



GRAND TRAVERSE COUNTY, MICHIGAN

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2019

GRAND TRAVERSE COUNTY, MICHIGAN

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2019

Principal Officials

Board of Commissioners

Robert Hentschel - Chairperson

Ron Clous – Vice Chair

Betsy Coffia

Brad Jewett

Bryce Hundley

Addison “Sonny” Wheelock Jr.

Gordon LaPointe

Administration

Nate Alger, County Administrator

Dean Bott, Finance Director

GRAND TRAVERSE COUNTY

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INTRODUCTORY SECTION



GRAND TRAVERSE COUNTY ADMINISTRATION

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ADMINISTRATION
BOARD OF COMMISSIONERS
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June 18, 2020

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, 2019, 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 93,088. 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, and Drain Commissioner 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. The Pavilions Foundation provides a fund raising vehicle that supports the Pavilions medical care facility and PACE North provides all-inclusive care for the elderly. These 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.. Activities of the General fund and Special Revenue 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 (department). Remaining governmental and proprietary funds are budgeted as a management control. The County's procedures in establishing its annual budget are as follows:

Beginning in May 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 2019, the estimated population of Grand Traverse County was 93,088 according to the U.S. Census. This is an increase of 7.0% from the 2010 U.S. Census population count of 86,986. Grand Traverse County is the 22nd most populated county in Michigan.

The 2019 median age in Grand Traverse County is 42.6 years, compared to 39.8 years for Michigan overall. In 2019, 19.9% of the population of the County was 65 years old and over which is higher than the 17.2% 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 2019, the annual average workforce in Grand Traverse County was 46,110 employees, representing two-thirds of the

total regional employment. Annual average unemployment for the County in 2019 was 3.8%, up from 3.5% in 2018. 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 \$63,894, the 13th highest county in Michigan.

Property Values and Home Sales

There are 55,859 parcels of property in the County for the 2020 Assessment year, an increase of .74% from 2019. The County Equalized Value (CEV) for Grand Traverse County for 2020 is \$7,354,713,405, an increase of 7.55% from 2019, which was \$6,838,320,468. Taxable value increased overall 5.27% countywide from 2019 to 2020.

Total listings of home sales in Grand Traverse County in 2019 by real estate agents were 2,437, down from 2,439 in 2018. The average sales price in 2019 was \$298,621, up from \$288,147 in 2018. In comparison, the average price for sales in Michigan in 2019 was \$170,100, an increase from \$167,865 in 2018.

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 95% of the population having a high school diploma or more and ranked ninth in the state with 35% 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 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 approximately 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 4,200, 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 6 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 approximately 1 in 6 jobs dependent on tourism in the five-county region, the impact is twice that of the rest of Michigan. Grand Traverse County has more than 4000 hotel rooms and is second only to Wayne County in number of Airbnb guests. The estimated 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 700 million pounds of tart and sweet cherries each year. Michigan, mainly the Grand Traverse region, grows about 70 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 7 percent of the crop each year. Michigan produces about 25 million pounds of sweet cherries annually.

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 7,500 employees. Munson serves 30 counties in northern Michigan and offers 63 specialties including one of the nation's top heart programs.

MAJOR INITIATIVES

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.

US Census data from 2015-2016 (most currently available) lists the Traverse City micropolitan region as one of the most popular areas to start a business. A micropolitan area is a region with a core city population between 10,000-50,000 plus those in the surrounding communities.

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 and offers over 150 events and activities. 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 was instrumental in renovating the historic State Theatre, which it continues to own and operate as a highly successful year-round movie house.

Traverse City Pit Spitters Baseball Team and Hockeytown North

The Traverse City Pit Spitters, a minor league baseball team, is part of the Northwoods League, and plays their home games at Turtle Creek Stadium. The team played their inaugural season in 2019, drawing 70,000 fans and won the league championship. 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 10th “Coast Guard City.” Traverse City is one of only 28 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 25% level of unassigned fund balance based on the General fund's most current adopted operating budget. In 2019, the Board of Commissioners amended the County's policy on Fund Balance to reflect this change and how to manage any excess or shortfall of the 25% level.

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.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded fourteen 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, 2005-2018. This Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. I would like to acknowledge Dean Bott, Grand Traverse County's Finance Director, and his entire staff for this outstanding accomplishment.

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 black ink, appearing to read 'N. Alger', written in a cursive style.

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, 2018

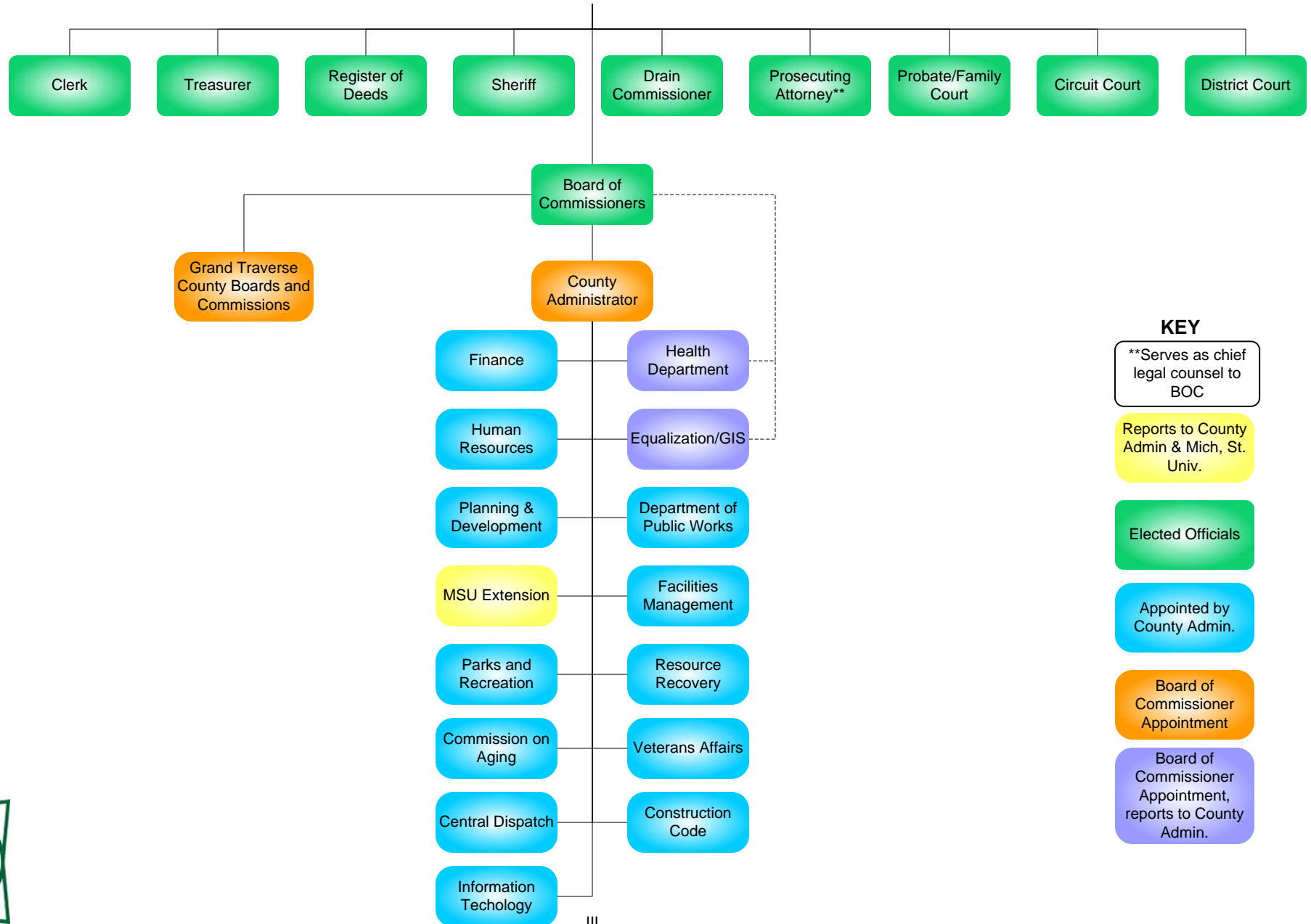
Christopher P. Morill

Executive Director/CEO

Grand Traverse County

Organizational Chart

VOTERS OF GRAND TRAVERSE COUNTY



KEY

**Serves as chief legal counsel to BOC

Reports to County Admin & Mich. St. Univ.

Elected Officials

Appointed by County Admin.

Board of Commissioner Appointment

Board of Commissioner Appointment, reports to County Admin.



FINANCIAL SECTION



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INDEPENDENT AUDITORS' REPORT

June 18, 2020

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, 2019, 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, 2019, 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 77 through 91 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 18, 2020 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 the effectiveness of 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.

Udoerdeld 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, 2019.

Financial Highlights

The financial statements, which follow this Management's Discussion and Analysis, provide these significant key financial highlights for the 2019 fiscal year as follows:

- Tax revenues are increasing due to construction activity and higher property values
- The pension payments exceeded actuarial required amounts
- A Pension Policy was established to fund the pension at a rate greater than actuarial rates and assumptions

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, Delinquent tax revolving funds, Homestead, Inspections, Foreclosure tax collection, Solid Waste, and Building Authority.

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

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, commission on aging and Building Authority Pace debt fund, 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 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 by \$46,055,615 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>	
	2019	2018	2019	2018	2019	2018
Assets						
Current and other assets	\$31,394,418	\$34,022,922	\$27,231,355	\$27,312,370	\$58,625,773	\$61,335,292
Long-term assets	52,625,684	46,510,045	19,564,851	19,984,253	72,190,535	66,494,298
Total assets	84,020,102	80,532,967	46,796,206	47,296,623	130,816,308	127,829,590
Deferred outflows of resources	1,747,458	6,100,331	1,023,137	3,347,010	2,770,595	9,447,341
Liabilities						
Current liabilities	3,356,117	2,093,620	3,141,127	2,170,099	6,497,244	4,263,719
Long-term liabilities	54,314,717	62,522,854	12,644,401	16,418,661	66,959,118	78,941,515
Total liabilities	57,670,834	64,616,474	15,785,528	18,588,760	73,456,362	83,205,234
Deferred inflows of resources	11,937,672	11,634,198	2,137,254	2,409,345	14,074,926	14,043,543
Net position						
Net investment in capital assets	35,053,992	34,481,571	16,876,431	17,077,341	51,930,423	51,558,912
Restricted	6,447,911	6,296,563	-	-	6,447,911	6,296,563
Unrestricted	(25,342,849)	(30,395,508)	13,020,130	12,568,187	(12,322,719)	(17,827,321)
Total net position	\$ 16,159,054	\$10,382,626	\$29,896,561	\$29,645,528	\$46,055,615	\$40,028,154

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.

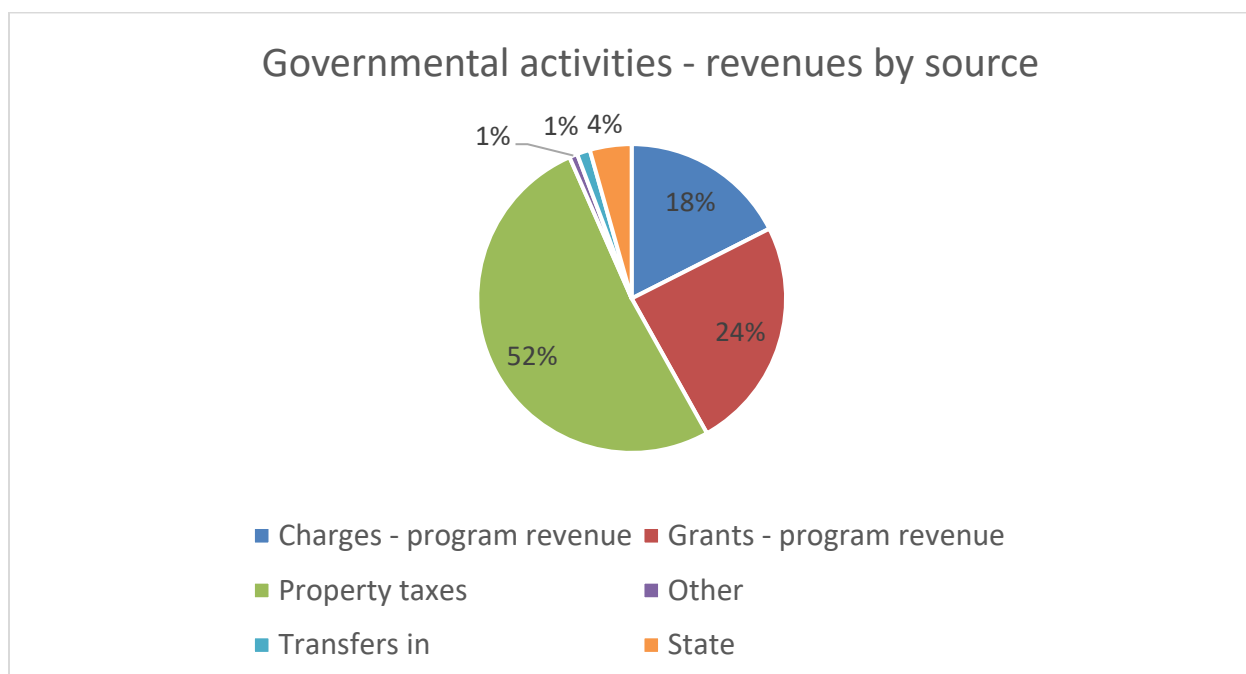
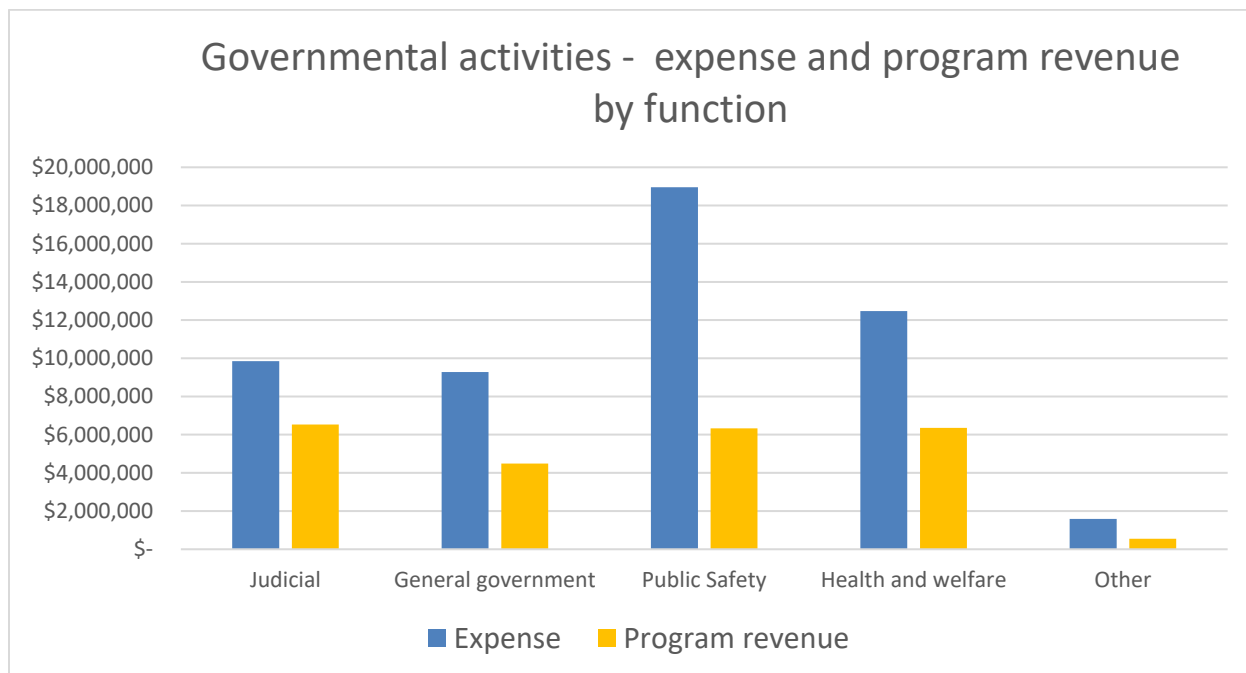
An additional portion of the County's net position in the amount of \$6,447,911 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position was an unrestricted deficit of \$12,322,719.

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, 2019, was \$92,205,065 while total cost of all programs and services was \$86,177,602. This results in an increase in net position of \$6,027,463. 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>	
	2019	2018	2019	2018	2019	2018
Revenues						
Program revenues						
Charges for services	\$10,178,407	\$ 9,310,795	\$34,821,337	\$34,312,517	\$44,999,744	\$43,623,312
Operating grants and contributions	14,084,758	15,335,818	90,595	101,536	14,175,353	15,437,354
Capital grants and contributions	-	-	-	-	-	-
General revenues						
Property taxes	29,833,366	28,175,697	-	-	29,833,366	28,175,697
State revenue sharing	2,532,774	2,461,516	-	-	2,532,774	2,461,516
Interest	470,802	332,489	169,618	149,067	640,420	481,556
Gain on capital asset disposals	23,263	35,883	145	-	23,408	35,883
Total revenues	57,123,370	55,652,198	35,081,695	34,563,120	92,205,065	90,215,318
Expenses						
Legislative	388,056	236,699	-	-	388,056	236,699
Judicial	9,846,080	9,892,645	-	-	9,846,080	9,892,645
General government	9,280,692	9,539,314	-	-	9,280,692	9,539,314
Public safety	18,959,385	17,164,419	-	-	18,959,385	17,164,419
Public works	50,334	129,379	-	-	50,334	129,379
Health and welfare	12,469,681	11,723,888	-	-	12,469,681	11,723,888
Economic Development	44,187	257,122	-	-	44,187	257,122
Parks and Recreation	763,501	1,410,810	-	-	763,501	1,410,810
Interest on long-term debt	338,376	374,148	-	-	338,376	374,148
Grand Traverse Pavilions	-	-	32,528,419	28,392,851	32,528,419	28,392,851
Delinquent tax revolving	-	-	8,655	9,068	8,655	9,068
Homestead	-	-	17,168	16,675	17,168	16,675
Inspections	-	-	1,037,145	1,601,678	1,037,145	1,601,678
Foreclosure tax collections	-	-	151,620	149,050	151,620	149,050
Solid Waste	-	-	294,305	311,850	294,305	311,850
Building Authority	-	-	-	30	-	30
Total expenses	52,140,292	50,728,424	34,037,312	30,481,202	86,177,604	81,209,626
Increase (decrease) before transfers	4,983,078	4,923,774	1,044,383	4,081,918	6,027,461	9,005,692
Transfers in (out)	793,350	707,175	(793,350)	(707,175)	-	-
Increase (decrease) in net position	5,776,428	5,630,949	251,033	3,374,743	6,027,461	9,005,692
Net position – beginning	10,382,626	4,751,677	29,645,528	26,270,785	40,028,154	31,022,462
Net position – ending	\$16,159,054	\$10,382,626	\$29,896,561	\$29,645,528	\$46,055,615	\$40,028,154



Governmental Activities The preceding table shows that the governmental activities increased the County's net position by \$5,776,428 during this fiscal year. The increase is very consistent with the 2018 increase.

