	-	-	1	3	20	1	2	5	2
Rental revenues	551	745	691	697	689	619	649	638	620	659
Interest revenues	225	155	148	162	151	165	251	349	609	1,275
Other revenues	461	387	666	596	478	811	802	1,946	2,596	1,801
<b>Total revenues</b>	<b>54,333</b>	<b>53,162</b>	<b>51,989</b>	<b>48,529</b>	<b>48,890</b>	<b>47,194</b>	<b>46,859</b>	<b>49,006</b>	<b>49,258</b>	<b>48,591</b>
<b>Expenditures</b>										
Current:										
Legislative	234	367	426	378	373	421	411	422	534	468
Judicial	9,988	10,009	10,381	10,139	10,393	10,225	10,212	10,016	9,272	8,598
General government	10,653	9,648	9,885	10,092	9,910	9,980	10,744	11,050	10,583	10,389
Public safety	16,651	16,897	16,117	15,367	15,276	15,421	15,453	14,656	15,838	13,931
Public works	228	256	251	243	213	278	268	261	263	301
Health and welfare	11,959	11,587	11,932	11,965	11,807	10,514	11,708	10,990	10,803	10,657
Economic development	704	227	118	1,498	213	9	84	322	251	-
Recreation and culture	471	515	760	667	741	640	716	686	752	937
Other	4,892	-	-	-	-	-	-	-	-	53
Debt service:										
Principal	590	570	570	545	550	2,005	1,050	740	710	680
Interest and fiscal charges	269	280	291	303	314	356	484	512	538	563
Capital outlay	987	450	336	689	574	5,814	1,820	1,590	1,445	1,138
<b>Total expenditures</b>	<b>57,626</b>	<b>50,806</b>	<b>51,067</b>	<b>51,886</b>	<b>50,364</b>	<b>55,663</b>	<b>52,950</b>	<b>51,245</b>	<b>50,989</b>	<b>47,715</b>
<b>Revenues over (under) expenditures</b>	<b>(3,293)</b>	<b>2,356</b>	<b>922</b>	<b>(3,357)</b>	<b>(1,474)</b>	<b>(8,469)</b>	<b>(6,091)</b>	<b>(2,239)</b>	<b>(1,731)</b>	<b>876</b>
<b>Other financing sources (uses)</b>										
Issuance of long-term debt	3,500	-	-	-	-	11,170	-	-	-	-
Discount on issuance of long-term debt	-	-	-	-	-	(46)	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	(6,192)	-	-	-	-
Proceeds from sale of capital assets	255	-	31	29	12	17	16	12	31	-
Transfers in	13,769	10,736	12,857	1,286	13,381	13,082	13,371	14,410	13,464	11,762
Transfers out	(10,921)	(9,824)	(11,841)	(12,003)	(12,446)	(11,650)	(12,553)	(13,416)	(12,623)	(10,997)
<b>Total other financing sources (uses)</b>	<b>6,603</b>	<b>912</b>	<b>1,047</b>	<b>(10,688)</b>	<b>947</b>	<b>6,381</b>	<b>834</b>	<b>1,006</b>	<b>872</b>	<b>765</b>
<b>Net change in fund balances</b>	<b>\$ 3,310</b>	<b>\$ 3,268</b>	<b>\$ 1,969</b>	<b>\$ (14,045)</b>	<b>\$ (527)</b>	<b>\$ (2,088)</b>	<b>\$ (5,257)</b>	<b>\$ (1,233)</b>	<b>\$ (859)</b>	<b>\$ 1,641</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>1.52%</b>	<b>1.69%</b>	<b>1.70%</b>	<b>1.66%</b>	<b>1.74%</b>	<b>4.74%</b>	<b>3.00%</b>	<b>2.52%</b>	<b>2.52%</b>	<b>2.67%</b>