Business-type Activities Business-type activities increased the County's net position by \$251,033 during the year. This increase is less than the 2018 increase as a result of the current year loss in the Pavilions fund which is significantly impacted by benefit plan accounting requirements.

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.

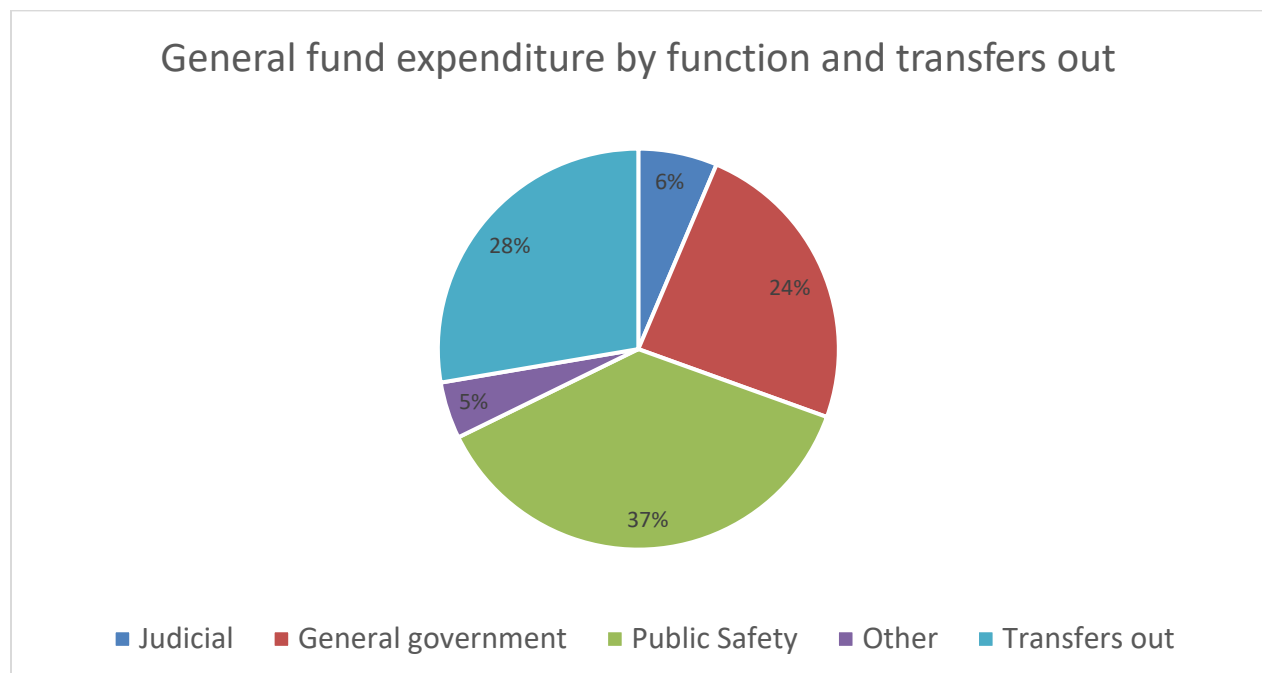
Governmental funds The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure 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 \$13,614,276. 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 36% of total general fund expenditures and transfers.

Health Department - At the end of the current fiscal year, fund balance was \$1,684,289, a decrease of \$409,674 from the prior year. A decrease in fund balance of \$540,040 was budgeted.

Commission on Aging - At the end of the current fiscal year, fund balance was \$2,162,511, an increase of \$215,667 from the prior year. The primary reason for the increase was planned program revenue exceeding expenditures.

Building Authority PACE Debt - At the end of the current fiscal year, long-term leases receivable of \$3,267,399 were offset with an equal amount of deferred inflows. These balances represent future minimum payments expected to be received on a lease of facilities to PACE (a discretely presented component unit).



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 a decrease in net position of \$905,830 largely due to benefit plan costs. The delinquent tax revolving fund had an increase of \$288,051 while transferring approximately \$730,000 to other funds.

Budgetary Highlights

General Fund

- Tax revenue in the general fund exceeded conservative budget estimates
- Charges for services revenues were higher than budget estimates due to improved court collections
- General government expenditures were less than budget due to staffing changes and to less than planned commodities and contractual expenditures
- Public safety expenditures were less than planned due to lower staffing levels at the jail
- Actual transfers were less than budget due to lower costs in Central Dispatch and the Child Care Fund

Health Department

- Medicaid cost settlement revenue was less than budgeted and other revenues were realized at amounts lower than budgeted
- Total expenditures were lower than budget due to unexpended grant funds that carry over to 2020

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, 2019, amounted to \$65,292,870 (net of accumulated depreciation). Of this amount, \$45,728,019 was for its governmental activities and \$19,564,851 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 vehicle replacements, equipment and IT system upgrades and improvements to County facilities.

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 approximately \$13.4 million for governmental and business-type activities. During the year the County made required principal payments and the Building Authority issued refunding bonds to call outstanding bonds for interest savings and an economic gain.

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 2020 fiscal year:

- Property values and taxable values continue to increase due to construction activity and economic growth (See 2020 Equalization Report which indicates a 5.27% increase in taxable value)
- The transition of employee health insurance to a health savings plan resulted in no increase in costs for 2020
- Several labor contracts need to be negotiated in 2020 and may include a wage increase for employees

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, 2019

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets				
Cash and pooled investments	\$ 25,181,386	\$ 19,353,270	\$ 44,534,656	\$ 13,028,541
Accounts receivable, net	882,320	3,269,808	4,152,128	599,999
Property tax receivable	3,283,430	3,440,258	6,723,688	15,760
Interest receivable	45,969	361,356	407,325	84,753
Internal balances	(419,143)	419,143	-	-
Due from component unit	211,582	-	211,582	-
Due from other governments	1,952,410	13,741	1,966,151	4,411,823
Inventory	111,910	164,044	275,954	1,734,179
Prepaid items	144,554	5,469	150,023	157,363
Restricted cash	-	204,266	204,266	1,849,129
Advance to component units	1,994,960	-	1,994,960	-
Long-term receivables	4,902,705	-	4,902,705	20,076,742
Capital assets				
Land	15,639,877	1,820,550	17,460,427	28,887,586
Construction in progress	61,284	99,942	161,226	575,153
Depreciable capital assets, net	30,026,858	17,644,359	47,671,217	72,104,169
Right-to-use lease; net	-	-	-	3,213,330
Total assets	84,020,102	46,796,206	130,816,308	146,738,527
Deferred outflows of resources				
Deferred charge on refunding	-	71,580	71,580	-
Pension/OPEB related	1,747,458	951,557	2,699,015	45,450
Total deferred outflows of resources	1,747,458	1,023,137	2,770,595	45,450
Liabilities				
Accounts payable	853,925	666,450	1,520,375	898,530
Accrued liabilities	837,123	792,671	1,629,794	1,107,056
Unearned revenue	341,917	-	341,917	-
Due to primary government	-	-	-	211,582
Due to other governments	221,934	1,351,261	1,573,195	983,541
Note payable	-	-	-	675,000
Current portion of long-term debt	1,101,218	330,745	1,431,963	4,524,492
Noncurrent liabilities				
Long-term debt	9,750,265	2,530,000	12,280,265	24,263,708
Advance from primary government	-	-	-	1,994,960
Net pension liability	41,592,619	8,682,932	50,275,551	531,894
Net OPEB liability	1,537,647	616,349	2,153,996	960,264
Compensated absences	1,434,186	815,120	2,249,306	51,728
Total liabilities	57,670,834	15,785,528	73,456,362	36,202,755
Deferred inflows of resources				
Taxes levied for subsequent year	3,682,355	-	3,682,355	76,609
Lease	3,267,399	-	3,267,399	-
Pension/OPEB related	4,987,918	2,137,254	7,125,172	-
Total deferred inflows of resources	11,937,672	2,137,254	14,074,926	76,609
Net position				
Net investment in capital assets	35,053,992	16,876,431	51,930,423	94,239,169
Restricted				
Commission on Aging	2,162,511	-	2,162,511	-
CDBG Housing Grants	1,778,937	-	1,778,937	-
Other	2,506,463	-	2,506,463	13,364,242
Unrestricted	(25,342,849)	13,020,130	(12,322,719)	2,901,202
Total net position	\$ 16,159,054	\$ 29,896,561	\$ 46,055,615	\$ 110,504,613

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

GRAND TRAVERSE COUNTY

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2019

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
Legislative	\$ 388,056	\$ 655	\$ -	\$ -
Judicial	9,846,080	2,591,859	3,942,618	-
General government	9,280,692	4,376,979	113,770	-
Public safety	18,959,385	1,232,059	5,100,469	-
Public works	50,334	-	-	-
Health and welfare	12,469,681	1,681,845	4,674,709	-
Economic development	44,187	22	4,582	-
Parks and recreation	763,501	294,988	248,610	-
Interest on long-term debt	338,376	-	-	-
Total governmental activities	52,140,292	10,178,407	14,084,758	-
Business-type activities				
Grand Traverse Pavilions	32,528,419	31,403,718	61,848	-
Delinquent tax revolving	8,655	1,019,560	-	-
Homestead	17,168	-	15,176	-
Inspections	1,037,145	1,936,739	-	-
Foreclosure tax collection	151,620	151,181	-	-
Solid waste	294,305	310,139	13,567	-
Building Authority	-	-	4	-
Total business-type activities	34,037,312	34,821,337	90,595	-
Total primary government	\$ 86,177,604	\$ 44,999,744	\$ 14,175,353	\$ -
Component units	\$ 27,746,180	\$ 5,561,105	\$ 19,879,946	\$ 969,848

(Continued)

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

GRAND TRAVERSE COUNTY

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2019

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Changes in net position				
Net (expense) revenue	\$ (27,877,127)	\$ 874,620	\$ (27,002,507)	\$ (1,335,281)
General revenues				
Property taxes	29,833,366	-	29,833,366	4,016,803
State shared revenues	2,532,774	-	2,532,774	-
Unrestricted interest	470,802	169,618	640,420	314,368
Gain on sale of capital asset	23,263	145	23,408	250,845
Transfers - internal activities	793,350	(793,350)	-	-
Total general revenues and transfers	33,653,555	(623,587)	33,029,968	4,582,016
Change in net position	5,776,428	251,033	6,027,461	3,246,735
Net position, beginning of year	10,382,626	29,645,528	40,028,154	107,257,878
Net position, end of year	\$ 16,159,054	\$ 29,896,561	\$ 46,055,615	\$ 110,504,613

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

GRAND TRAVERSE COUNTY

GOVERNMENTAL FUNDS BALANCE SHEET

DECEMBER 31, 2019

	<u>General</u>	<u>Health Department</u>	<u>Commission on Aging</u>	<u>Building Authority PACE Debt</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Assets						
Cash and pooled investments	\$ 13,264,992	\$ 1,261,330	\$ 2,512,541	\$ -	\$ 6,673,342	\$ 23,712,205
Accounts receivable, net	56,852	96,484	-	-	725,537	878,873
Property tax receivable	-	-	2,283,774	-	999,656	3,283,430
Interest receivable	45,969	-	-	-	-	45,969
Due from other funds	1,672,824	-	-	-	398,405	2,071,229
Due from component unit	211,582	-	-	-	-	211,582
Due from other governments	532,450	422,640	-	-	971,697	1,926,787
Advance to other funds	592,349	-	-	-	-	592,349
Advance to component units	1,994,960	-	-	-	-	1,994,960
Long-term receivable	-	-	-	3,267,399	1,635,306	4,902,705
Inventory	-	27,144	-	-	84,766	111,910
Prepaid items	22,646	22,407	70	-	26,185	71,308
Total assets	<u>\$ 18,394,624</u>	<u>\$ 1,830,005</u>	<u>\$ 4,796,385</u>	<u>\$ 3,267,399</u>	<u>\$ 11,514,894</u>	<u>\$ 39,803,307</u>
Liabilities, deferred inflows of resources and fund balances						
Liabilities						
Accounts payable	\$ 280,204	\$ 47,259	\$ 31,762	\$ -	\$ 433,463	\$ 792,688
Accrued liabilities	368,456	21,542	34,639	-	161,980	586,617
Unearned revenue	19,362	58,966	-	-	263,589	341,917
Due to other funds	459,236	13,051	2,232	-	685,537	1,160,056
Due to other governments	39,409	4,898	2,902	-	174,725	221,934
Advance from other funds	-	-	-	-	592,349	592,349
Total liabilities	<u>1,166,667</u>	<u>145,716</u>	<u>71,535</u>	<u>-</u>	<u>2,311,643</u>	<u>3,695,561</u>
Deferred inflows of resources						
Taxes levied for subsequent year	-	-	2,562,339	-	1,120,016	3,682,355
Lease	-	-	-	3,267,399	-	3,267,399
	-	-	2,562,339	3,267,399	1,120,016	6,949,754
Fund balances						
Nonspendable						
Inventory	-	27,144	-	-	84,766	111,910
Prepaid	22,646	22,407	70	-	26,185	71,308
Advances to other funds	592,349	-	-	-	-	592,349
Advances to component units	1,994,960	-	-	-	-	1,994,960
Restricted						
Special revenue funds	-	-	2,162,441	-	4,285,470	6,447,911
Committed						
Special revenue funds	-	1,634,738	-	-	1,841,340	3,476,078
Capital projects funds	-	-	-	-	2,095,474	2,095,474
Assigned						
Stabilization	334,575	-	-	-	-	334,575
Subsequent year expenditures	669,151	-	-	-	-	669,151
Unassigned	13,614,276	-	-	-	(250,000)	13,364,276
Total fund balances	<u>17,227,957</u>	<u>1,684,289</u>	<u>2,162,511</u>	<u>-</u>	<u>8,083,235</u>	<u>29,157,992</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 18,394,624</u>	<u>\$ 1,830,005</u>	<u>\$ 4,796,385</u>	<u>\$ 3,267,399</u>	<u>\$ 11,514,894</u>	<u>\$ 39,803,307</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, 2019

Fund balances - total governmental funds	\$ 29,157,992
<p>Amounts reported for <i>governmental activities</i> in the statement of net position are different because</p>	
<p>Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.</p>	
Add - land	15,639,877
Add - construction in progress	61,284
Add - capital assets (net of accumulated depreciation)	27,413,064
<p>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.</p>	
Add - net position of governmental activities accounted for in the internal service funds	2,150,066
<p>Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.</p>	
Deduct - long-term debt	(10,448,726)
Deduct - net OPEB liability	(1,537,647)
Deduct - compensated absences payable	(1,397,654)
Deduct - net pension liability	(41,592,619)
Deduct - deferred inflows and outflows related to benefit plan liabilities	(3,240,460)
Deduct - accrued interest on bonds payable	(46,123)
Net position of governmental activities	<u>\$ 16,159,054</u>

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, 2019

	<u>General</u>	<u>Health Department</u>	<u>Commission on Aging</u>	<u>Building Authority PACE Debt</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Revenues						
Property taxes	\$ 26,057,360	\$ -	\$ 2,494,443	\$ -	\$ 1,281,563	\$ 29,833,366
Intergovernmental revenues						
Federal	108,530	1,409,737	-	-	1,673,214	3,191,481
State	3,663,837	1,985,645	-	-	1,710,130	7,359,612
Local	1,758,642	265,440	10,591	-	3,543,359	5,578,032
Licenses and permits	7,390	395,459	-	-	170,642	573,491
Charges for services	4,562,528	435,179	318,368	243,442	1,209,770	6,769,287
Fines and forfeitures	97,596	-	-	-	45,366	142,962
Reimbursements	2,614,711	693,151	37,808	-	-	3,345,670
Rental	1,321,003	-	-	-	-	1,321,003
Interest	470,802	3,300	57,456	-	46,217	577,775
Miscellaneous	3,507	-	22,183	-	382,239	407,929
Total revenues	<u>40,665,906</u>	<u>5,187,911</u>	<u>2,940,849</u>	<u>243,442</u>	<u>10,062,500</u>	<u>59,100,608</u>
Expenditures						
Current						
Legislative	409,491	-	-	-	-	409,491
Judicial	2,446,069	-	-	-	7,520,827	9,966,896
General government	9,249,645	-	-	-	2,095,224	11,344,869
Public safety	14,280,068	-	-	-	4,745,502	19,025,570
Public works	50,334	-	-	-	-	50,334
Health and welfare	443,645	6,986,376	2,646,110	-	2,194,623	12,270,754
Economic development	-	-	-	-	44,187	44,187
Parks and recreation	-	-	-	-	729,820	729,820
Unallocated benefits and insurance	712,628	-	-	-	-	712,628
Debt service						
Principal	-	-	-	135,000	640,000	775,000
Interest	-	-	-	108,442	236,681	345,123
Capital outlay	140,297	-	85,529	-	976,714	1,202,540
Total expenditures	<u>27,732,177</u>	<u>6,986,376</u>	<u>2,731,639</u>	<u>243,442</u>	<u>19,183,578</u>	<u>56,877,212</u>
Revenues over (under) expenditures	<u>12,933,729</u>	<u>(1,798,465)</u>	<u>209,210</u>	<u>-</u>	<u>(9,121,078)</u>	<u>2,223,396</u>
Other financing sources (uses)						
Sale of fixed assets	11,448	10,600	6,457	-	-	28,505
Issuance of bonds	-	-	-	-	3,780,000	3,780,000
Bond premium	-	-	-	-	144,610	144,610
Payment to escrow agent	-	-	-	-	(3,820,000)	(3,820,000)
Transfers in	793,976	1,378,191	-	-	9,239,260	11,411,427
Transfers out	(10,611,451)	-	-	-	(6,626)	(10,618,077)
Total other financing sources (uses)	<u>(9,806,027)</u>	<u>1,388,791</u>	<u>6,457</u>	<u>-</u>	<u>9,337,244</u>	<u>926,465</u>
Net changes in fund balances	3,127,702	(409,674)	215,667	-	216,166	3,149,861
Fund balances, beginning of year	<u>14,100,255</u>	<u>2,093,963</u>	<u>1,946,844</u>	<u>-</u>	<u>7,867,069</u>	<u>26,008,131</u>
Fund balances, end of year	<u>\$ 17,227,957</u>	<u>\$ 1,684,289</u>	<u>\$ 2,162,511</u>	<u>\$ -</u>	<u>\$ 8,083,235</u>	<u>\$ 29,157,992</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, 2019

Net changes in fund balances - total governmental funds	\$ 3,149,861
<p>Amounts reported for <i>governmental activities</i> in the statement of activities are different because</p>	
<p>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.</p>	
Add - capital outlay	1,550,235
Deduct - depreciation expense	(1,616,333)
Deduct - net book value of disposed assets	(5,242)
<p>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.</p>	
Add - principal payments on long-term debt	4,595,000
Deduct - bonds issued	(3,780,000)
Deduct - bond premium	(144,610)
Deduct - amortization of premium/discounts	(1,850)
<p>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.</p>	
Add - increase in net position from the internal service funds	116,389
<p>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.</p>	
Deduct - increase in accrued employee benefits	(104,146)
Add - decrease in net pension obligation	5,873,888
Deduct - increase in deferred inflows and outflows related to benefit plans	(4,331,892)
Add - decrease in other post-employment benefit liability	466,529
Add - decrease in accrued interest	8,599
Change in net position of governmental activities	\$ 5,776,428

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

GRAND TRAVERSE COUNTY

PROPRIETARY FUNDS STATEMENT OF NET POSITION

DECEMBER 31, 2019

	Enterprise Funds				Governmental Activities Internal Service Funds
	Grand Traverse Pavilions	Delinquent Tax Revolving Fund	Nonmajor Enterprise Funds	Enterprise Fund Total	
Assets					
Current assets					
Cash and pooled investments	\$ 8,710,613	\$ 5,748,358	\$ 4,894,299	\$ 19,353,270	\$ 1,469,181
Accounts receivable, net	3,127,876	90,709	51,223	3,269,808	3,447
Property tax receivable	-	3,274,163	166,095	3,440,258	-
Interest receivable	-	361,356	-	361,356	-
Due from other funds	-	-	136	136	137,212
Due from other governments	-	-	13,741	13,741	25,623
Prepaid and other assets	4,469	-	1,000	5,469	73,246
Inventory	164,044	-	-	164,044	-
Total current assets	12,007,002	9,474,586	5,126,494	26,608,082	1,708,709
Noncurrent assets					
Restricted cash	204,266	-	-	204,266	-
Advance to other funds	-	1,467,225	-	1,467,225	-
Capital assets					
Land	1,820,550	-	-	1,820,550	-
Construction in progress	-	-	99,942	99,942	-
Capital assets	17,613,749	-	30,610	17,644,359	2,613,794
Total noncurrent assets	19,638,565	1,467,225	130,552	21,236,342	2,613,794
Total assets	31,645,567	10,941,811	5,257,046	47,844,424	4,322,503
Deferred outflows of resources					
Deferred charge on refunding	71,580	-	-	71,580	-
Pension & OPEB related	951,557	-	-	951,557	-
Total deferred outflows of resources	1,023,137	-	-	1,023,137	-
Liabilities					
Current liabilities					
Accounts payable	607,685	-	58,765	666,450	61,237
Accrued liabilities	774,148	-	18,523	792,671	204,383
Due to other funds	-	1,046,105	2,113	1,048,218	303
Due to other governmental units	917,333	-	433,928	1,351,261	-
Current portion of long-term debt	330,745	-	-	330,745	128,761
Total current liabilities	2,629,911	1,046,105	513,329	4,189,345	394,684
Noncurrent liabilities					
Long-term debt	2,530,000	-	-	2,530,000	273,996
Advance from other funds	-	-	-	-	1,467,225
Compensated absences	760,287	-	54,833	815,120	36,532
Net OPEB liability	616,349	-	-	616,349	-
Net pension liability	8,682,932	-	-	8,682,932	-
Total long-term liabilities	12,589,568	-	54,833	12,644,401	1,777,753
Total liabilities	15,219,479	1,046,105	568,162	16,833,746	2,172,437
Deferred inflows of resources					
Pension & OPEB related	2,137,254	-	-	2,137,254	-
Net position					
Net investment in capital assets	16,745,879	-	130,552	16,876,431	743,812
Unrestricted	(1,433,908)	9,895,706	4,558,332	13,020,130	1,406,254
Total net position	\$ 15,311,971	\$ 9,895,706	\$ 4,688,884	\$ 29,896,561	\$ 2,150,066

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, 2019

	Enterprise Funds				
	Grand Traverse Pavilions	Delinquent Tax Revolving Fund	Nonmajor Enterprise Funds	Enterprise Fund Total	Governmental Activities Internal Service Funds
Operating revenue					
Charges for services	\$ 28,561,574	\$ 1,001,090	\$ 2,337,037	\$ 31,899,701	\$ 15,073,977
Miscellaneous	2,903,992	18,470	89,769	3,012,231	1,352,093
Total operating revenue	<u>31,465,566</u>	<u>1,019,560</u>	<u>2,426,806</u>	<u>34,911,932</u>	<u>16,426,070</u>
Operating expense					
Personnel services	21,834,411	-	865,048	22,699,459	986,552
Contracted services	4,400,391	-	461,505	4,861,896	12,504,023
Supplies	1,664,442	-	32,006	1,696,448	527,794
Other	3,414,731	8,655	121,271	3,544,657	1,507,735
Depreciation	1,139,162	-	20,408	1,159,570	718,349
Total operating expense	<u>32,453,137</u>	<u>8,655</u>	<u>1,500,238</u>	<u>33,962,030</u>	<u>16,244,453</u>
Operating income (loss)	<u>(987,571)</u>	<u>1,010,905</u>	<u>926,568</u>	<u>949,902</u>	<u>181,617</u>
Non-operating revenue (expense)					
Gain on sale of capital assets	-	-	145	145	-
Interest income	157,023	-	12,595	169,618	-
Interest expense	(75,282)	-	-	(75,282)	(65,228)
Total non-operating revenue (expense)	<u>81,741</u>	<u>-</u>	<u>12,740</u>	<u>94,481</u>	<u>(65,228)</u>
Income (loss) before transfers	<u>(905,830)</u>	<u>1,010,905</u>	<u>939,308</u>	<u>1,044,383</u>	<u>116,389</u>
Transfers in	-	10,859	-	10,859	-
Transfers out	-	(733,713)	(70,496)	(804,209)	-
Total transfers	<u>-</u>	<u>(722,854)</u>	<u>(70,496)</u>	<u>(793,350)</u>	<u>-</u>
Change in net position	(905,830)	288,051	868,812	251,033	116,389
Net position, beginning of year	<u>16,217,801</u>	<u>9,607,655</u>	<u>3,820,072</u>	<u>29,645,528</u>	<u>2,033,677</u>
Net position, end of year	<u>\$ 15,311,971</u>	<u>\$ 9,895,706</u>	<u>\$ 4,688,884</u>	<u>\$ 29,896,561</u>	<u>\$ 2,150,066</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, 2019

	Enterprise Funds				Governmental Activities Internal Service Funds
	Grand Traverse Pavilions	Delinquent Tax Revolving Fund	Nonmajor Enterprise Funds	Enterprise Fund Total	
Cash flows from operating activities					
Receipts from interfund services	\$ -	\$ -	\$ -	\$ -	\$ 16,439,851
Receipts from customers and users	32,269,003	5,904,267	2,270,885	40,444,155	-
Payments to employees	(22,025,745)	-	(1,846,955)	(23,872,700)	(997,123)
Purchase of delinquent tax roll	-	(5,262,019)	-	(5,262,019)	-
Payments to suppliers	(9,447,370)	(8,710)	(189,222)	(9,645,302)	(14,528,153)
Net cash provided by (used in) operating activities	<u>795,888</u>	<u>633,538</u>	<u>234,708</u>	<u>1,664,134</u>	<u>914,575</u>
Cash flows from non-capital financing activities					
Payment of loan from other funds	-	59,085	394	59,479	(917,633)
Receipt of loan to other funds	-	632,141	201	632,342	-
Transfers in	-	10,859	-	10,859	-
Transfers out	-	(733,713)	(70,496)	(804,209)	-
Net cash provided by (used in) non-capital financing activities	<u>-</u>	<u>(31,628)</u>	<u>(69,901)</u>	<u>(101,529)</u>	<u>(917,633)</u>
Cash flows from capital and related financing activities					
Gain on sale of capital assets	-	-	145	145	-
Interest expense	(68,774)	-	-	(68,774)	(65,229)
Principal payment	(225,000)	-	-	(225,000)	(191,537)
Acquisitions of capital assets	(640,226)	-	(99,942)	(740,168)	(7,663)
Net cash provided by (used in) capital and related financing activities	<u>(934,000)</u>	<u>-</u>	<u>(99,797)</u>	<u>(1,033,797)</u>	<u>(264,429)</u>
Cash flows from investing activities					
Interest income	157,023	(99,759)	12,595	69,859	-
Net cash provided by (used in) investing activities	<u>157,023</u>	<u>(99,759)</u>	<u>12,595</u>	<u>69,859</u>	<u>-</u>
Net increase (decrease) in cash and pooled investments	18,911	502,151	77,605	598,667	(267,487)
Cash and pooled investments, beginning of year	<u>8,895,968</u>	<u>5,246,207</u>	<u>4,816,694</u>	<u>18,958,869</u>	<u>1,736,668</u>
Cash and pooled investments, end of year	<u>\$ 8,914,879</u>	<u>\$ 5,748,358</u>	<u>\$ 4,894,299</u>	<u>\$ 19,557,536</u>	<u>\$ 1,469,181</u>
Cash flows from operating activities					
Operating income (loss)	\$ (987,571)	\$ 1,010,905	\$ 926,568	\$ 949,902	\$ 181,617
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Depreciation	1,139,162	-	20,408	1,159,570	718,349
Changes in operating assets and liabilities which provided (used) cash					
Accounts receivable	605,074	(14,625)	(20,987)	569,462	(2,631)
Due from other funds	-	-	-	-	16,995
Due from component units	-	-	-	-	3,006
Property tax receivable	-	(362,687)	(147,258)	(509,945)	-
Net pension & OPEB deferred outflows and inflows	1,900,958	-	144,316	2,045,274	-
Prepaid assets and other items	16,106	-	(188)	15,918	14,984
Inventory	(139)	-	-	(139)	-
Due from other governments	-	-	12,324	12,324	(3,589)
Accounts payable	(71,298)	(55)	16,809	(54,544)	(75,968)
Accrued liabilities	87,386	-	2,621	90,007	78,683
Due to other governments	198,502	-	406,318	604,820	(6,300)
Compensated absences	161,314	-	4,657	165,971	(10,571)
Net OPEB liability	(378,435)	-	-	(378,435)	-
Net pension liability	(1,875,171)	-	(1,130,880)	(3,006,051)	-
Net cash provided by (used in) operating activities	<u>\$ 795,888</u>	<u>\$ 633,538</u>	<u>\$ 234,708</u>	<u>\$ 1,664,134</u>	<u>\$ 914,575</u>

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

GRAND TRAVERSE COUNTY

FIDUCIARY FUNDS STATEMENT OF NET POSITION

DECEMBER 31, 2019

	<u>OPEB Trust Fund</u>	<u>Agency Funds</u>
Assets		
Cash and pooled investments	\$ -	\$ 3,173,296
Investments		
MERS Total Market Portfolio fund	1,995,619	-
Due from other governments	<u>-</u>	<u>419,914</u>
Total assets	<u>1,995,619</u>	<u>\$ 3,593,210</u>
Liabilities		
Due to other governmental units	\$ -	\$ 897,163
Court items payable	-	186,674
Undistributed receipts	-	1,390,772
Other	<u>-</u>	<u>1,118,601</u>
Total liabilities	<u>-</u>	<u>\$ 3,593,210</u>
Net Position		
Restricted for OPEB	<u>\$ 1,995,619</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, 2019

	<u>OPEB Trust Fund</u>
Additions	
Contributions:	
Employer	\$ 800,000
Investment income:	
Net appreciation in fair value of securities	<u>159,943</u>
Total additions	<u>959,943</u>
Deductions	
Administrative expenses	<u>2,212</u>
Total deductions	<u>2,212</u>
Changes in net position	957,731
Net position, beginning of year	<u>1,037,888</u>
Net position, end of year	<u>\$ 1,995,619</u>

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

GRAND TRAVERSE COUNTY
COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2019

	<u>Road Commission</u>	<u>Land Bank Authority</u>	<u>Brownfield Redevelopment Authority</u>	<u>Drain Commission</u>	<u>Department of Public Works</u>	<u>PACE</u>	<u>Pavilions Foundation</u>	<u>Total Component Units</u>
Assets								
Cash and pooled investments	\$ 6,672,881	\$ 163,676	\$ 3,391,851	\$ 196,102	\$ 609,695	\$ 28,362	\$ 1,965,974	\$ 13,028,541
Accounts receivable, net	33,476	-	-	86,369	135,983	191,671	152,500	599,999
Property tax receivable	-	15,760	-	-	-	-	-	15,760
Interest receivable	-	-	-	-	84,753	-	-	84,753
Due from other governments	3,180,248	-	3,836	-	1,227,739	-	-	4,411,823
Inventory	1,280,297	453,882	-	-	-	-	-	1,734,179
Prepaid items	116,967	-	17,942	-	-	22,454	-	157,363
Restricted cash	4,967	-	-	-	-	1,844,162	-	1,849,129
Long-term receivables	-	-	2,224,782	-	17,851,960	-	-	20,076,742
Capital assets								
Land	28,430,886	-	-	56,700	400,000	-	-	28,887,586
Construction in progress	-	-	-	575,153	-	-	-	575,153
Depreciable capital assets, net	65,961,603	-	-	-	5,887,916	254,650	-	72,104,169
Right-to-use lease; net	-	-	-	-	-	3,213,330	-	3,213,330
Total assets	<u>105,681,325</u>	<u>633,318</u>	<u>5,638,411</u>	<u>914,324</u>	<u>26,198,046</u>	<u>5,554,629</u>	<u>2,118,474</u>	<u>146,738,527</u>
Deferred outflows of resources								
Pension/OPEB related	<u>45,450</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,450</u>
Total deferred outflows of resources	<u>45,450</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,450</u>
Liabilities								
Accounts payable	255,412	946	18,988	83,820	162,647	223,297	153,420	898,530
Accrued liabilities	876,705	-	13,251	-	217,100	-	-	1,107,056
Due to primary government	-	-	-	67,321	144,261	-	-	211,582
Due to other governments	-	-	62,313	-	921,228	-	-	983,541
Note payable	-	-	-	675,000	-	-	-	675,000
Current portion of long-term debt	825,973	-	71,390	-	3,487,129	140,000	-	4,524,492
Noncurrent liabilities								
Long-term debt	2,964,278	-	965,492	-	16,073,938	4,260,000	-	24,263,708
Advance from primary government	-	-	-	-	1,994,960	-	-	1,994,960
Net pension liability	531,894	-	-	-	-	-	-	531,894
Net OPEB liability	960,264	-	-	-	-	-	-	960,264
Compensated absences	-	-	-	-	51,728	-	-	51,728
Total liabilities	<u>6,414,526</u>	<u>946</u>	<u>1,131,434</u>	<u>826,141</u>	<u>23,052,991</u>	<u>4,623,297</u>	<u>153,420</u>	<u>36,202,755</u>
Deferred inflows of resources								
Taxes levied for subsequent year	<u>-</u>	<u>76,609</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>76,609</u>
Net position								
Net investment in capital assets	91,428,211	-	-	-	2,592,978	217,980	-	94,239,169
Restricted	6,953,283	555,763	4,506,977	-	507	-	1,347,712	13,364,242
Unrestricted	<u>930,755</u>	<u>-</u>	<u>-</u>	<u>88,183</u>	<u>551,570</u>	<u>713,352</u>	<u>617,342</u>	<u>2,901,202</u>
Total net position	<u>\$ 99,312,249</u>	<u>\$ 555,763</u>	<u>\$ 4,506,977</u>	<u>\$ 88,183</u>	<u>\$ 3,145,055</u>	<u>\$ 931,332</u>	<u>\$ 1,965,054</u>	<u>\$ 110,504,613</u>

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

GRAND TRAVERSE COUNTY

COMPONENT UNITS COMBINING STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2019

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Component units					
Road Commission	\$ 15,172,537	\$ 1,527,810	\$ 12,500,318	\$ 969,848	\$ (174,561)
Land Bank Authority	839,726	25,000	-	-	(814,726)
Brownfield Redevelopment Authority	2,103,982	2,662,481	226,680	-	785,179
Drain Commission	18,917	-	96,121	-	77,204
Department of Public Works	6,943,408	1,345,814	5,741,054	-	143,460
PACE	1,951,080	-	630,135	-	(1,320,945)
Pavilions Foundation	716,530	-	685,638	-	(30,892)
Total component units	<u>\$ 27,746,180</u>	<u>\$ 5,561,105</u>	<u>\$ 19,879,946</u>	<u>\$ 969,848</u>	<u>\$ (1,335,281)</u>

(Continued)

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

GRAND TRAVERSE COUNTY
COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>County Road</u>	<u>Land Bank Authority</u>	<u>Brownfield Redevelopment Authority</u>	<u>Drain Commission</u>	<u>Department of Public Works</u>	<u>PACE</u>	<u>Pavilions Foundation</u>	<u>Total Component Units</u>
Changes in net position								
Net (expense) revenue	\$ (174,561)	\$ (814,726)	\$ 785,179	\$ 77,204	\$ 143,460	\$ (1,320,945)	\$ (30,892)	\$ (1,335,281)
General revenues								
Property taxes	3,992,329	24,474	-	-	-	-	-	4,016,803
Unrestricted interest	214,331	9,457	54,377	4,892	-	1,774	29,537	314,368
Gain on sale of capital asset	250,845	-	-	-	-	-	-	250,845
Total general revenues and transfers	4,457,505	33,931	54,377	4,892	-	1,774	29,537	4,582,016
Change in net position	4,282,944	(780,795)	839,556	82,096	143,460	(1,319,171)	(1,355)	3,246,735
Net position, beginning of year,	<u>95,029,305</u>	<u>1,336,558</u>	<u>3,667,421</u>	<u>6,087</u>	<u>3,001,595</u>	<u>2,250,503</u>	<u>1,966,409</u>	<u>107,257,878</u>
Net position, end of year	<u>\$ 99,312,249</u>	<u>\$ 555,763</u>	<u>\$ 4,506,977</u>	<u>\$ 88,183</u>	<u>\$ 3,145,055</u>	<u>\$ 931,332</u>	<u>\$ 1,965,054</u>	<u>\$110,504,613</u>

(Concluded)

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

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GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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 multiple County 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 component unit statement of net position and statement of activities include the financial data of the Grand Traverse County Road Commission (the Road Commission), the Grand Traverse County Land Bank Authority (the Land Bank Authority), the Grand Traverse County Brownfield Redevelopment Authority (the Brownfield Redevelopment Authority), the Grand Traverse County Drain Commission (the Drain Commission), the Grand Traverse County Department of Public Works (the Department of Public Works), PACE and the Pavilions Foundation. 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 are available from the Grand Traverse County Road Commission 1881 LaFranier Road, Traverse City, MI 49696.