# GRAND TRAVERSE COUNTY, MICHIGAN

Table 5 - Unaudited

Assessed and Estimated Actual Value of Taxable Property							
Last Ten Fiscal Years							
Fiscal Year	Real Property		Personal Property	Total Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Percentage of Taxable to Actual Value
	Residential	Commercial					
2008	\$ 4,342,963,319	\$ 1,390,127,029	\$ 251,468,812	\$ 5,984,559,160	6.1291	\$ 11,969,118,320	50.00%
2009	4,283,832,904	1,369,999,093	266,500,315	5,920,332,312	6.1291	11,840,664,624	50.00%
2010	4,042,595,921	1,286,802,285	261,118,622	5,590,516,828	6.2291	11,181,033,656	50.00%
2011	3,806,716,018	1,184,052,681	253,983,234	5,244,751,933	6.2433	10,489,503,866	50.00%
2012	3,765,597,955	1,106,117,252	256,999,566	5,128,714,773	6.2433	10,257,429,546	50.00%
2013	3,820,469,838	1,113,170,336	279,915,132	5,213,555,306	6.2433	10,427,110,612	50.00%
2014	3,926,367,866	1,129,839,306	268,290,120	5,324,497,292	7.2433	10,648,994,584	50.00%
2015	4,104,608,188	1,142,210,172	281,365,300	5,528,183,660	6.5838	11,056,367,320	50.00%
2016	4,340,796,138	1,164,031,275	256,545,100	5,761,372,513	7.7037	11,522,745,026	50.00%
2017	4,610,492,699	1,219,827,536	246,857,341	6,077,177,576	6.6486	12,154,355,152	50.00%

Sources:

Grand Traverse County Equalization Department

Note: Property in the County is equalized annually. The county assesses property at approximately 50 percent of market value for all types of real and personal property.

Tax rates are per \$1,000 of assessed value.

GRAND TRAVERSE COUNTY, MICHIGAN

Table 6 - Unaudited

Direct and Overlapping Property Tax Rates														
Last Ten Fiscal Years														
Fiscal Year (1) (2)	Grand Traverse County							Overlapping Rates			Overlapping Rates			Grand Total
	Operating Millage	Commission On Aging	Medical Care Facility	Road Commission	Veteran Affairs	Senior Center	Total Millage	Intermediate Schools	District Library Operations	District Library Debt	Community College	Community College Debt	BATA	Direct & Overlapping Rates
2008	4.9838	0.4858	0.6595	-	-	-	6.1291	2.9312	0.9548	0.1450	2.1700	0.7000	0.3272	13.3573
2009	4.9838	0.4858	0.6595	-	-	-	6.1291	2.9312	0.9548	0.1344	2.1700	0.7000	0.3454	13.3649
2010	4.9838	0.5858	0.6595	-	-	-	6.2291	2.9312	0.9548	0.1597	2.1700	0.7000	0.3454	13.4902
2011	4.9838	0.6000	0.6595	-	-	-	6.2433	2.9312	0.9548	0.1520	2.1700	0.7700	0.3454	13.5667
2012	4.9838	0.6000	0.6595	-	-	-	6.2433	2.9312	0.9548	0.1520	2.1700	0.7700	0.3454	13.5667
2013	4.9838	0.6000	0.6595	-	-	-	6.2433	2.9312	0.9548	0.1502	2.1700	0.7500	0.3454	13.5449
2014	4.9838	0.6000	0.6595	1.0000	-	-	7.2433	2.9312	0.9548	0.1454	2.1700	0.7400	0.3454	14.5301
2015	4.9838	0.6000	-	1.0000	-	-	6.5838	2.9312	0.9548	0.1454	2.1700	0.6600	0.3454	13.7906
2016	4.9838	0.6000	-	1.0000	0.1200	0.9999	7.7037	2.9299	0.9544	0.1326	2.1692	0.6500	0.3447	14.8845
2017	4.9429	0.4958	-	0.9918	0.1190	0.0991	6.6486	2.9234	0.9467	-	2.1520	0.5900	0.3420	13.6027

Source:

Grand Traverse County Apportionment Reports

(1) Rates reduced to comply with the Headlee Amendment.

(2) Fiscal year is the year in which the tax is levied. 2008 refers to the 2009 tax collection. Starting with the 2005 County levy there was a shift, 1/3 each year for three years, from the traditional December levy for the subsequent year to a July levy for the current year.