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.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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.

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.

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.

PACE is a legally separate nonprofit organization established under IRS Code Section 501(c)3. PACE was established to provide all needed preventive, primary, acute and long-term care services so that older individuals can live as independently as possible. Due to appointing the voting majority of the Board Members and the financial benefit/burden relationship, the County reports PACE as a discretely presented component unit. Complete financial statements are available from PACE North 2325 Garfield Rd. N. Traverse City, MI 49686.

The Pavilions Foundation is a legally separate nonprofit organization established under IRS Code Section 501(c)3. The Pavilions Foundation was established in order to exclusively advance the mission and programs of the continuum of care at The Pavilions. The Pavilions Foundation oversees the development and fundraising endeavors for The Pavilions. Due to appointing the voting majority of the Board Members and the financial benefit/burden relationship, the County reports the Pavilions Foundation as a discretely presented component unit. Complete financial statements are available from Pavilions Foundation 1000 Pavilions Circle Traverse City, MI 49684.

Related Organizations

Hospital Finance Authority

The Hospital Finance Authority is a related organization with outstanding conduit debt of \$207,055,143. 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.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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.

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.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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.

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 *Building Authority PACE Debt Fund* is used to account for revenues received from a lease agreement for facilities with PACE (a discretely presented component unit).

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.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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 Post-employment Benefits Trust Funds* accounts for the accumulation of resources to be used for other post-employment benefits at appropriate amounts and times in the future.

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 (department), 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 activity (department) must be approved by the County Commission. Appropriations lapse at year end.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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.

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.
- 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 Trusts may also invest in corporate debt and equity securities.

The Pavilions Foundation and PACE (discretely presented component unit) have no restrictions on deposit and investment options.

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 the Pavilions fund receivables, an allowance for uncollectible accounts of \$932,894 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, foreclosure or as scheduled. 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 as property ownership transfers to the local unit upon completion of debt service). The County has an enforceable lien on such property. Long-term receivables in the Building Authority PACE debt fund represent a facility lease agreement with PACE (a discretely presented component unit) that is equally offset with a deferred inflow.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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 cost 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, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and right-to-use lease 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. No interest expense has been capitalized on capital assets.

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 & 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.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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 and OPEB 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 and leases receivable. The County also has items that qualify for reporting in this category related to the net pension/OPEB liability and lease receivable, these items are discussed in Notes 7, 8 and 9.

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.

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 as expenditures/expenses.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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 unrestricted fund balance of the General fund will be equal to at least 25 percent of the subsequent year's adopted General fund budgeted expenditures and transfers out. If the General unrestricted 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 resources 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 net position restricted for pensions 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, 2019

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 (department). The legal level of budgetary control defined through the County's budgetary process is the activity level (department).

During the year, the County did not incur expenditures in budgeted funds which were in excess of the amounts appropriated.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

3. CASH AND INVESTMENTS

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

	Governmental Activities	Business- type activities	Component Units	Fiduciary Funds	Total
Cash and pooled investments	\$25,181,386	\$19,353,270	\$13,028,541	\$3,173,296	\$60,736,493
Restricted cash	-	204,266	1,849,129	-	2,053,395
Investments	-	-	-	1,995,619	1,995,619
Total	\$25,181,386	\$19,557,536	\$14,877,670	\$5,168,915	\$64,785,507

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

County	
Deposits	\$16,827,030
Investments	44,108,419
Petty cash	11,560
Segregated component units (PACE & Pavilions Foundation)	
Deposits	2,125,286
Investments	1,712,898
Petty cash	314
Total	\$64,785,507

The County 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 or a component units name. They are recorded in County and component unit 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 \$17,583,635; of this amount, \$14,476,688 was insured or collateralized and \$3,106,947 was exposed to custodial credit risk because the balance was uninsured and uncollateralized. As of year-end, the segregated component units' bank balance was \$2,125,286; of this amount, \$529,880 was insured, and \$1,595,406 was exposed to custodial credit risk because the balance was uninsured and uncollateralized.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

Investments

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

<u>County</u>	<u>Maturity</u>	<u>Fair Value</u>	<u>Rate</u>	<u>Rating</u>
Mutual funds and pools				
FIM Government Portfolio Class I	n/a	\$ 500,000	n/a	AAAm S&P
Fidelity Government Money Market	n/a	35,523	n/a	4 Star Morning Star
MI Class	n/a	37,903,305	n/a	AAAm S&P
MILAF Fund	n/a	517,541	n/a	AAAm S&P
MERS Total Market fund	n/a	1,076,711	n/a	None
MERS Total Market fund	n/a	918,908	n/a	None
MMRMA Pool	n/a	126,431	n/a	None
Government Securities				
FHLB bond	5/18/20	630,000	1.40%	AA+ S&P
FHCB bond	10/15/21	250,000	1.82%	AA+ S&P
FHCB bond	11/16/21	500,000	1.73%	AA+ S&P
FHLB bond	6/7/21	150,000	1.60%	AA+ S&P
FHLB bond	7/18/25	500,000	2.25%	AA+ S&P
FHLM bond	2/26/22	500,000	2.05%	AA+ S&P
FHLB bond	5/6/22	500,000	2.55%	AA+ S&P
Total		<u>\$44,108,419</u>		
<u>Segregated component units</u>				
Equity mutual funds				
Invesco Oppenheimer Class Y	n/a	\$ 69,114	n/a	n/a
DFA US Core Equity Portfolio	n/a	187,165	n/a	n/a
IShare S&P 500 Growth	n/a	159,753	n/a	n/a
MFS Global Real Estate	n/a	39,577	n/a	n/a
Nuveen Equity Markets Neutral	n/a	28,917	n/a	n/a
Vanguard Equity Income Fund	n/a	303,412	n/a	n/a
Vanguard Developed Market Index	n/a	79,604	n/a	n/a
Vanguard Small Cap Index	n/a	83,056	n/a	n/a
Wisdomtree US Midcap	n/a	85,019	n/a	n/a
Fixed income funds				
Goldman Sachs Inflation Protection	n/a	10,066	n/a	3 Star Morning Star
Lord Abbott Short Duration	n/a	199,087	n/a	3 Star Morning Star
Metropolitan West UNC BD	n/a	30,000	n/a	3 Star Morning Star
PIMCO Income Fund	n/a	349,467	n/a	5 Star Morning Star
PIMCO Ling Duration	n/a	88,661	n/a	5 Star Morning Star
Total		<u>\$1,712,898</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, 2019

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 investments, the County has a custodial credit risk of \$3,030,000 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 County and segregated component units' mutual fund/pool investments the 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 determine 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, 2019

4. INTERFUND TRANSFERS

Transfers in and out for the year ended December 31, 2019 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 Governmental Funds</u>	<u>Nonmajor enterprise Funds</u>	
General fund	\$ -	\$733,713	\$ 626	\$59,637	\$ 793,976
Health fund	1,378,191	-	-	-	1,378,191
Delinquent Tax fund	-	-	-	10,859	10,859
Nonmajor governmental funds	9,233,260	-	6,000	-	9,239,260
Total	\$10,611,451	\$733,713	\$6,626	\$70,496	\$11,422,286

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 Component Unit</u>		<u>Total</u>
	<u>Drain Component Unit</u>	<u>DPW Component Unit</u>	
General fund	\$67,321	\$144,261	\$211,582

<u>Advance to Component Unit</u>	<u>Advance from Primary Government DPW Component Unit</u>
General fund	\$1,994,960

<u>Due from Other Funds</u>	<u>Due to Other Funds</u>					<u>Total</u>
	<u>General Fund</u>	<u>Health Fund</u>	<u>COA</u>	<u>Nonmajor</u>	<u>Delinquent Tax</u>	
General fund	\$ -	\$ -	\$2,232	\$624,487	\$1,046,105	\$1,672,824
Nonmajor	459,236	13,051	-	63,806	-	536,093
Total	\$459,236	\$13,051	\$2,232	\$688,293	\$1,046,105	\$2,208,917

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

<u>Advance Receivable</u>	<u>Advance Payable</u>		<u>Total</u>
	<u>Internal Service Fund</u>	<u>Non-major Governmental</u>	
General fund	\$ -	\$592,349	\$ 592,349
Delinquent tax fund	1,467,225	-	1,467,225
Total	\$1,467,225	\$592,349	\$2,059,574

6. CAPITAL ASSETS

Capital asset activity for the year was as follows:

	<u>Balance January 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2019</u>
Governmental Activities				
Capital assets, not being depreciated				
Land	\$15,639,877	\$ -	\$ -	\$15,639,877
Construction in progress	3,331,391	15,934	3,286,041	61,284
Total capital assets, not being depreciated	18,971,268	15,934	3,286,041	15,701,161
Capital assets, being depreciated				
Land improvements	2,288,306	-	-	2,288,306
Buildings and improvements	44,029,944	3,797,586	32,760	47,794,770
Furniture and equipment	14,938,196	543,478	51,501	15,430,173
Vehicles	2,987,469	486,941	332,578	3,141,832
Infrastructure	828,241	-	-	828,241
Total capital assets, being depreciated	65,072,156	4,828,005	416,839	69,483,322
Less accumulated depreciation for				
Land improvements	1,657,174	80,460	-	1,737,634
Buildings and improvements	22,045,436	987,472	27,518	23,005,390
Furniture and equipment	10,833,681	941,708	51,501	11,723,888
Vehicles	2,174,358	323,467	332,578	2,165,247
Infrastructure	822,730	1,575	-	824,305
Total accumulated depreciation	37,533,379	2,334,682	411,597	39,456,464
Net capital assets, being depreciated	27,538,777	2,493,323	5,242	30,026,858
Governmental Activities capital assets, net	\$46,510,045	\$2,509,257	\$3,291,283	\$45,728,019

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

	Balance January 1, 2019	Additions	Deletions	Balance December 31, 2019
Business-type Activities				
Capital assets, not being depreciated				
Land	\$ 1,820,550	\$ -	\$ -	\$ 1,820,550
Construction in progress	-	99,942	-	99,942
Total capital assets, not being depreciated	1,820,550	99,942	-	1,920,492
Capital assets being depreciated				
Land improvements	2,998,624	18,315	-	3,016,939
Buildings and improvements	35,758,731	122,897	-	35,881,628
Furniture and equipment	2,299,171	499,014	-	2,798,185
Vehicles	440,585	-	-	440,585
Total capital assets, being depreciated	41,497,111	640,226	-	42,137,337
Less accumulated depreciation for				
Land improvements	2,532,985	90,422	-	2,623,407
Buildings and improvements	18,523,625	924,032	-	19,447,657
Furniture and equipment	1,923,317	105,744	-	2,029,061
Vehicles	353,481	39,372	-	392,853
Total accumulated depreciation	23,333,408	1,159,570	-	24,492,978
Net capital assets, being depreciated	18,163,703	(519,344)	-	17,644,359
Business-type Activities capital assets, net	\$19,984,253	\$(419,402)	\$ -	\$19,564,851

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

Governmental Activities	
Judicial	\$ 275,625
General government	265,179
Public safety	542,032
Health and welfare	377,442
Parks and recreation	156,055
	<u>1,616,333</u>
Depreciation included in internal service funds	718,349
Total depreciation expense - governmental activities	<u>\$2,334,682</u>
Business-type Activities	
Pavilions	\$1,139,162
Inspections	20,408
Total depreciation expense - business-type activities	<u>\$1,159,570</u>

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

	Balance January 1, <u>2019</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2019</u>
Component Unit – Road Commission				
Capital assets, not being depreciated				
Land	\$ 1,035,799	\$ -	\$ -	\$ 1,035,799
Land and right-of-way	27,395,087	-	-	27,395,087
Construction in progress	264,190	-	264,190	-
Total capital assets, not being depreciated	28,695,076	-	(264,190)	28,430,886
Capital assets, being depreciated				
Building and improvements	4,232,319	726,332	-	4,958,651
Road equipment	12,210,130	2,287,550	1,088,901	13,408,779
Shop equipment	279,484	7,208	1,019	285,673
Office equipment	281,485	-	4,263	277,222
Engineering equipment	203,760	29,932	47,556	186,136
Yard and storage equipment	1,687,650	-	-	1,687,650
Infrastructure				
Bridges	4,386,873	615,005	-	5,001,878
Roads	90,512,400	8,940,190	721,203	98,731,387
Total capital assets, being depreciated	113,794,101	12,606,217	1,862,942	124,537,376
Less accumulated depreciation for				
Building and improvements	1,404,351	87,638	-	1,491,989
Road equipment	9,069,837	1,409,427	1,078,229	9,401,035
Shop equipment	209,995	18,466	1,019	227,442
Office equipment	267,383	8,413	4,263	271,533
Engineering equipment	145,218	26,801	47,556	124,463
Yard and storage equipment	1,287,986	51,129	-	1,339,115
Infrastructure				
Bridges	1,103,818	92,747	-	1,196,565
Roads	39,545,689	5,699,145	721,203	44,523,631
Total accumulated depreciation	53,034,277	7,393,766	1,852,270	58,575,773
Net capital assets, being depreciated	60,759,824	5,212,451	10,672	65,961,603
Component Unit – Road Commission capital assets, net	\$89,454,900	\$5,212,451	\$ 274,862	\$94,392,489

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

	Balance January 1, <u>2019</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2019</u>
Component Unit – Drain Commission				
Capital assets, not being depreciated				
Construction in progress	\$575,153	\$ -	\$ -	\$575,153
Land	-	56,700	-	56,700
	<u>\$575,153</u>	<u>\$56,700</u>	<u>\$ -</u>	<u>\$631,853</u>
Component Unit – Department of Public Works				
Capital assets, not being depreciated				
Land	\$ 400,000	\$ -	\$ -	\$ 400,000
Capital assets, being depreciated				
Buildings	7,623,862	-	-	7,623,862
Furniture and equipment	219,299	-	-	219,299
Total capital assets, being depreciated	<u>7,843,161</u>	<u>-</u>	<u>-</u>	<u>7,843,161</u>
Less accumulated depreciation for				
Buildings	1,633,684	217,825	-	1,851,509
Furniture and equipment	83,078	20,658	-	103,736
Total accumulated depreciation	<u>1,716,762</u>	<u>238,483</u>	<u>-</u>	<u>1,955,245</u>
Net capital assets, being depreciated	<u>6,126,399</u>	<u>(238,483)</u>	<u>-</u>	<u>5,887,916</u>
Component Unit – Department of Public Works capital assets, net	<u>\$6,526,399</u>	<u>\$(238,483)</u>	<u>\$ -</u>	<u>\$6,287,916</u>
Component Unit – PACE				
Capital assets, not being depreciated				
Construction in progress	\$ 99,000	\$ -	\$99,000	\$ -
Capital assets, being depreciated				
Right to use lease	2,895,089	318,241	-	3,213,330
Equipment	-	358,306	-	358,306
	<u>2,895,089</u>	<u>676,547</u>	<u>-</u>	<u>3,571,636</u>
Less accumulated depreciation for				
Right to use lease	-	80,333	-	80,333
Equipment	-	23,323	-	23,323
	<u>-</u>	<u>103,656</u>	<u>-</u>	<u>103,656</u>
Net capital assets, being depreciated	<u>2,895,089</u>	<u>572,891</u>	<u>-</u>	<u>3,467,980</u>
Component Unit – PACE capital assets, net	<u>\$2,994,089</u>	<u>\$572,891</u>	<u>\$99,000</u>	<u>\$3,467,980</u>

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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 2019, the County contributed \$1,644,992 and employees contributed \$609,073.

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 2019, the Commission contributed \$167,451 and employees contributed \$53,824 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).

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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.

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%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of December 31, 2018 that was rolled forward to December 31, 2019, 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.

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.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

Aggregate Primary Government Defined Benefit Pension Plan Balances

	County	Pavilions	Total
Net pension liability	\$41,592,619	\$8,682,932	\$50,275,551
Deferred outflows	1,606,455	824,865	2,431,320
Deferred inflows	-	894,578	894,578
Pension expense	5,034,435	1,652,932	6,687,367

Net Pension Liability

The employer's Net Pension Liability was measured as of December 31, 2018 (Grand Traverse County Road Commission) and December 31, 2019 (Grand Traverse County and Pavilions), and the total pension liability used to calculate the Net Pension Liability at December 31, 2019 was determined as part of the annual actuarial valuation as of December 31, 2018 (Grand Traverse County Road Commission) which included roll forward procedures to December 31, 2019 (Grand Traverse County and Pavilions).

Defined Benefit Pension Plan – Grand Traverse County

Plan Membership

At December 31, 2018, participants included the following:

Active plan members	54
Terminated vested plan members	43
Retirees and beneficiaries	<u>298</u>
Total participants	<u><u>395</u></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 determined contribution was \$5,400,492.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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	\$104,075,634	\$94,872,104	\$86,997,974
Fiduciary net position	53,279,485	53,279,485	53,279,485
Net pension liability	<u>\$ 50,796,149</u>	<u>\$41,592,619</u>	<u>\$33,718,489</u>

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, 2018	\$95,012,108	\$46,414,811	\$48,597,297
Changes for the Year:			
Service costs	328,490	-	328,490
Interest	7,095,868	-	7,095,868
Benefit changes	(110,872)	-	(110,872)
Differences between expected and actual experience	(338,516)	-	(338,516)
Changes in assumptions	-	-	-
Other changes	118,553	-	118,553
Contributions: employer	-	7,443,960	(7,443,960)
Contributions: member	-	63,630	(63,630)
Net investment income	-	6,706,094	(6,706,094)
Administrative expense	-	(115,483)	115,483
Benefit payments, including refunds	(7,233,527)	(7,233,527)	-
Net changes	(140,004)	6,864,674	(7,004,678)
Balance at December 31, 2019	<u>\$94,872,104</u>	<u>\$53,279,485</u>	<u>\$41,592,619</u>

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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

For the year ended December 31, 2019, the County recognized pension expense of \$5,034,435. At December 31, 2019, the County reported pension-related deferred outflows of resources and deferred inflows of resources from the following sources:

	<u>Deferred Outflows of Resources</u>
Difference between expected and actual experience	\$ -
Net difference between projected and actual earnings on pension plan investments	(1,606,455)
Total	<u>\$(1,606,455)</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>
2020	\$ (719,892)
2021	(952,949)
2022	(554,174)
2023	620,560
Total	<u>\$(1,606,455)</u>

Defined Benefit Pension Plan – Grand Traverse Pavilions

Plan Membership

At December 31, 2018, participants included the following:

Active plan members	358
Terminated vested plan members	724
Retirees and beneficiaries	197
Total participants	<u>1,279</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 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.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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, 2019:

Division	Employer Contribution Rate	Employee Contribution Rate
04-General Unit	7.00%	0.40%
40-LPN Unit	9.06%	3.41%
41-NonUnion Unit	-	10.35%
42-Union RN	5.73%	7.81%
43-Non-Union after 9/1/15	7.74%	3.00%

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, 2018	\$40,750,982	\$30,192,879	\$10,558,103
Changes for the Year:			
Service costs	1,439,018	-	1,439,018
Interest	3,241,853	-	3,241,853
Benefit changes	-	-	-
Differences between expected and actual experience	90,174	-	90,174
Other changes	(475,100)	-	(475,100)
Contributions: employer	-	1,413,864	(1,413,864)
Contributions: member	-	694,458	(694,458)
Net investment income	-	4,134,081	(4,134,081)
Administrative expense	-	(71,287)	71,287
Benefit payments, including refunds	(1,894,659)	(1,894,659)	-
Net changes	2,401,286	4,276,457	(1,875,171)
Balance at December 31, 2019	\$43,152,268	\$34,469,336	\$ 8,682,932

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	\$48,588,227	\$43,152,268	\$38,634,279
Fiduciary net position	34,469,336	34,469,336	34,469,336
Net pension liability	\$14,118,891	\$ 8,682,932	\$ 4,164,943

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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

For the year ended December 31, 2019, the Pavilions recognized pension expense of \$1,652,932. At December 31, 2019, the Pavilions reported pension-related deferred outflows of resources and deferred inflows of resources from the following sources:

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Difference between expected and actual experience	\$119,157	\$(894,578)
Net difference between projected and actual earnings on pension plan investments	134,722	-
Net difference between assumptions	570,986	-
Total	<u>\$824,865</u>	<u>\$(894,578)</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>
2020	\$ 22,833
2021	188,819
2022	171,184
2023	(467,578)
2024	15,029
Total	<u>\$(69,713)</u>

Defined Benefit Pension Plan – Road Commission

Plan Description

The employer's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The plan is closed to new entrants. 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.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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.

Membership of the defined benefit plan consisted of the following at the date of the latest actuarial valuation (December 31, 2018):

Inactive employees or beneficiaries currently receiving benefits	54
Inactive employees entitled but not yet receiving benefits	2
Active plan members	<u>2</u>
Total	<u><u>58</u></u>

Contributions

The Commission is required to contribute at an actuarially determined amount, which for the current year was \$4,572. Actual contributions for the year were \$4,572. 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.

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, 2019

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balance at January 1, 2019	\$8,813,493	\$7,966,880	\$846,613
Changes for the Year:			
Service cost	8,391	-	8,391
Interest	668,922	-	668,922
Change in benefits	-	-	-
Differences between expected and actual experience	31,587	-	31,587
Change in assumptions	-	-	-
Contributions : employer	-	4,572	(4,572)
Contributions: employee	-	-	-
Net investment income	-	1,036,877	(1,036,877)
Benefit payments, including refunds	(907,119)	(907,119)	-
Administrative expense	-	(17,830)	17,830
Other changes	-	-	-
Net changes	(198,219)	116,500	(314,719)
Balance at December 31, 2019	\$8,615,274	\$8,083,380	\$531,894

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.

	One percent decrease (7%)	Current Discount rate (8%)	One percent increase (9%)
Total Pension Liability	\$9,275,272	\$8,615,274	\$8,036,793
Fiduciary Net Position	8,083,380	8,083,380	8,083,380
Net Pension Liability	\$1,191,892	\$ 531,894	\$ (46,587)

For the year ended December 31, 2019 the employer recognized pension expense of \$233,959. 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	45,450	-
Contributions subsequent to the measurement date	-	-
Total	\$45,450	\$ -

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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

2020	\$(3,400)
2021	36,564
2022	99,556
2023	(87,270)
2024	-
Thereafter	-
Total	<u>\$45,450</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 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>
County Bonds	55.5%	6.15%
Global Fixed Income	18.5%	1.26%
Private Assets	26.0%	6.15%
	<u>100%</u>	

Plan Membership

At December 31, 2019, participants included the following:

Active plan members	169
Retired plan members	<u>42</u>
Total participants	<u>211</u>

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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 was to contribute \$300,000 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, 2019, the money-weighted rate of return was 13.97%.

Net OPEB Liability of the County

The components of the net OPEB liability of the County at December 31, 2019, were as follows:

Total OPEB liability	\$2,456,555
Plan fiduciary net position	<u>918,908</u>
County's net OPEB liability	<u>\$1,537,647</u>
Plan fiduciary net position as a percentage of total OPEB liability	<u>37.4%</u>

Actuarial Assumptions

The total OPEB liability was determined at December 31, 2019 using the entry age normal actuarial cost method by an actuarial valuation using the following actuarial assumptions based on 2019 County experience:

- Inflation – 2.1%
- Salary increases – 3.50% (for purpose of allocating liability)
- Investment rate of return – 7.35% (including 2.1% inflation)
- 20-year Aa Municipal bond rate – 3.26%
- Remaining amortization period of 14 year
- Healthcare cost trend – 8.25% in 2019 graded to 4.5% long term
- Asset value - market
- Mortality rates – 2010 Public General and Public Safety Employees, Healthy and Disabled Retirees, Headcount weighted
- Improvement Scale – MP-2018

Discount Rate

The discount rate used to measure the total OPEB liability was 7.35 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, 2018, the discount rate used to value OPEB liabilities was 7.75%

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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 7.35% 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 (6.35 percent) or 1 percentage point higher (8.35 percent) than the current rate:

	One percent decrease (6.35%)	Current discount rate (7.35%)	One percent increase (8.35%)
Total OPEB liability	\$2,746,529	\$2,456,555	\$2,212,957
Fiduciary net position	918,908	918,908	918,908
Net pension liability	<u>\$1,827,621</u>	<u>\$1,537,647</u>	<u>\$1,294,049</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 8.25% in 2019 graded to 4.5% long-term, 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 graded rate:

	One Percent Decrease (-1%)	Current Healthcare Cost Trend Rate	One Percent Increase (+1%)
Total OPEB liability	\$2,203,079	\$2,456,555	\$2,765,258
Fiduciary net position	918,908	918,908	918,908
Net pension liability	<u>\$1,284,171</u>	<u>\$1,537,647</u>	<u>\$1,846,350</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, 2018	\$2,542,063	\$537,887	\$2,004,176
Changes for the Year:			
Service Costs	56,651	-	56,651
Interest	195,664	-	195,664
Benefit Changes	(413,426)	-	(413,426)
Differences between expected and actual experience	-	-	-
Change in actuarial assumptions	149,621	-	149,621
Contributions	-	374,018	(374,018)
Net investment Income	-	82,150	(82,150)
Benefit payments, including refunds	(74,018)	(74,018)	-
Administrative Expenses	-	(1,129)	1,129
Net changes	<u>(85,508)</u>	<u>381,021</u>	<u>(466,529)</u>
Balance at December 31, 2019	<u>\$2,456,555</u>	<u>\$918,908</u>	<u>\$1,537,647</u>

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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

For the year ended December 31, 2019, the County recognized OPEB expense of \$(211,545). At December 31, 2019, the County reported pension-related deferred outflows of resources and deferred inflows of resources from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
Difference between expected and actual experience	\$ -	\$ 501,589	\$ (501,589)
Changes of Assumptions	136,734	4,486,329	(4,349,595)
Investment Earnings (Gains)/Losses	4,269	-	4,269
Total	<u>\$141,003</u>	<u>\$4,987,918</u>	<u>\$(4,846,915)</u>

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

<u>Year Ending December 31</u>	<u>Amount</u>
2020	\$ (417,535)
2021	(417,534)
2022	(418,283)
2023	(428,459)
2024	(421,520)
Thereafter	<u>(2,743,584)</u>
Total	<u>\$(4,846,915)</u>

Defined Benefit Plan – Grand Traverse Pavilions

Plan Description

Grand Travers Pavilions 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 fixed stipends for health insurance to retirees meeting minimum years of service and retirement age requirements. 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.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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%	6.15%
Global Equity	18.5%	1.26%
Real Assets	13.5%	7.22%
Diversifying Strategies	12.5%	5.00%
	<u>100%</u>	

Plan Membership

At December 31, 2019, participants included the following:

Active plan members	34
Retired plan members	<u>289</u>
Total participants	<u>323</u>

Benefits

Retirees meeting minimum years of service and retirement age requirements receive fixed monthly stipends for health insurance.

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 is funded on a pay-as-you-go basis with additional payments to the trust based on Board action. 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, 2019, the money-weighted rate of return was 9.73%

Net OPEB Liability of the Pavilions

The components of the net OPEB liability of the Pavilions at December 31, 2019, were as follows:

Total OPEB liability	\$1,693,060
Plan fiduciary net position	<u>1,076,711</u>
Net OPEB liability	<u>\$ 616,349</u>
Plan fiduciary net position as a percentage of total OPEB liability	<u>63.6%</u>

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

Actuarial Assumptions

The total OPEB liability was determined at December 31, 2019 using the entry age normal actuarial cost method by an actuarial valuation using the following actuarial assumptions based on 2019 County experience:

Inflation – 2.1%
 Salary increases – 2.0%
 Investment rate of return – 7.35% (including 2.1% inflation)
 20-year Aa Municipal bond rate – 3.15%
 Remaining amortization period of 16 years
 Healthcare cost trend – not applicable
 Asset value - market
 Mortality rates – 2010 Headcount weighted Public General Employees and Health
 Retirees with MP-2018 mortality improvement scale

Discount rate. The discount rate used to measure the total OPEB liability is 7.35%. 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, 2018, the discount rate used to value OPEB liabilities was 7.75%

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balance at January 1, 2019	\$1,494,784	\$500,000	\$994,784
Changes for the Year:			
Service cost	17,028	-	17,028
Interest	114,539	-	114,539
Change in benefits	-	-	-
Differences between expected and actual experience	(4,874)	-	(4,874)
Change in assumptions	139,387	-	139,387
Contributions: employer	-	567,804	(567,804)
Contributions: employee	-	-	-
Net investment Income	-	77,793	(77,793)
Benefit payments, including refunds	(67,804)	(67,804)	-
Administrative expense	-	(1,082)	1,082
Other changes	-	-	-
Net changes	198,276	576,711	(378,435)
Balance at December 31, 2019	\$1,693,060	\$1,076,711	\$616,349

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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

The following presents the net OPEB liability of the employer, calculated using the discount rate of 7.35%, as well as what the employer's net OPEB liability would be using a discount rate that is 1% lower (6.35%) or 1% higher (8.35%) than the current rate.

	One percent decrease (6.35%)	Current discount rate (7.35%)	One percent increase (8.35%)
Total OPEB liability	\$1,894,000	\$1,693,060	\$1,523,598
Plan Fiduciary Net Position	1,076,711	1,076,711	1,076,711
Net OPEB Liability	\$ 817,289	\$ 616,349	\$ 446,887

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

For the year ended December 31, 2019 the employer recognized OPEB expense of \$(23,912). At December 31, 2019, the County reported pension-related deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (4,430)
Changes of Assumptions	126,692	(1,206,978)
Investment Earnings (Gains)/Losses	-	(31,268)
Total	\$126,692	\$(1,242,676)

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

<u>Year Ending December 31</u>	<u>Amount</u>
2020	\$ (117,853)
2021	(117,853)
2022	(117,853)
2023	(117,853)
2024	(110,036)
Thereafter	(534,536)
Total	<u>\$(1,115,984)</u>

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

Defined Benefit Plan – Road Commission

Plan Description

The Grand Traverse County Road Commission (the Commission) administers a single-employer defined benefit healthcare plans. The plan provides healthcare benefits to eligible retirees, in accordance with the Commission's policy and employment agreements. The Retiree Health Plan does not issue a publicly available financial report. The actuarial valuation was prepared using the alternative method as provided for in Governmental Accounting Standards Board Statement No. 75.

Benefits Provided

Only employees retiring before May 1, 2016 are eligible for the following retiree medical coverage stipend:

- Early retirees – eligible for \$500 monthly stipend until age 65 (no benefits provided subsequent to age 65)
- Past retirees – eligible for \$112/224 monthly stipend until death (retiree and spouse received \$112 each)

Membership of the Plan consisted of the following at the date of the latest valuation (December 31, 2019):

Early retirees	
\$500 monthly stipend – retiree	4
Current retirees	
\$112/\$224 monthly stipend	68
	<hr/>
Total	72

Contributions

The Commission has no obligation to make contributions in advance of when the stipend is paid (in other words, the Plan may be financed on a “pay-as-you-go” basis). Participants do not make contributions to the Plan. There are no long-term contracts for contributions to the Plan. The Plan has no legally required reserves.

Net OPEB Liability

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

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

Inflation: Not applicable due to a fixed stipend not expected to change over time

Salary increases: Not applicable due to closed plan status with no active participants
Investment rate of return: 3% (unfunded status is consistent with Michigan Department of Treasury requirements and generally accepted accounting principles (GAAP))

Healthcare cost trend rates: Not applicable due to a fixed stipend not expected to change over time

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

Mortality rates were based on the 2014 life tables for males or females, as appropriate, from the Centers for Disease Control.

Level dollar method is utilized to amortization of the unfunded actuarial accrued liability.

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

Discount rate. The discount rate used to measure the total OPEB liability is 3% (20 year AA/Aa tax exempt municipal bond yield). Because the plan does not have a reasonably funded OPEB trust, there are not assets projected to be sufficient to make projected future benefit payments of current plan members. A discount rate is used to determine the Total OPEB Liability. December 31, 2018 is the first year of required compliance with GASB 75, so there is no required discount rate change to disclose.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balance at January 1, 2019	\$1,074,958	\$2,628	\$1,072,330
Changes for the Year:			
Service cost	32,249	-	32,249
Interest	-	-	-
Change in benefits	-	-	-
Differences between expected and actual experience	(27,230)	-	(27,230)
Change in assumptions	-	-	-
Contributions: employer	-	-	-
Contributions: employee	-	-	-
Net investment Income	-	-	-
Benefit payments, including refunds	(119,713)	(2,628)	(117,085)
Administrative expense	-	-	-
Other changes	-	-	-
Net changes	(114,694)	(2,628)	(112,066)
Balance at December 31, 2019	\$960,264	\$ -	\$960,264

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

The following presents the net OPEB liability of the employer, calculated using the discount rate of 3%, as well as what the employer's net OPEB liability would be using a discount rate that is 1 percentage point lower (2%) or 1% higher (4%) than the current rate.