# GRAND TRAVERSE COUNTY, MICHIGAN

Table 7 - Unaudited

Principal Property Taxpayers						
Current Year and Nine Years Ago						
Taxpayer	2017			2008		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
Consumers Energy	\$ 30,264,831	1	0.62%	\$ 19,051,546	3	0.44%
Grand Traverse Mall LTD PTNR	22,795,191	2	0.47%	13,980,870	7	0.32%
DTE Gas Company	20,148,915	3	0.41%	-	-	-
Grand Traverse Resort & Spa LLC	15,069,524	4	0.31%	-	-	-
CEGM Traverse City LLC	14,010,300	5	0.29%	-	-	-
Cherryland Rural Electric Co-op	13,149,094	6	0.27%	10,463,070	9	0.24%
Liv Arbors LLC	10,532,261	7	0.22%	-	-	-
Wolverine Power Supply Co-op	10,489,877	8	0.22%	-	-	-
State of Michigan Taxable	10,445,877	9	0.21%	10,348,863	10	0.24%
Brixmor Grand Traverse I LLC	10,168,524	10	0.21%	-	-	-
Grand Traverse Band of Ottawa Indians	-	-	-	20,598,180	1	0.48%
Great Wolf Lodge TC Development LLC	-	-	-	20,150,400	2	0.47%
Michigan Consolidated Gas Company	-	-	-	17,534,868	4	0.41%
Sara Lee Corp	-	-	-	14,221,200	6	0.33%
Pinnacle Arizona Development	-	-	-	13,848,495	8	0.32%
Centro Bradley GT II LLC	-	-	-	15,869,420	5	0.37%
	<u>\$ 157,074,394</u>		<u>3.23%</u>	<u>\$ 156,066,912</u>		<u>3.62%</u>
County Total Taxable Value 2017 / 2008	\$4,868,438,486			\$4,324,888,638		

Source:

Grand Traverse County Equalization Department

# GRAND TRAVERSE COUNTY, MICHIGAN

Table 8 - Unaudited

## Property Taxes Levied and Collected

Last Ten Fiscal Years

Tax Year Levy	Total Tax Levy for Fiscal Year	Collected to March 1 Following Year of the Levy		Delinquents Purchased by Treasurer	Collections in Subsequent Years (1)	Total Collections to 4/30	
		Amount	Percentage of Levy			Amount	Percentage of Levy
2008	\$ 21,015,942	\$ 19,909,206	94.73%	\$ 1,056,543	\$ 50,193	\$ 21,015,942	100.00%
2009	21,697,005	20,562,406	94.77%	1,091,846	42,753	21,697,005	100.00%
2010	21,310,329	20,318,560	95.35%	934,969	56,800	21,310,329	100.00%
2011	20,746,929	19,875,126	95.80%	842,469	29,334	20,746,929	100.00%
2012	20,759,994	20,064,727	96.65%	673,697	21,570	20,759,994	100.00%
2013	21,301,311	20,564,903	96.54%	686,347	50,061	21,301,311	100.00%
2014	21,684,008	21,049,613	97.07%	575,635	58,760	21,684,008	100.00%
2015	22,294,423	21,709,522	97.38%	553,470	31,431	22,294,423	100.00%
2016	22,888,976	22,319,008	97.51%	544,053	25,915	22,888,976	100.00%
2017	23,479,976	22,960,957	97.79%	491,863	27,156	23,479,976	100.00%

Source:

Grand Traverse County Treasurer

(1) Personal property collected over 5 year period, if not collected after 5 years, amounts are written off through Circuit Court

**Ratios of Outstanding Debt by Type**

Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business-Type Activities	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Notes Payable	General Obligation Bonds			
2008	\$ 12,340,000	\$ 101,293	\$ 18,872,963	\$ 31,314,256	1.01%	364
2009	11,600,000	34,990	16,275,751	27,910,741	0.89%	323
2010	10,550,000	3,206	14,342,791	24,895,997	0.81%	286
2011	8,025,000	1,640	12,290,488	20,317,128	0.62%	230
2012	10,983,696	-	10,606,887	21,590,583	0.61%	242
2013	10,435,548	-	8,244,029	18,679,577	0.51%	208
2014	9,892,400	-	6,041,171	15,933,571	0.41%	176
2015	9,324,252	-	4,779,739	14,103,991	0.35%	154
2016	8,756,104	-	3,210,328	11,966,432	0.29%	130
2017	11,667,956	-	3,210,000	14,877,956	(2)	162

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) Personal income and population data can be found in the Schedule of Demographic and Economic Statistics. (Table 13)

(2) This information is not yet available.



**Ratios of General Bonded Debt Outstanding**  
 Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total Primary Government	Taxable Value of Property	Percentage of Estimated Actual Taxable Value of Property	Per Capita (1)
2008	\$ 31,212,963	\$ -	\$ 31,212,963	\$ 5,984,559,160	0.52%	363
2009	27,875,751	-	27,875,751	5,920,332,312	0.47%	323
2010	24,892,791	-	24,892,791	5,590,516,828	0.45%	286
2011	20,315,488	-	20,315,488	5,244,751,933	0.39%	230
2012	21,590,583	-	21,590,583	5,128,714,773	0.42%	242
2013	18,679,577	-	18,679,577	5,213,555,306	0.36%	208
2014	15,933,571	-	15,933,571	5,324,497,292	0.30%	176
2015	14,103,991	-	14,103,991	5,528,183,660	0.26%	154
2016	11,966,432	-	11,966,432	5,761,372,513	0.21%	130
2017	14,877,956	-	14,877,956	6,077,177,576	0.24%	162

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.  
 Taxable value provided by the Grand Traverse County Equalization Department.

- (1) Population data can be found in the Schedule of Demographic and Economic Statistics.  
 (2) See Statistical Schedule Number 13 for population data.

**Computation of Direct and Overlapping Governmental Activities Debt**

As of December 31, 2017

	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Debt repaid with property taxes: County	\$ 170,257,741	84.99%	\$ 144,709,364
County direct debt			<u>11,667,956</u>
Total direct and overlapping debt			<u>\$ 156,377,320</u>

## Source:

Debt outstanding and estimated share of overlapping debt provided by Municipal Advisory Council of Michigan.

This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the County. This process recognizes that, when considering the County's ability to issue and repay long term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) Applicable percentages were estimated by determining the portion of the County's taxable value that is within the County's boundaries and dividing it by the County's total taxable value.

GRAND TRAVERSE COUNTY, MICHIGAN

Table 12 - Unaudited

■ Computation of Legal Debt Margin Information

Last Ten Fiscal Years

(amounts expressed in thousands)

	Fiscal Year				Fiscal Year					
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Debt limit	\$ 607,718	\$ 576,137	\$ 552,818	\$ 532,450	\$ 521,356	\$ 512,871	\$ 524,475	\$ 559,052	\$ 592,033	\$ 598,456
Total net debt applicable to limit	43,314	42,409	43,289	47,678	54,127	57,156	70,590	83,427	91,896	100,386
Legal debt margin	<u>\$ 564,404</u>	<u>\$ 533,728</u>	<u>\$ 509,529</u>	<u>\$ 484,772</u>	<u>\$ 467,229</u>	<u>\$ 455,715</u>	<u>\$ 453,885</u>	<u>\$ 475,625</u>	<u>\$ 500,137</u>	<u>\$ 498,070</u>
Total net debt applicable to the limit as a percentage of debt limit	7.13%	7.36%	7.83%	8.95%	10.38%	11.14%	13.46%	14.92%	15.52%	16.77%

Legal Debt Margin Calculation for Fiscal Year 2017  
(amounts expressed in thousands)

State equalized value of real property	\$ 5,830,320
State equalized value of personal property	246,857
Total state equalized value	<u>\$ 6,077,178</u>
Debt limit (10% of total state equalized value)	607,718
Debt applicable to limit: (1)	\$ 43,314
Less:	
Assets in Debt Service funds available for payment of principal	<u>-</u>
Total amount of debt applicable to debt limit	<u>43,314</u>
Legal debt margin	<u>\$ 564,404</u>

Note: Under state finance law the County's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

(1) Includes primary government and component units.

**Demographic and Economic Statistics**

Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (2) (amounts expressed in thousands)	Per Capita Personal Income (2)	School Enrollment (3)	Unemployment Rate (4)
2008	86,071	\$ 3,104,898	\$ 36,129	9,984	7.60%
2009	86,333	3,119,045	36,128	9,859	11.80%
2010	86,986	3,086,127	35,459	9,773	11.70%
2011	88,349	3,259,588	36,894	9,773	9.60%
2012	89,112	3,516,506	39,462	9,774	8.00%
2013	89,987	3,654,267	40,609	9,729	6.80%
2014	90,782	3,870,325	42,633	9,639	5.90%
2015	91,636	4,020,628	43,876	9,524	4.40%
2016	92,084	4,128,494	44,834	9,474	4.10%
2017	91,807	(5)	(5)	9,658	4.30%

## Sources:

(1) U.S. Census Bureau

(2) Bureau of Economic Analysis, [www.bea.gov](http://www.bea.gov), U.S. Department of Commerce