	One percent decrease (2%)	Current discount rate (3%)	One percent increase (4%)
Net OPEB liability	\$1,022,760	\$960,264	\$903,767

OPEB Expense

For the year ended December 31, 2019 the employer recognized OPEB expense of \$7,646

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

Financial statements for the individual OPEB plans are as follows:

Combining Statement of Plan Net Position

	County OPEB <u>Trust</u>	Pavilions OPEB <u>Trust</u>	<u>Total</u>
Assets			
Investments			
MERS Total Market Portfolio	\$918,908	\$1,076,711	\$1,995,619
Net Position			
Restricted for OPEB benefits	\$918,908	\$1,076,711	\$1,995,619

Combining Statement of Changes in Plan Net Position

	County OPEB <u>Trust</u>	Pavilions OPEB <u>Trust</u>	<u>Total</u>
Additions			
Contributions			
Employer	\$300,000	\$500,000	\$ 800,000
Investment income			
Net change in fair value of securities	82,150	77,793	159,943
Total additions	382,150	577,793	959,943
Deductions			
Administrative expense	1,130	1,082	2,212
Change in net position	381,020	576,711	957,731
Net position beginning of year	537,888	500,000	1,037,888
Net Position end of year	\$918,908	\$1,076,711	\$1,995,619

Defined Contribution OPEB Plan – Road Commission

Defined Contribution OPEB Plan

The 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 and employees are required to contribute 1% of coverage wages. 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 \$167,451 and employees contributed \$53,824 to the plan.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

9. LONG-TERM DEBT

The following is a summary of the debt transactions for the year ended December 31, 2019:

	<u>Balance January 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2019</u>	<u>Due Within One Year</u>
Governmental Activities					
Public: Placement					
\$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%	\$ 3,610,000	\$ -	\$480,000	\$3,130,000	\$480,000
\$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%	3,980,000	-	3,980,000	-	-
\$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%	3,385,000	-	135,000	3,250,000	140,000
\$3,780,000 2019 Building Authority Refunding bonds; due in annual installments of \$175,000 to \$290,000 through December 2036; interest rate of 2.00% to 3.00%	-	3,780,000	-	3,780,000	175,000
Private Placement:					
\$317,341 2018 information technology installment purchase; due in annual installments of \$69,080 through October 2022; including interest at 4.24%	317,341	-	126,492	190,849	60,996
\$353,576 2018 information technology installment purchase; due in annual installments of \$76,620 through June 2022; including interest at 4%	276,955	-	65,047	211,908	67,766
Total	11,569,296	3,780,000	4,786,539	10,562,757	923,762
Bond premium/discounts	(35,192)	144,610	(1,852)	111,270	-
Accrued compensated absences	1,518,067	207,259	113,684	1,611,642	177,456
Total Governmental Activities	\$13,052,171	\$4,131,869	\$4,898,371	\$12,285,669	\$1,101,218

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

	Balance January 1, <u>2019</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2019</u>	Due Within One <u>Year</u>
Business-type Activities					
Public: Placement					
\$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%	\$2,985,000	\$ -	\$225,000	\$2,760,000	\$230,000
Accrued compensated absences	749,894	353,445	187,474	915,865	100,745
Total Business-type Activities	\$3,734,894	\$353,445	\$412,474	\$3,675,865	\$330,745
Component Unit – Road Commission					
Public: Placement					
\$945,000 2015 Michigan Transportation Fund Series Bond; due in variable annual installments through September 2030; interest rate of .65% to 3.50%	\$ 810,000	\$ -	\$ 55,000	\$ 755,000	\$ 55,000
\$3,600,000 2018 Michigan Transportation Fund Series Bond; due in variable annual installments through June 2023; interest rate of 2.25% to 3.00%	3,600,000	-	675,000	2,925,000	700,000
Total	4,410,000	-	730,000	3,680,000	755,000
Bond premium	60,231	-	20,953	39,278	-
Accrued compensated absences	52,481	70,973	52,481	70,973	70,973
Total Component Unit – Road Commission	\$4,522,712	\$70,973	\$803,434	\$3,790,251	\$825,973

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

	Balance January 1, <u>2019</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2019</u>	Due Within One <u>Year</u>
Component Unit – Brownfield Redevelopment Authority					
Private Placement:					
\$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%	\$ 143,111	\$ -	\$ 143,111	\$ -	\$ -
\$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%	561,120	-	188,127	372,993	-
\$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%	528,886	-	182,699	346,187	41,052
\$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%	541,304	-	367,909	173,395	20,433
\$700,000 2016 MI Environmental Quality Redemption Loan; due in annual installments of \$3,083 to \$3,577 through September 2031 plus interest at 1.5%.	36,569	1,733	-	38,302	-
\$420,000 2017 MI Land Bank Fast Track Authority Brownfield Cleanup Loan; due in annual installments of \$13,188 to \$14,851 through January 2025 plus interest at of 2%	98,040	-	98,040	-	-

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

	Balance January 1, <u>2019</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2019</u>	Due Within One <u>Year</u>
Component Unit – Brownfield Redevelopment Authority					
\$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%	\$ 117,500	\$ -	\$ 11,495	\$ 106,005	\$ 9,905
Total Component Unit – Brownfield Redevelopment Authority	\$2,026,530	\$1,733	\$991,381	\$1,036,882	\$71,390

	Balance January 1, <u>2019</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2019</u>	Due Within One <u>Year</u>
Component Unit – Department of Public Works Public: Placement					
\$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%	\$3,630,000	\$ -	\$385,000	\$3,245,000	\$ 370,000
\$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%	1,940,000	-	270,000	1,670,000	290,000
\$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%	1,345,000	-	270,000	1,075,000	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%	8,450,000	-	8,450,000	-	-

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

	Balance January 1, <u>2019</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2019</u>	Due Within One <u>Year</u>
Component Unit – Department of Public Works					
\$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%	\$ 4,395,000	\$ -	\$ 210,000	\$ 4,185,000	\$ 215,000
\$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%	450,000	-	75,000	375,000	75,000
\$900,000 2018 Blair Water System Bonds; due in annual installments of \$30,000 to \$60,000 through October 2038; interest rate of 3.5% to 3.75%	900,000	-	30,000	870,000	35,000
\$2,381,231 2013 Septage Treatment Facility Note Payable; due in annual installments of \$150,000 through November 2032; interest rate of 2.0%	1,777,000	-	115,000	1,662,000	115,000
Private placement:					
\$6,474,000 2019 Wastewater Treatment Refunding Bond; due in annual installments of \$2,118,000 to \$2,197,000 through May 2022; interest rate of 2.36%	-	6,474,000	-	6,474,000	2,118,000
Total	22,887,000	6,474,000	9,805,000	19,556,000	3,478,000
Bond discounts	(4,875)	-	(813)	(4,062)	-
Accrued compensated absences	59,606	1,251	-	60,857	9,129
Total Component Unit – Department of Public Works	\$22,941,731	\$6,475,251	\$9,804,187	\$19,612,795	\$3,487,129

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

The annual requirements to amortize all debt outstanding (excluding accrued employee benefits) as of December 31, 2019 are as follows:

Year Ending December 31	Governmental Activities			
	Private placement		Public Placement	
	Principal	Interest	Principal	Interest
2020	\$128,762	\$16,168	\$ 795,000	\$ 288,095
2021	134,177	11,002	825,000	263,092
2022	139,818	5,614	840,000	239,992
2023	-	-	860,000	216,492
2024	-	-	905,000	191,992
2025-2029	-	-	2,460,000	706,460
2030-2034	-	-	2,235,000	422,482
2035-2039	-	-	1,240,000	75,333
Total	\$402,757	\$32,784	\$10,160,000	\$2,403,938

Year Ending December 31	Business-type Activities		Component Units DPW and Brownfield			
	Public Placement		Private Placement		Public Placement	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 230,000	\$ 64,975	\$2,189,390	\$148,109	\$ 1,360,000	\$ 326,973
2021	230,000	60,375	2,323,104	94,527	1,340,000	295,335
2022	230,000	55,775	2,363,444	40,512	1,330,000	264,159
2023	230,000	51,175	169,402	11,350	1,310,000	232,927
2024	230,000	46,345	172,412	8,052	910,000	175,942
2025-2029	1,150,000	148,345	285,801	11,171	3,422,000	737,530
2030-2034	460,000	14,232	7,329	165	2,795,000	317,174
2035-2039	-	-	-	-	615,000	41,966
Total	\$2,760,000	\$441,222	\$7,510,882	\$313,886	\$13,082,000	\$2,392,006

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.

During fiscal 2019, the County issued \$3,780,000 of Building Authority refunding bonds to provide resources to call \$3,820,000 of Building Authority bonds on December 1, 2019. The refunded bond liability has been removed from the statement of net position. This refunding was undertaken to reduce total debt service payments by \$441,210 which resulted in an economic gain of \$370,374.

During fiscal 2019, the County issued \$6,474,000 of wastewater treatment plant refunding bonds to call \$6,450,000 of wastewater treatment plant bond on May 1, 2019. The refunded bond liability has been removed from the statement of net position. This advanced refunding was undertaken to reduce total debt service payments by \$176,133, which resulted in an economic gain of \$168,094.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

Component Unit - PACE Private Placement	Balance January 1, 2019	Additions	Deletions	Balance December 31, 2019	Due Within One Year
Nonrevolving line of credit (\$2,960,000 maximum) interest at the Treasury rate plus 2.25% due date unspecified	\$ -	\$1,150,000	\$ -	\$1,150,000	\$ -
\$3,500,000 lease due in annual installments of from \$115,000 to \$235,000 through November 2037; plus interest ranging from 3.0% to 3.65%	2,890,630	494,370	135,000	3,250,000	140,000
Total Component Unit - PACE	\$2,890,630	\$1,644,370	\$135,000	\$4,400,000	\$140,000

The principal balance of the following future minimum lease payments are reflected as a long-term liability of PACE and as a long-term receivable and deferred inflow of the Building Authority PACE Debt fund.

Year Ending December 31	PACE Private Placement		Road Commission Public Placement	
	Principal	Interest	Principal	Interest
2020	\$ 140,000	\$ 104,392	\$ 755,000	\$ 98,568
2021	145,000	100,192	785,000	78,104
2022	145,000	95,842	805,000	52,872
2023	150,000	91,492	830,000	28,803
2024	155,000	86,992	70,000	15,734
2025-2029	850,000	362,210	380,000	48,548
2030-2034	990,000	222,982	75,000	2,624
2035-2037	675,000	49,683	-	-
Total	\$3,250,000	\$1,113,785	\$3,680,000	\$323,523

PACE (a discretely presented component unit) has entered into a lease agreement with the County Building Authority (a blended component unit) for the lease of facilities over multiple future years. PACE reflects the leased facilities as a right-to-use lease capital asset with a net book value of \$3,132,997 at year end.

The Pavilions Foundation (discretely presented component unit) has entered into a liquidity support agreement with PACE. PACE has entered into a loan agreement with a bank for borrowing of up to \$2,960,000. The liquidity support agreement requires that the Foundation fund a liquidity reserve account required by the PACE loan agreement on behalf of PACE upon receipt from the lending bank of notice that the amount of unrestricted cash in the PACE liquidity reserve is less than the required amount (the required reserve account balance begins at \$850,000 and declines to \$40,000 in the 5th year of the agreement). The Pavilions Foundation has also agreed to deposit into the liquidity reserve a total of \$295,000 (annual payments required June 30, 2018, 2019 and 2020 of \$115,000, \$90,000 and \$90,000 respectively).

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

10. SHORT-TERM DEBT

The following is a summary of the short-term debt transactions for the year ended December 31, 2019:

	Balance January 1, 2019	Additions	Deletions	Balance December 31, 2019
Component Unit – Drain Commission				
\$675,000 2020 Cass Road Drain Note; due December 12, 2020 plus interest at 1.74%	\$ -	\$675,000	\$ -	\$675,000
\$475,000 2019 Cass Road Drain Note; due December 21, 2019 plus interest at 1.95%	475,000	-	475,000	-
Total Component Unit – Drain Commission	\$475,000	\$675,000	\$475,000	\$675,000

11. DEFICIT FUND EQUITY

The Building Authority reported deficit unassigned fund balance of \$250,000 in the LaFranier Department of Public Works nonmajor governmental debt service fund. This was the result of the fund making 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 Drain Commission component unit reported a deficit unassigned fund balance of \$19,342 and \$662,857 in the Old Mission Drain Special Assessment and Cass Road Drain Special Assessment capital projects funds respectively.

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, 2019, the County's property tax revenues were reduced by approximately \$41,000 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, 2019, the County's property tax revenues were reduced by approximately \$186,000 as a result of this program.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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>
2019	\$ 96,642	\$189,941	\$227,432	\$59,151
2018	185,083	(13,894)	74,547	96,642

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 end 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, 2019

The changes in the claims liability for the years ended December 31, 2019 and 2018 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>
2019	\$102,188	\$ 94,335	\$ 89,597	\$106,926
2018	87,815	134,080	119,707	102,188

Risk Management - Road Commission

The Road Commission is exposed to various risks related to property loss, torts, errors 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 property values and 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 occurrence. All other risk is transferred to MCRCSIP.

14. OPERATING AGREEMENTS

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.

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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, 2018, 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, 2018 (the most recent audited financial statements) is as follows:

Assets	\$67,744,361
Deferred outflows of resources	729,084
Liabilities	3,539,730
Deferred inflows of resources	-
Change in net position	1,096,443

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, 2019 (the most recent audited financial statements) is as follows:

Assets	\$24,144,424
Deferred outflows of resources	2,186,583
Liabilities	13,842,303
Deferring inflows of resources	-
Change in net position	365,807

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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>
Nonspendable					
Prepaid items	\$ 22,646	\$22,407	\$70	\$ 26,185	\$ 71,308
Inventories	-	27,144	-	84,766	111,910
Advances to other funds	592,349	-	-	-	592,349
Advances to component units	1,994,960	-	-	-	1,994,960
Total Nonspendable	\$2,609,955	\$49,551	\$70	\$110,951	\$2,770,527
Restricted					
Commission on Aging	\$ -	\$ -	\$2,162,441	\$ -	\$2,162,441
Local Crime Victims' Rights	-	-	-	23,514	23,514
Veterans Millage	-	-	-	536,500	536,500
Register of Deeds Automation	-	-	-	246,555	246,555
County Law Library	-	-	-	42,210	42,210
Federal Equitable Sharing	-	-	-	8,526	8,526
Concealed Pistol Licensing	-	-	-	108,837	108,837
Criminal Justice Training Act	-	-	-	19,339	19,339
Housing Trust	-	-	-	299,139	299,139
CDBG Housing Grant	-	-	-	1,778,937	1,778,937
EDC Revolving Loan	-	-	-	244,427	244,427
TNT Forfeiture	-	-	-	207,729	207,729
TNT Grant	-	-	-	7,865	7,865
Animal Control	-	-	-	74,934	74,934
Senior Center	-	-	-	686,960	686,960
Total Restricted	\$ -	\$ -	\$2,162,441	\$4,285,472	\$6,447,911
Committed					
Health Fund	\$ -	\$1,634,738	\$ -	\$ -	\$1,634,738
13 th District Court	-	-	-	1	1
86 th District Court	-	-	-	250	250
County Special Projects	-	-	-	18,323	18,323
Parks and Recreation	-	-	-	96,003	96,003
Maple Bay Development	-	-	-	11,633	11,633
Friend of the Court	-	-	-	1,304,055	1,304,055
Corrections P.A. 511	-	-	-	331,310	331,310
Corrections Officers Training	-	-	-	52,853	52,853
Mitchell Creek Water Shed	-	-	-	8,155	8,155
Next Michigan	-	-	-	11,997	11,997
Child Care	-	-	-	6,760	6,760
Capital Improvements	-	-	-	1,633,502	1,633,502
Capital Projects	-	-	-	461,972	461,972
Total Committed	-	\$1,634,738	\$ -	\$3,936,814	\$5,571,552
Assigned					
Subsequent years budget	\$ 669,151	\$ -	\$ -	\$ -	\$ 669,151
Stabilization	334,575	-	-	-	334,575
Total Assigned	\$1,003,726	\$ -	\$ -	\$ -	\$1,003,726
Unassigned	\$13,614,276	\$ -	\$ -	\$(250,000)	\$13,364,276

GRAND TRAVERSE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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

Commission on Aging	\$2,162,441
Local Crime Victims' Rights	23,514
Veterans Millage	536,500
Register of Deeds Automation	246,555
County Law Library	42,210
Federal Equitable Sharing	8,526
Concealed Pistol Licensing	108,837
Criminal Justice Training Act	19,339
Housing Trust	299,139
CDBG Housing Grant	1,778,937
EDC Revolving Loan	244,427
TNT Forfeiture	207,729
TNT Grant	7,863
Animal Control	74,934
Senior Center	686,960
Total	<u>\$6,447,913</u>

17. 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 \$2,326,312
- Loan to YMCA with a balance of \$3,269,984

18. 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.

19. SUBSEQUENT EVENT

Subsequent to December 31, 2019, the County was required to stop all nonessential operations due to the COVID-19 outbreak. Also, subsequent to year end, stock and security values declined. The effect on operations is unknown at the report date.