(3) MaryBeth Stein, TCAPS Pupil Accounting Specialist

(4) U.S. Department of Labor Statistics Data [www.data.bls.gov](http://www.data.bls.gov). Unemployment rate information is a yearly average not seasonally adjusted

(5) Data not available at this time

**Principal Employers**

Current Year and Nine Years Ago

Employer	2017			2008		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Munson Medical Center	3,700	1	7.37%	4,000	1	8.07%
Traverse City Area Public Schools	1,900	2	3.79%	2,069	2	4.19%
Northwestern Michigan College	700	3	1.41%	630	5	1.27%
Hagerty Insurance	650	4	1.31%	370	8	0.75%
Traverse Bay Intermediate School District	550	5	1.10%	350	9	0.71%
Sara Lee/Hillshire Brands	550	6	1.10%	620	6	1.25%
Grand Traverse Resort & Casinos	535	7	1.07%	900	3	1.82%
Grand Traverse County	500	8	1.00%			
Interlochen Center for the Arts	475	9	0.95%	330	10	0.67%
Grand Traverse Pavilions Foundation, In.c	415	10	0.83%	407	7	0.82%
Meijer's				650	4	1.31%
Totals	<u>9,975</u>		<u>19.93%</u>	<u>10,326</u>		<u>20.86%</u>
Total Employment 2017 / 2008	50,171			49,541		

## Sources:

Grand Traverse County Planning Department

U.S Dept. of Labor [www.data.bls.gov](http://www.data.bls.gov) - employment rate not seasonally adjusted

GRAND TRAVERSE COUNTY

Table 15 - Unaudited

**Full-time Equivalent Government Employees by Function**  
Last Ten Fiscal Years

Function	Full-time Equivalent Employees as of December 31,					Full-time Equivalent Employees as of December 31,				
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Legislative	1	1	1	1	1	1	1	1	1	1
Judicial	103	94	90	96	90	93	93	95	94	94
General Government	90	90	95	100	98	110	122	124	129	128
Public Safety	135	149	152	144	149	149	149	154	158	158
Public Works	16	16	18	17	20	22	21	21	21	21
Health & Welfare	122	109	127	123	123	128	127	128	121	111
<b>Total</b>	<b>467</b>	<b>459</b>	<b>483</b>	<b>481</b>	<b>481</b>	<b>503</b>	<b>513</b>	<b>523</b>	<b>524</b>	<b>513</b>

Source:  
Grand Traverse County Human Resources

## GRAND TRAVERSE COUNTY, MICHIGAN

Table 16 - Unaudited

Operating Indicators by Function										
Last Ten Fiscal Years										
Function	Fiscal Year				Fiscal Year					
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Public safety:										
Average daily inmate population -										
Jail only	152.69	148.48	162.08	158.00	158.80	138.60	146.00	150.00	149.00	154.00
Average daily population - Includes										
Inmates boarded-out	157.07	153.00	172.58	163.42	160.80	138.60	146.00	150.00	149.00	154.00
911 Computer aided dispatch calls*	72,773	70,423	70,195	56,473	57,278	55,654	98,901	53,701	54,086	54,433
Commissary:										
Number of orders placed by inmates	3,756	4,057	17,587	18,716	15,250	7,553	(1)	6,910	7,241	7,814
Health and welfare:										
Commission on aging-client visits:										
Homemaker Aide Program	12,296	11,554	12,956	15,648	15,247	16,058	16,376	17,065	16,157	14,828
Home Health Care Program	4,134	5,506	6,286	6,873	6,986	8,011	8,308	7,489	7,573	7,022
Home Chore Program	8,936	9,736	10,030	8,803	8,112	8,365	10,476	8,914	10,481	9,962
Walk in & telephone assistance calls**	6,494	6,392	3,778	28,566	27,830	13,184	30,968	37,173	26,129	22,742
Public works:										
Number of sewer billings	35,112	30,720	20,344	7,791	7,770	7,968	8,024	7,916	8,988	15,587
Number of water billings	10,188	9,732	9,316	1,028	1,041	1,035	1,017	1,468	6,256	8,171
Number of combined billings	52,692	44,172	48,552	69,112	68,716	68,504	67,424	66,096	50,844	37,384
General Government:										
County Clerk-Passports processed	2,191	1,999	1,646	1,317	1,284	1,424	1,531	1,669	1,978	1,675
Finance-Checks processed	15,582	16,608	16,013	16,898	21,824	19,488	16,644	20,457	18,022	19,552
MSU-Extension:										
4-H Participants	3,178	2,231	3,066	1,325	1,187	1,384	-	-	-	-
FNP Participants	3,117	684	797	882	683	679	565	430	1,771	1,672
PAT Participants	-	-	-	-	-	-	-	-	1,884	1,213
Register of Deeds-records filed:										
Discharge of Mortgage	4,559	4,834	4,666	3,600	4,896	4,900	4,148	4,243	5,286	4,417
Mortgage	4,365	4,704	4,378	3,786	5,011	5,577	4,143	4,672	5,728	4,671
Warranty Deed	3,396	3,329	3,208	2,843	2,731	2,266	1,760	1,678	1,680	1,820
Judicial:										
Circuit court total caseload	1,884	2,132	2,282	2,247	2,260	2,584	2,694	2,983	3,205	3,254
District court total caseload	10,531	11,649	14,185	15,028	15,751	14,046	16,433	19,348	20,414	21,754
Probate court total caseload	547	565	560	586	549	596	531	563	514	556
Recreation and culture:										
Swimming pool admissions	40,726	29,896	12,727	23,411	23,438	19,706	18,014	19,564	15,630	16,215
Community and Economic Development:										
Construction permits issued	6,269	5,915	5,842	5,211	5,097	4,236	4,162	3,965	3,709	3,777
EDC loans	-	-	-	-	-	-	7	6	13	11
Medical care facility-skilled nursing:										
Resident Admits	613	614	491	454	461	492	425	350	263	314
Resident Days	82,335	83,597	83,659	84,250	85,498	85,727	81,513	78,857	79,479	79,465