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, 2019

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Property taxes	\$ 25,273,000	\$ 25,273,000	\$ 26,057,360	\$ 784,360
Intergovernmental revenues				
Federal	101,043	125,268	108,530	(16,738)
State	3,658,570	3,665,631	3,663,837	(1,794)
Local	1,700,151	1,726,818	1,758,642	31,824
Licenses and permits	7,000	7,000	7,390	390
Charges for services	4,267,068	4,279,568	4,562,528	282,960
Fines and forfeitures	86,500	86,500	97,596	11,096
Reimbursements	2,223,964	2,415,363	2,614,711	199,348
Rental	593,594	593,594	1,321,003	727,409
Interest	224,295	224,295	470,802	246,507
Miscellaneous	-	3,273	3,507	234
Total revenues	<u>38,135,185</u>	<u>38,400,310</u>	<u>40,665,906</u>	<u>2,265,596</u>
Expenditures				
Current				
Legislative	425,109	458,109	409,491	48,618
Judicial	2,584,362	2,611,035	2,446,069	164,966
General government	9,467,059	10,125,260	9,249,645	875,615
Public safety	14,942,259	14,915,222	14,280,068	635,154
Public works	81,809	81,809	50,334	31,475
Health and welfare	464,970	464,970	443,645	21,325
Unallocated benefits and insurance	-	712,628	712,628	-
Capital outlay	137,695	143,813	140,297	3,516
Total expenditures	<u>28,103,263</u>	<u>29,512,846</u>	<u>27,732,177</u>	<u>1,780,669</u>
Revenues over (under) expenditures	<u>10,031,922</u>	<u>8,887,464</u>	<u>12,933,729</u>	<u>4,046,265</u>
Other financing sources (uses)				
Sale of capital assets	10,000	10,000	11,448	1,448
Transfers in	793,350	1,506,604	793,976	(712,628)
Transfers out	(10,835,272)	(11,073,219)	(10,611,451)	461,768
Total other financing sources (uses)	<u>(10,031,922)</u>	<u>(9,556,615)</u>	<u>(9,806,027)</u>	<u>(249,412)</u>
Net changes in fund balance	-	(669,151)	3,127,702	3,796,853
Fund balance, beginning of year	<u>14,100,255</u>	<u>14,100,255</u>	<u>14,100,255</u>	-
Fund balance, end of year	<u>\$ 14,100,255</u>	<u>\$ 13,431,104</u>	<u>\$ 17,227,957</u>	<u>\$ 3,796,853</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, 2019

	<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>
Revenues				
Intergovernmental revenues				
Federal	\$ 1,345,565	\$ 1,381,565	\$ 1,409,737	\$ 28,172
State	1,955,662	2,278,748	1,985,645	(293,103)
Local	267,260	304,760	265,440	(39,320)
Licenses and permits	421,950	421,950	395,459	(26,491)
Charges for services	411,950	423,950	435,179	11,229
Reimbursements	667,633	729,383	693,151	(36,232)
Interest	2,500	2,500	3,300	800
Miscellaneous	100	100	-	(100)
Total revenues	<u>5,072,620</u>	<u>5,542,956</u>	<u>5,187,911</u>	<u>(355,045)</u>
Expenditures				
Current				
Health and welfare	<u>6,956,660</u>	<u>7,426,996</u>	<u>6,986,376</u>	<u>440,620</u>
Revenues over (under) expenditures	<u>(1,884,040)</u>	<u>(1,884,040)</u>	<u>(1,798,465)</u>	<u>85,575</u>
Other financing sources (uses)				
Sale of capital assets	-	-	10,600	10,600
Transfers in	<u>1,344,000</u>	<u>1,344,000</u>	<u>1,378,191</u>	<u>34,191</u>
Total other financing sources (uses)	<u>1,344,000</u>	<u>1,344,000</u>	<u>1,388,791</u>	<u>44,791</u>
Net changes in fund balance	<u>(540,040)</u>	<u>(540,040)</u>	<u>(409,674)</u>	<u>130,366</u>
Fund balance, beginning of year	<u>2,093,963</u>	<u>2,093,963</u>	<u>2,093,963</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,553,923</u>	<u>\$ 1,553,923</u>	<u>\$ 1,684,289</u>	<u>\$ 130,366</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, 2019

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive</u> <u>(Negative)</u>
Revenues				
Property taxes	\$ 2,416,023	\$ 2,416,023	\$ 2,494,443	\$ 78,420
Intergovernmental revenues				
Local	6,800	6,800	10,591	3,791
Charges for services	295,963	297,463	318,368	20,905
Reimbursements	-	-	37,808	37,808
Interest	6,000	6,000	57,456	51,456
Miscellaneous	12,500	12,500	22,183	9,683
Total revenues	2,737,286	2,738,786	2,940,849	202,063
Expenditures				
Current				
Health and welfare	3,227,722	3,244,468	2,646,110	598,358
Capital outlay	60,000	105,630	85,529	20,101
Total expenditures	3,287,722	3,350,098	2,731,639	618,459
Revenues over (under) expenditures	(550,436)	(611,312)	209,210	820,522
Other financing sources (uses)				
Sale of capital assets	-	-	6,457	6,457
Net changes in fund balance	(550,436)	(611,312)	215,667	826,979
Fund balance, beginning of year	1,946,844	1,946,844	1,946,844	-
Fund balance, end of year	\$ 1,396,408	\$ 1,335,532	\$ 2,162,511	\$ 826,979

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 modified accrual basis of accounting. Unexpended appropriations lapse at year-end.

GRAND TRAVERSE COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2019

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Total pension liability					
Service costs	\$ 548,234	\$ 505,704	\$ 442,309	\$ 375,255	\$ 328,490
Interest	6,923,107	7,004,145	7,311,954	7,389,442	7,095,868
Benefit changes	-	-	(798,573)	(440,519)	(110,872)
Difference between expected and actual experience	-	947,500	1,099,991	(1,143,899)	(338,516)
Assumption changes	-	4,941,688	-	(53,751)	-
Benefit payments	(6,270,104)	(6,651,752)	(7,191,264)	(7,201,095)	(7,233,527)
Other changes	(6,868)	54,865	142,625	305,735	118,553
Net change in total pension liability	1,194,369	6,802,150	1,007,042	(768,833)	(140,004)
Total pension liability, beginning of year	<u>86,777,380</u>	<u>87,971,749</u>	<u>94,773,899</u>	<u>95,780,941</u>	<u>95,012,108</u>
Total pension liability, end of year (a)	<u>\$ 87,971,749</u>	<u>\$ 94,773,899</u>	<u>\$ 95,780,941</u>	<u>\$ 95,012,108</u>	<u>\$ 94,872,104</u>
Plan fiduciary net position					
Contributions - employer	\$ 4,479,187	\$ 4,782,033	\$ 11,014,005	\$ 5,899,926	\$ 7,443,960
Contributions - member	6,978	5,907	44,784	64,962	63,630
Net investment income	(589,551)	4,232,341	5,485,938	(1,950,963)	6,706,094
Benefit payments	(6,270,104)	(6,651,752)	(7,191,294)	(7,201,095)	(7,233,527)
Administrative expense	(87,177)	(83,603)	(85,820)	(100,706)	(115,483)
Refunds of contributions	-	-	-	-	-
Transfer	-	-	-	-	-
Other	-	-	-	-	-
Net change in plan fiduciary net position	(2,460,667)	2,284,926	9,267,613	(3,287,876)	6,864,674
Plan fiduciary net position, beginning of year	<u>40,610,785</u>	<u>38,150,118</u>	<u>40,435,044</u>	<u>49,702,657</u>	<u>46,414,811</u>
Plan fiduciary net position, end of year (b)	<u>\$ 38,150,118</u>	<u>\$ 40,435,044</u>	<u>\$ 49,702,657</u>	<u>\$ 46,414,811</u>	<u>\$ 53,279,485</u>
Net pension liability (a-b)	<u>\$ 49,821,631</u>	<u>\$ 54,338,855</u>	<u>\$ 46,078,284</u>	<u>\$ 48,597,297</u>	<u>\$ 41,592,619</u>
Plan fiduciary net position as a percentage of total pension liability	43.37%	42.66%	51.89%	48.85%	56.16%
Covered payroll	<u>\$ 4,557,937</u>	<u>\$ 4,213,993</u>	<u>\$ 3,516,849</u>	<u>\$ 3,193,341</u>	<u>\$ 2,919,119</u>
Net pension liability as a percentage of covered employee payroll	1093.07%	1289.49%	1310.22%	1521.83%	1424.83%

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

GRAND TRAVERSE COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2019

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%
2018	5,720,352	5,899,926	179,574	3,193,341	184.76%
2019	5,400,492	7,443,960	2,043,468	2,919,119	255.01%

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, 2019

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

	2015	2016	2017	2018	2019
Total pension liability					
Service costs	\$ 1,277,800	\$ 1,365,747	\$ 1,348,278	\$ 1,317,595	\$ 1,439,018
Interest	2,486,886	2,606,420	2,951,871	3,100,887	3,241,853
Benefit changes	-	-	-	-	-
Difference between expected and actual experience	-	132,036	(669,008)	(840,111)	90,174
Assumption changes	-	1,712,954	-	-	-
Benefit payments	(1,334,411)	(1,381,081)	(1,628,394)	(1,740,398)	(1,894,659)
Other changes	(14,734)	14,453	(68,705)	(59,476)	(475,100)
Net change in total pension liability	2,415,541	4,450,529	1,934,042	1,778,497	2,401,286
Total pension liability, beginning of year	30,172,373	32,587,914	37,038,443	38,972,485	40,750,982
Total pension liability, end of year (a)	\$ 32,587,914	\$ 37,038,443	\$ 38,972,485	\$ 40,750,982	\$ 43,152,268
Plan fiduciary net position					
Contributions - employer	\$ 1,030,460	\$ 1,124,502	\$ 1,442,859	\$ 1,393,517	\$ 1,413,864
Contributions - member	727,311	838,781	691,765	742,149	694,458
Net investment income	(368,610)	2,751,075	3,629,624	(1,249,335)	4,134,081
Benefit payments	(1,334,411)	(1,381,081)	(1,628,394)	(1,740,398)	(1,894,659)
Administrative expense	(52,824)	(54,225)	(57,323)	(60,918)	(71,287)
Refunds of contributions	-	-	-	-	-
Transfer	-	-	-	-	-
Other	-	-	-	-	-
Net change in plan fiduciary net position	1,926	3,279,052	4,078,531	(914,985)	4,276,457
Plan fiduciary net position, beginning of year	23,748,355	23,750,281	27,029,333	31,107,864	30,192,879
Plan fiduciary net position, end of year (b)	\$ 23,750,281	\$ 27,029,333	\$ 31,107,864	\$ 30,192,879	\$ 34,469,336
Net pension liability (a-b)	\$ 8,837,633	\$ 10,009,110	\$ 7,864,621	\$ 10,558,103	\$ 8,682,932
Plan fiduciary net position as a percentage of total pension liability	72.88%	72.98%	79.82%	74.09%	79.88%
Covered payroll	\$ 13,864,604	\$ 15,117,289	\$ 14,936,116	\$ 14,775,579	\$ 15,729,985
Net pension liability as a percentage of covered employee payroll	63.74%	66.21%	52.66%	71.46%	55.20%

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

GRAND TRAVERSE COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2019

GRAND TRAVERSE PAVILIONS 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	\$ 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%
2018	1,393,517	1,393,517	-	14,775,579	9.43%
2019	1,413,864	1,413,864	-	15,729,985	8.99%

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, 2019

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Total pension liability					
Service costs	\$ 18,465	\$ 8,471	\$ 8,085	\$ 8,166	\$ 8,391
Interest	728,316	693,212	717,457	684,961	668,922
Benefit changes	-	-	-	-	-
Difference between expected and actual experience	-	91,234	(207,073)	11,278	31,587
Assumption changes	-	430,437	-	-	-
Benefit payments	(951,391)	(960,311)	(914,379)	(914,065)	(907,119)
Other changes	51,136	17,244	(10,481)	8,190	-
Net change in total pension liability	(153,474)	280,287	(406,391)	(201,470)	(198,219)
Total pension liability, beginning of year	<u>9,294,541</u>	<u>9,141,067</u>	<u>9,421,354</u>	<u>9,014,963</u>	<u>8,813,493</u>
Total pension liability, end of year (a)	<u>\$ 9,141,067</u>	<u>\$ 9,421,354</u>	<u>\$ 9,014,963</u>	<u>\$ 8,813,493</u>	<u>\$ 8,615,274</u>
Plan fiduciary net position					
Contributions - employer	\$ 618,432	\$ 1,454,636	\$ 1,447,188	\$ 1,208,374	\$ 4,572
Contributions - member	-	-	-	-	-
Net investment income	(84,678)	655,362	862,966	(285,143)	1,036,877
Benefit payments	(951,391)	(960,311)	(914,379)	(914,065)	(907,119)
Administrative expense	(12,553)	(12,834)	(13,667)	(14,787)	(17,830)
Refunds of contributions	-	-	-	-	-
Transfer	-	-	-	-	-
Other	-	-	-	-	-
Net change in plan fiduciary net position	(430,190)	1,136,853	1,382,108	(5,621)	116,500
Plan fiduciary net position, beginning of year	<u>5,883,730</u>	<u>5,453,540</u>	<u>6,590,393</u>	<u>7,972,501</u>	<u>7,966,880</u>
Plan fiduciary net position, end of year (b)	<u>\$ 5,453,540</u>	<u>\$ 6,590,393</u>	<u>\$ 7,972,501</u>	<u>\$ 7,966,880</u>	<u>\$ 8,083,380</u>
Net pension liability (a-b)	<u>\$ 3,687,527</u>	<u>\$ 2,830,961</u>	<u>\$ 1,042,462</u>	<u>\$ 846,613</u>	<u>\$ 531,894</u>
Plan fiduciary net position as a percentage of total pension liability	60%	70%	88%	90%	94%
Covered payroll	<u>\$ 226,661</u>	<u>\$ 93,103</u>	<u>\$ 88,257</u>	<u>\$ 89,172</u>	<u>\$ 95,867</u>
Net pension liability as a percentage of covered employee payroll	1627%	3041%	1181%	949%	555%

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

GRAND TRAVERSE COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2019

GRAND TRAVERSE COUNTY ROAD COMMISSION 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	\$ 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%
2018	731,520	1,208,374	476,854	89,172	1355%
2019	4,572	4,572	-	95,867	5%

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, 2019

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

	<u>2018</u>	<u>2019</u>
Total OPEB liability		
Service costs	\$ 77,422	\$ 56,651
Interest	166,460	195,664
Benefit changes	-	-
Difference between expected and actual experience	(68,693)	(413,426)
Assumption changes	(330,052)	149,621
Benefit payments	(75,062)	(74,018)
Other changes	-	-
Net change in total OPEB liability	(229,925)	(85,508)
Total OPEB liability, beginning of year	<u>2,771,988</u>	<u>2,542,063</u>
Total OPEB liability, end of year (a)	<u><u>\$ 2,542,063</u></u>	<u><u>\$ 2,456,555</u></u>
Plan fiduciary net position		
Contributions to OPEB trust	\$ 300,000	\$ 300,000
Contributions/benefit payments made from general operating funds	75,062	74,018
Net investment income	(17,508)	82,150
Benefit payments	(75,062)	(74,018)
Administrative expense	(737)	(1,129)
Refunds of contributions	-	-
Transfer	-	-
Other	-	-
Net change in plan fiduciary net position	281,755	381,021
Plan fiduciary net position, beginning of year	<u>256,132</u>	<u>537,887</u>
Plan fiduciary net position, end of year (b)	<u><u>\$ 537,887</u></u>	<u><u>\$ 918,908</u></u>
Net OPEB liability (a-b)	<u><u>\$ 2,004,176</u></u>	<u><u>\$ 1,537,647</u></u>
Plan fiduciary net position as a percentage of total OPEB liability	21.16%	37.41%
Covered payroll	<u><u>\$ 10,617,896</u></u>	<u><u>\$ 8,400,890</u></u>
Net OPEB liability as a percentage of covered employee payroll	18.88%	18.30%

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

GRAND TRAVERSE COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2019

GRAND TRAVERSE COUNTY RETIREE OPEB 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>
2018	\$ 323,748	\$ 375,062	\$ 51,314	\$ 10,617,896	3.53%
2019	287,096	374,018	86,922	8,400,890	4.45%

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	2.10%
Salary increases	3.50%
Investment rate of return	7.35%
Retirement age	Experience-based tables of rates
Mortality	2010 Public General and Public Safety Employees, Healthy and Disabled Retirees, Headcount weighted

SCHEDULE OF INVESTMENT RETURNS

<u>Year Ended December 31</u>	<u>Annual Return</u>
2018	-0.43%
2019	13.97%

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

GRAND TRAVERSE PAVILIONS
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2019

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

	<u>2018</u>	<u>2019</u>
Total OPEB liability		
Service costs	\$ 231,153	\$ 17,028
Interest	213,488	114,539
Benefit changes	(4,383,381)	-
Difference between expected and actual experience	-	(4,874)
Assumption changes	(1,451,552)	139,387
Benefit payments	(82,575)	(67,804)
Other changes	-	-
	<hr/>	<hr/>
Net change in total OPEB liability	(5,472,867)	198,276
Total OPEB liability, beginning of year	<u>6,967,651</u>	<u>1,494,784</u>
Total OPEB liability, end of year (a)	<u><u>\$ 1,494,784</u></u>	<u><u>\$ 1,693,060</u></u>
Plan fiduciary net position		
Contributions to OPEB trust	\$ 582,575	\$ 500,000
Contributions/benefit payments made from general operating funds	-	67,804
Net investment income	-	77,793
Benefit payments	(82,575)	(67,804)
Administrative expense	-	(1,082)
Refunds of contributions	-	-
Transfer	-	-
Other	-	-
	<hr/>	<hr/>
Net change in plan fiduciary net position	500,000	576,711
Plan fiduciary net position, beginning of year	<u>-</u>	<u>500,000</u>
Plan fiduciary net position, end of year (b)	<u><u>\$ 500,000</u></u>	<u><u>\$ 1,076,711</u></u>
Net OPEB liability (a-b)	<u><u>\$ 994,784</u></u>	<u><u>\$ 616,349</u></u>
Plan fiduciary net position as a percentage of total OPEB liability	33.45%	63.60%
Covered payroll	<u>N/A</u>	<u>\$ 7,762,001</u>
Net OPEB liability as a percentage of covered employee payroll	N/A	7.94%

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

GRAND TRAVERSE PAVILIONS

REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2019

GRAND TRAVERSE COUNTY PAVILIONS RETIREE OPEB 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>
2018	\$ 693,994	\$ 582,575	\$ (111,419)	N/A	N/A
2019	128,945	567,804	438,859	7,762,001	1.66%

Notes to schedule of contributions

Actuarial cost method	Entry-age normal
Amortization method	Level percentage, closed
Remaining amortization period	10 years (average future service)
Asset valuation method	Market Value
Inflation	2.1%, 2.5% for 2018
Salary increases	2.00%
Investment rate of return	7.35%, 7.75% for 2018
Retirement age	Experience-based tables of rates
Mortality	2010 Headcount weighted Public General Employees and Health Retirees with MP-2018 mortality improvement scale

SCHEDULE OF INVESTMENT RETURNS

<u>Year Ended December 31</u>	<u>Annual Return</u>
2018	0.00%
2019	10.37%

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, 2019

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

	<u>2018</u>	<u>2019</u>
Total OPEB liability		
Service costs	\$ -	\$ -
Interest	34,664	34,664
Benefit changes	-	-
Difference between expected and actual experience	28,002	28,002
Assumption changes	-	-
Benefit payments	(143,172)	(143,172)
Other changes	<u>-</u>	<u>-</u>
Net change in total OPEB liability	(80,506)	(80,506)
Total OPEB liability, beginning of year	<u>1,155,464</u>	<u>1,074,958</u>
Total OPEB liability, end of year (a)	<u><u>\$ 1,074,958</u></u>	<u><u>\$ 994,452</u></u>
Plan fiduciary net position		
Contributions to OPEB trust	\$ -	\$ -
Contributions/benefit payments made from general operating funds	-	-
Net investment income	1,106	1,106
Benefit payments	(106,304)	(106,304)
Administrative expense	-	-
Refunds of contributions	-	-
Transfer	-	-
Other	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	(105,198)	(105,198)
Plan fiduciary net position, beginning of year	<u>107,826</u>	<u>2,628</u>
Plan fiduciary net position, end of year (b)	<u><u>\$ 2,628</u></u>	<u><u>\$ (102,570)</u></u>
Net OPEB liability (a-b)	<u><u>\$ 1,072,330</u></u>	<u><u>\$ 1,097,022</u></u>
Plan fiduciary net position as a percentage of total OPEB liability	0.24%	-10.31%
Covered payroll	<u>\$ -</u>	<u>\$ -</u>
Net OPEB liability as a percentage of covered employee payroll	N/A	N/A

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

GRAND TRAVERSE COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2019

GRAND TRAVERSE COUNTY ROAD COMMISSION RETIREE OPEB 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>
2018 2019	\$ 36,005	\$ 36,868	863	\$ -	N/A

Notes to schedule of contributions

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, open
Remaining amortization period	30 years
Asset valuation method	Market Value
Healthcare cost trend rate	N/A - fixed stipend
Salary increases	N/A - no active participants
Investment rate of return	3.00%
Retirement age	N/A - no active participants
Mortality	2014 life tables for males or females, as appropriate, from the Centers for Disease Control

Money weighted rate of return is immaterial due to the funding status of the plan.