Source: Various County departments

\*911 changed its numbering system to include every department involved in the call to be counted separately

\*\*Includes Senior Center Network

\*\*\*FNP converted to SNAP-ED in 2011

\*\*\*\*Starting in 2016 includes Exercise Room admissions

(1) Data is unavailable for this year

## GRAND TRAVERSE COUNTY, MICHIGAN

Table 17 - Unaudited

**Capital Asset Statistics by Function**  
 Last Ten Fiscal Years

Function	Fiscal Year				Fiscal Year					
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Public safety:										
Police:										
Stations	1	1	1	1	1	1	2	2	2	2
Buildings	5	5	5	5	5	5	6	5	5	5
Radio Towers	5	5	5	6	6	6	6	6	6	6
Vehicles	77	78	93	91	95	96	98	92	91	90
Boats	8	8	8	8	7	5	9	9	9	9
Snowmobiles	3	3	3	2	2	2	4	4	2	2
Animal control:										
Building	1	1	1	1	1	1	1	1	1	1
Vehicles	2	2	2	2	2	2	2	2	2	2
General government:										
Buildings	4	4	4	4	4	3	4	4	4	4
Vehicles	19	19	21	20	20	22	30	28	28	28
Health and welfare:										
Buildings	2	2	2	2	2	1	3	3	3	3
Vehicles*	24	21	21	24	23	23	15	15	15	14
Public works:										
Buildings	1	1	1	1	1	1	1	1	1	1
Vehicles	19	16	16	16	16	16	17	17	18	17
Judicial:										
Buildings	3	3	3	3	3	3	3	3	3	3
Vehicles	3	3	3	4	4	-	3	3	3	3
Recreation and culture:										
Buildings	15	15	15	15	15	15	18	18	18	18
Vehicles	3	3	3	3	3	3	3	3	4	5
Parks	10	10	10	10	10	10	10	10	10	10
Boat	1	1	1	1	1	1	1	1	1	1
Construction trades:										
Vehicles	8	12	8	8	9	9	9	10	10	11
Medical care facility:										
Beds	240	240	240	240	240	240	240	221	221	221

## Sources:

Various County departments

\* Does not include non-capitalized leased vehicles



## **SINGLE AUDIT SECTION**



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### **INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

June 22, 2018

Board of Commissioners  
Grand Traverse County, Michigan

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Grand Traverse County, Michigan (the County) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 22, 2018.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we reported to management of the County, in a separate letter dated June 22, 2018.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Ordevel Haefner LLC*



## Vredeveld Haefner LLC

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### **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

June 22, 2018

Board of Commissioners  
Grand Traverse County, Michigan

#### **Report on Compliance for Each Major Federal Program**

We have audited Grand Traverse County, Michigan's, (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2017. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### ***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

#### ***Opinion on Each Major Federal Program***

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2017.

#### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as items 2017-001 and 2017-002. Our opinion on each major federal program is not modified with respect to this matter.

The County's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

### **Report on Internal Control Over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Purpose of this Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Ordedveld Haefner LLC*

**GRAND TRAVERSE COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>Federal Agency/Cluster/Program Title</b>	<b>CFDA Number</b>	<b>Pass Through</b>	<b>Cluster</b>	<b>Pass-through number</b>	<b>Expenditures</b>
<u>U.S. Department of Agriculture:</u>					
Women, Infant and Children Program	10.557	MDHHS		20170285-04	\$ 388,531
WIC Breastfeeding	10.557	MDHHS		20170285-04	49,975
					<u>438,506</u>
Urban and Community Forestry Program	10.675	Forest Service		15-DG-11420004-250	<u>84,774</u>
Total U.S. Department of Agriculture					<u>523,280</u>
<u>U.S. Department of Housing and Urban Development:</u>					
Community Development Block Grants	14.228	MSHDA		MSC-2013-0781-HO	<u>224,613</u>
<u>U.S. Department of Justice:</u>					
Bullet Proof Vest	16.607	Direct			423
Edward Byrne Memorial Justice Assistance Grant (JAG) 2017	16.738	MDSP		2016-MU-BX-0703	20,736
Edward Byrne Memorial Justice Assistance Grant (JAG) 2018	16.738	MDSP		2015-MU-BX-0964	<u>91,709</u>
Total U.S. Department of Justice					<u>112,868</u>
<u>U.S. Department of Transportation:</u>					
Hazardous Materials Emergency Preparedness Planning	20.703	MDSP			<u>1,000</u>
<u>U.S. Department of Health and Human Services:</u>					
Public Health Emergency Preparedness					
Bioterrorism - Supplemental	93.069	MDHHS		20170285-04	137,324
Bioterrorism - Supplemental - Regional EPI	93.069	MDHHS		20170285-04	10,000
PHEP - Ebola Virus Disease	93.069	MDHHS		20170285-04	6,564
					<u>153,888</u>
Family Planning_Services	93.217	MDHHS		20170285-04	<u>38,484</u>
Immunization Cooperative Agreements					
Immunization & Vaccine Program	93.268	MDHHS		20170285-04	22,588
Vaccines (non-cash assistance)	93.268	MDHHS		20170285-04	116,481
					<u>139,069</u>
Immunization Action Plan (IAP) PPHF Capacity Bldg Assistance	93.539	MDHHS		20170285-04	<u>20,044</u>
Child Support Enforcement					
Title IV-D Incentive Payments	93.563	MDHHS		CSFOC-17-28001	183,120
Title IV-D Reimbursement - Friend of the Court	93.563	MDHHS		CSFOC-17-28001	1,190,764
Title IV-D Reimbursement - Prosecutor	93.563	MDHHS		CSPA-17-28002	91,017
					<u>1,464,901</u>
Medicaid					
Medical Assistance Program - Medicaid Outreach	93.778	MDHHS	Medicaid	20170285-04	287,084
CSHCS - Medical Assistance Program (MDCD Outreach)	93.778	MDHHS	Medicaid	20170285-04	34,577
CSHCS - Medical Assistance Program	93.778	MDHHS	Medicaid	20170285-04	20,000
					<u>341,661</u>
Maternal and Child Health Services Block Grant	93.994	MDHHS		20170285-04	36,810
Family Planning Services	93.994	MDHHS		20170285-04	6,966
					<u>43,776</u>
Total U.S. Department of Health and Human Services					<u>2,201,823</u>
<u>U.S. Department of Homeland Security:</u>					
Emergency Management Performance Grant	97.042	MDSP		EMC-2017-EP-00001-S01	35,338
2015 State Homeland Security Grant Program (noncash assistance)	97.067	SRDC		EMW-2015-SS-00033	<u>2,075</u>
Total U.S. Department of Homeland Security					<u>37,413</u>
<b>Total Expenditures of Federal Awards</b>					<u><u>\$ 3,100,997</u></u>

# GRAND TRAVERSE COUNTY

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2017

### 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the County of Grand Traverse, Michigan and is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

### 2. Abbreviations

The abbreviations used on the schedule of expenditures of federal awards are as follows:

Pass Through Agency Name	Pass Through Agency Abbreviation
Direct Funding from Federal Agency	Direct
Michigan Department of Health and Human Services	MDHHS
Michigan Department of State Police	MDSP
Michigan State Housing Development Authority	MSHDA
Shoreline Regional Development Commission	SRDC

### 3. Reconciliation of revenues from federal sources per governmental funds financial statements and expenditures per the Schedule of Expenditures of Federal Awards.

Revenues from federal sources per December 31, 2017 governmental funds financial statements	\$ 3,077,479
Grand Traverse Brownfield Redevelopment Authority Component Unit	\$ 84,774
Federal revenues not included on the Schedule of Expenditures of Federal Awards as the County is a vendor not a subrecipient of the pass through entity	<u>(61,256)</u>
Expenditures per Schedule of Expenditures of Federal Awards	<u>\$ 3,100,997</u>

### 4. The County did not elect to use the 10% de minimis cost rate as covered in Uniform Guidance section 2 CFR 200.414 indirect costs.

### 5. Subrecipients

Of the federal expenditures presented in the accompanying schedule of expenditures of federal awards, the County provided no federal awards to subrecipients

**GRAND TRAVERSE COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

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**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditors' report issued	Unmodified		
Internal control over financial reporting:			
Material weakness(es) identified?	_____ yes	<u>  X  </u> no	
Significant deficiency(ies) identified?	_____ yes	<u>  X  </u> none reported	
Noncompliance material to financial statements noted?	_____ yes	<u>  X  </u> no	

**Federal Awards**

Internal control over major programs:			
Material weakness(es) identified?	_____ yes	<u>  X  </u> no	
Significant deficiency(ies) identified?	_____ yes	<u>  X  </u> none reported	
Type of auditors' report issued on compliance for major programs	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	<u>  X  </u> yes	_____ no	
Identification of major programs:			

CFDA Number(s)

93.563

Name of Federal Program or Cluster

Child Support Enforcement

Dollar threshold used to distinguish between Type A and B programs:

\$750,000

Auditee qualified as low-risk auditee?

\_\_\_\_\_ yes   X   no

**SECTION II - FINANCIAL STATEMENT FINDINGS**

None

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**2017-001 - CFDA #93.563**

**Condition and Criteria:** The Uniform Guidance 2 CFR Part 200, Appendix V, paragraph G(2) provides the standards for internal service funds working capital reserves. It states charges by an internal service activity to provide for the establishment and maintenance of a reasonable level of working capital, in addition to the full recovery of costs are allowable. A working capital reserve as a part of retained earnings of up to 60 calendar days cash expenses is considered reasonable. The County's Central stores funds exceeds the allowable amounts at December 31, 2017.

**Cause:** While the appropriate County employees were aware of the applicable compliance requirements and the necessity to lower working capital reserves, there was incomplete follow-through to ensure compliance with uniform guidance.

**Effect:** Noncompliance with the requirements of the Uniform guidance 2 CFR 200.

**Recommendation:** The County should develop and implement reimbursement rates to get working capital reserves down to limits consistent with Uniform Guidance 2 CFR 200

**Management Response:** The County is in process of reviewing the reimbursement rates of its internal service funds to ensure they are appropriate and keep working capital reserves at allowable levels.

**2017-002 - CFDA #93.563**

**Condition and Criteria:** The Uniform Guidance 2 CFR Part 200, Subpart D, Section 200.303 requires written procedures covering the following: payments (draws of federal funds and how to minimize the time elapsing between the receipt of federal funds and the disbursement) and the allowability of costs charged to federal programs.

**Cause:** While the appropriate County employees were aware of the applicable compliance requirements, the County has not allocated sufficient time to update policies to comply with the Uniform guidance.



**GRAND TRAVERSE COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

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**Effect:** Noncompliance with the requirements of the Uniform guidance 2 CFR 200.

**Recommendation:** The County should develop and implement the required federal written procedures.

**Management Response:** The County is in process of drafting and implementing the controls required to be in compliance with the Uniform Guidance.

**SECTION IV - SUMMARY OF PRIOR AUDIT FINDINGS**

**2016-001 - CFDA #93.563**

This finding was repeated as 2017-002

**2016-002 - CFDA #93.563**

This finding was addressed by management

**2016-003 - CFDA #93.563**

This finding was addressed by management