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

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**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.

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 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.

MIDC Fund - This fund accounts for revenue received from the State and county funds used for the provision of indigent criminal defense services.

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.

GRAND TRAVERSE COUNTY

FUND DESCRIPTIONS

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.

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.

GRAND TRAVERSE COUNTY

FUND DESCRIPTIONS

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.

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.

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.

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.

GRAND TRAVERSE COUNTY

FUND DESCRIPTIONS

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.

Building Authority Fund - This fund was established to finance and construction County facilities - buildings.

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 equipment and vehicles and maintain the inventory for insurance and depreciation purposes.

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.

Library Penal 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.

GRAND TRAVERSE COUNTY

FUND DESCRIPTIONS

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.

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.

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.

GRAND TRAVERSE COUNTY

FUND DESCRIPTIONS

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, 2019

	Special Revenue					
	13th Circuit Court	Local Crime Victims Rights	86th District Court	County Special Projects	Central Dispatch/911	Parks and Recreation
Assets						
Cash and pooled investments	\$ 14,269	\$ 23,514	\$ 19,574	\$ 18,323	\$ -	\$ 230,010
Accounts receivable	-	-	82	-	521,262	66,558
Property tax receivable	-	-	-	-	-	-
Due from other funds	141,103	-	251,713	-	-	-
Due from other governments	40,945	-	97,363	-	85,455	-
Long-term receivable	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Prepaid items	7,547	-	-	-	-	3,413
Total assets	\$ 203,864	\$ 23,514	\$ 368,732	\$ 18,323	\$ 606,717	\$ 299,981
Liabilities, deferred inflows of resources and fund balances						
Liabilities						
Accounts payable	\$ 10,087	\$ -	\$ 13,123	\$ -	\$ 3,921	\$ 61,183
Accrued liabilities	6,392	-	41,303	-	42,317	7,842
Unearned revenue	-	-	-	-	-	130,633
Due to other funds	10,554	-	16,820	-	560,479	907
Due to other governments	48,610	-	75,560	-	-	-
Advance from other funds	120,673	-	221,676	-	-	-
Total liabilities	196,316	-	368,482	-	606,717	200,565
Deferred inflows of resources						
Taxes levied for subsequent year	-	-	-	-	-	-
Fund balances						
Nonspendable						
Inventory	-	-	-	-	-	-
Prepaid	7,547	-	-	-	-	3,413
Restricted						
Special revenue funds	-	23,514	-	-	-	-
Committed						
Special revenue funds	1	-	250	18,323	-	96,003
Capital projects funds	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	7,548	23,514	250	18,323	-	99,416
Total liabilities, deferred inflows of resources and fund balances	\$ 203,864	\$ 23,514	\$ 368,732	\$ 18,323	\$ 606,717	\$ 299,981

(continued)

GRAND TRAVERSE COUNTY
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2019

	<u>Special Revenue</u>				
	<u>Maple Bay Development</u>	<u>Friend of the Court</u>	<u>Gypsy Moth Suppression</u>	<u>Veterans Millage</u>	<u>Register of Deeds Automation</u>
Assets					
Cash and pooled investments	\$ 11,633	\$ 911,960	\$ -	\$ 589,465	\$ 251,576
Accounts receivable	-	-	-	-	-
Property tax receivable	-	-	-	372,874	-
Due from other funds	-	-	-	-	-
Due from other governments	-	467,927	-	-	-
Long-term receivable	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid items	-	608	-	-	-
Total assets	<u>\$ 11,633</u>	<u>\$ 1,380,495</u>	<u>\$ -</u>	<u>\$ 962,339</u>	<u>\$ 251,576</u>
Liabilities, deferred inflows of resources and fund balances					
Liabilities					
Accounts payable	\$ -	\$ 649	\$ -	\$ 636	\$ 2,611
Accrued liabilities	-	35,289	-	5,436	-
Unearned revenue	-	-	-	2,190	-
Due to other funds	-	11,291	-	782	2,410
Due to other governments	-	28,603	-	-	-
Advance from other funds	-	-	-	-	-
Total liabilities	<u>-</u>	<u>75,832</u>	<u>-</u>	<u>9,044</u>	<u>5,021</u>
Deferred inflows of resources					
Taxes levied for subsequent year	-	-	-	416,795	-
Fund balances					
Nonspendable					
Inventory	-	-	-	-	-
Prepaid	-	608	-	-	-
Restricted					
Special revenue funds	-	-	-	536,500	246,555
Committed					
Special revenue funds	11,633	1,304,055	-	-	-
Capital projects funds	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>11,633</u>	<u>1,304,663</u>	<u>-</u>	<u>536,500</u>	<u>246,555</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 11,633</u>	<u>\$ 1,380,495</u>	<u>\$ -</u>	<u>\$ 962,339</u>	<u>\$ 251,576</u>

Special Revenue

<u>MIDC Fund</u>	<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>
\$ -	\$ 292,793	\$ 42,210	\$ 8,526	\$ 109,452	\$ 54,910	\$ 19,339	\$ 8,155
-	-	-	-	-	2,427	-	-
-	-	-	-	-	-	-	-
59,217	79,296	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	1,704	275	-
<u>\$ 59,217</u>	<u>\$ 372,089</u>	<u>\$ 42,210</u>	<u>\$ 8,526</u>	<u>\$ 109,452</u>	<u>\$ 59,041</u>	<u>\$ 19,614</u>	<u>\$ 8,155</u>
\$ 53,455	\$ 30,950	\$ -	\$ -	\$ -	\$ 4,484	\$ -	\$ -
2,460	8,419	-	-	381	-	-	-
-	-	-	-	-	-	-	-
3,302	1,410	-	-	234	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>59,217</u>	<u>40,779</u>	<u>-</u>	<u>-</u>	<u>615</u>	<u>4,484</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	1,704	275	-
-	-	42,210	8,526	108,837	-	19,339	-
-	331,310	-	-	-	52,853	-	8,155
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>331,310</u>	<u>42,210</u>	<u>8,526</u>	<u>108,837</u>	<u>54,557</u>	<u>19,614</u>	<u>8,155</u>
<u>\$ 59,217</u>	<u>\$ 372,089</u>	<u>\$ 42,210</u>	<u>\$ 8,526</u>	<u>\$ 109,452</u>	<u>\$ 59,041</u>	<u>\$ 19,614</u>	<u>\$ 8,155</u>

(continued)

GRAND TRAVERSE COUNTY
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2019

	Special Revenue					
	Housing Trust	CDGB Housing Grant	Next Michigan	EDC Revolving Loan	TNT Forfeiture	TNT Grant
Assets						
Cash and pooled investments	\$ 299,139	\$ 181,974	\$ 11,997	\$ 148,273	\$ 342,628	\$ -
Accounts receivable	-	-	-	96,154	-	-
Property tax receivable	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	35,201
Long-term receivable	-	1,635,306	-	-	-	-
Inventory	-	-	-	-	84,766	-
Prepaid items	-	-	-	-	-	-
Total assets	\$ 299,139	\$ 1,817,280	\$ 11,997	\$ 244,427	\$ 427,394	\$ 35,201
Liabilities, deferred inflows of resources and fund balances						
Liabilities						
Accounts payable	\$ -	\$ 32,498	\$ -	\$ -	\$ 4,063	\$ 2,655
Accrued liabilities	-	-	-	-	-	2,726
Unearned revenue	-	-	-	-	130,766	-
Due to other funds	-	-	-	-	-	21,957
Due to other governments	-	5,845	-	-	70	-
Advance from other funds	-	-	-	-	-	-
Total liabilities	-	38,343	-	-	134,899	27,338
Deferred inflows of resources						
Taxes levied for subsequent year	-	-	-	-	-	-
Fund balances						
Nonspendable						
Inventory	-	-	-	-	84,766	-
Prepaid	-	-	-	-	-	-
Restricted						
Special revenue funds	299,139	1,778,937	-	244,427	207,729	7,863
Committed						
Special revenue funds	-	-	11,997	-	-	-
Capital projects funds	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	299,139	1,778,937	11,997	244,427	292,495	7,863
Total liabilities, deferred inflows of resources and fund balances	\$ 299,139	\$ 1,817,280	\$ 11,997	\$ 244,427	\$ 427,394	\$ 35,201

Special Revenue			Debt Service		
<u>Child Care</u>	<u>Animal Control</u>	<u>Senior Center</u>	<u>Building Authority LaFranier DPW</u>	<u>Courthouse</u>	<u>Health Services</u>
\$ -	\$ 108,013	\$ 756,492	\$ -	\$ -	\$ -
-	7,305	456	-	-	-
-	170,759	456,023	-	-	-
-	-	-	-	-	-
88,813	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
7,824	-	615	-	-	-
<u>\$ 96,637</u>	<u>\$ 286,077</u>	<u>\$ 1,213,586</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 24,871	\$ 9,202	\$ 1,858	\$ -	\$ -	\$ -
-	4,072	5,343	-	-	-
-	-	-	-	-	-
47,582	640	7,169	-	-	-
9,600	5,649	-	-	-	-
-	-	-	250,000	-	-
<u>82,053</u>	<u>19,563</u>	<u>14,370</u>	<u>250,000</u>	<u>-</u>	<u>-</u>
-	191,580	511,641	-	-	-
-	-	-	-	-	-
7,824	-	615	-	-	-
-	74,934	686,960	-	-	-
6,760	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(250,000)	-	-
<u>14,584</u>	<u>74,934</u>	<u>687,575</u>	<u>(250,000)</u>	<u>-</u>	<u>-</u>
<u>\$ 96,637</u>	<u>\$ 286,077</u>	<u>\$ 1,213,586</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

GRAND TRAVERSE COUNTY
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2019

	Capital Projects			
	County Facilities	Building Authority - Pavilion	Capital Improvement	Total
Assets				
Cash and pooled investments	\$ 553,615	\$ -	\$ 1,665,502	\$ 6,673,342
Accounts receivable	31,293	-	-	725,537
Property tax receivable	-	-	-	999,656
Due from other funds	5,589	-	-	398,405
Due from other governments	17,480	-	-	971,697
Long-term receivable	-	-	-	1,635,306
Inventory	-	-	-	84,766
Prepaid items	4,199	-	-	26,185
Total assets	\$ 612,176	\$ -	\$ 1,665,502	\$ 11,514,894
Liabilities, deferred inflows of resources and fund balances				
Liabilities				
Accounts payable	\$ 145,217	\$ -	\$ 32,000	\$ 433,463
Accrued liabilities	-	-	-	161,980
Unearned revenue	-	-	-	263,589
Due to other funds	-	-	-	685,537
Due to other governments	788	-	-	174,725
Advance from other funds	-	-	-	592,349
Total liabilities	146,005	-	32,000	2,311,643
Deferred inflows of resources				
Taxes levied for subsequent year	-	-	-	1,120,016
Fund balances				
Nonspendable				
Inventory	-	-	-	84,766
Prepaid	4,199	-	-	26,185
Restricted				
Special revenue funds	-	-	-	4,285,470
Committed				
Special revenue funds	-	-	-	1,841,340
Capital projects funds	461,972	-	1,633,502	2,095,474
Unassigned	-	-	-	(250,000)
Total fund balances	466,171	-	1,633,502	8,083,235
Total liabilities, deferred inflows of resources and fund balances	\$ 612,176	\$ -	\$ 1,665,502	\$ 11,514,894

(concluded)

GRAND TRAVERSE COUNTY
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2019

	Special Revenue					
	13th Circuit Court	Local Crime Victims Rights	86th District Court	County Special Projects	Central Dispatch/911	Parks and Recreation
Revenues						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues						
Federal	-	-	-	-	-	-
State	-	-	51,188	-	271,120	147,000
Local	382,743	10,723	786,195	-	2,078,718	77,095
Licenses and permits	-	-	-	-	-	-
Charges for services	-	-	100	-	4,401	285,256
Fines and forfeitures	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Miscellaneous	29	-	25	-	33,086	34,247
Total revenues	382,772	10,723	837,508	-	2,387,325	543,598
Expenditures						
Current						
Judicial	1,784,584	14,140	3,441,109	-	-	-
General government	-	-	-	-	-	-
Public safety	-	-	-	-	2,541,428	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	729,820
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	134,186
Total expenditures	1,784,584	14,140	3,441,109	-	2,541,428	864,006
Revenues over (under) expenditures	(1,401,812)	(3,417)	(2,603,601)	-	(154,103)	(320,408)
Other financing sources (uses)						
Sale of capital assets	-	-	-	-	-	-
Issuance of bonds	-	-	-	-	-	-
Bond premium	-	-	-	-	-	-
Payment to escrow agent	-	-	-	-	-	-
Transfers in	1,408,616	-	2,603,600	-	153,762	321,983
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	1,408,616	-	2,603,600	-	153,762	321,983
Net changes in fund balances	6,804	(3,417)	(1)	-	(341)	1,575
Fund balances, beginning of year	744	26,931	251	18,323	341	97,841
Fund balances, end of year	\$ 7,548	\$ 23,514	\$ 250	\$ 18,323	\$ -	\$ 99,416

(continued)

GRAND TRAVERSE COUNTY

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

FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Special Revenue</u>				
	<u>Maple Bay Development</u>	<u>Friend of the Court</u>	<u>Gypsy Moth Suppression</u>	<u>Veterans Millage</u>	<u>Register of Deeds Automation</u>
Revenues					
Property taxes	\$ -	\$ -	\$ -	598,277	\$ -
Intergovernmental revenues					
Federal	-	1,526,793	-	-	-
State	-	120,047	-	-	-
Local	-	79,479	-	63,049	-
Licenses and permits	-	-	-	-	-
Charges for services	-	198,022	-	-	106,945
Fines and forfeitures	-	-	-	-	-
Interest	-	-	-	12,795	-
Miscellaneous	-	-	-	-	-
Total revenues	<u>-</u>	<u>1,924,341</u>	<u>-</u>	<u>674,121</u>	<u>106,945</u>
Expenditures					
Current					
Judicial	-	2,280,994	-	-	-
General government	-	-	-	-	136,185
Public safety	-	-	-	-	-
Health and welfare	-	-	-	469,447	-
Economic development	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>-</u>	<u>2,280,994</u>	<u>-</u>	<u>469,447</u>	<u>136,185</u>
Revenues over (under) expenditures	<u>-</u>	<u>(356,653)</u>	<u>-</u>	<u>204,674</u>	<u>(29,240)</u>
Other financing sources (uses)					
Sale of capital assets	-	-	-	-	-
Issuance of bonds	-	-	-	-	-
Bond premium	-	-	-	-	-
Payment to escrow agent	-	-	-	-	-
Transfers in	-	288,139	-	-	-
Transfers out	-	(6,000)	(626)	-	-
Total other financing sources (uses)	<u>-</u>	<u>282,139</u>	<u>(626)</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	-	(74,514)	(626)	204,674	(29,240)
Fund balances, beginning of year	<u>11,633</u>	<u>1,379,177</u>	<u>626</u>	<u>331,826</u>	<u>275,795</u>
Fund balances, end of year	<u>\$ 11,633</u>	<u>\$ 1,304,663</u>	<u>\$ -</u>	<u>\$ 536,500</u>	<u>\$ 246,555</u>

Special Revenue

MIDC Fund	Corrections P.A. 511	County Law Library	Federal Equitable Sharing	Concealed Pistol Licensing	Corrections Officers Training	Criminal Justice Training Act	Mitchell Creek Water Shed
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
373,556	252,235	-	-	-	-	10,959	-
-	26,244	-	-	-	-	-	-
-	-	-	-	46,116	-	-	-
-	473,603	-	-	-	31,244	-	-
-	-	6,500	-	-	-	-	-
-	-	-	153	-	-	-	-
-	37,269	-	-	92	-	-	-
<u>373,556</u>	<u>789,351</u>	<u>6,500</u>	<u>153</u>	<u>46,208</u>	<u>31,244</u>	<u>10,959</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
763,439	869,979	-	-	21,587	36,187	11,065	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>763,439</u>	<u>869,979</u>	<u>-</u>	<u>-</u>	<u>21,587</u>	<u>36,187</u>	<u>11,065</u>	<u>-</u>
<u>(389,883)</u>	<u>(80,628)</u>	<u>6,500</u>	<u>153</u>	<u>24,621</u>	<u>(4,943)</u>	<u>(106)</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
172,280	77,000	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>172,280</u>	<u>77,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(217,603)	(3,628)	6,500	153	24,621	(4,943)	(106)	-
<u>217,603</u>	<u>334,938</u>	<u>35,710</u>	<u>8,373</u>	<u>84,216</u>	<u>59,500</u>	<u>19,720</u>	<u>8,155</u>
<u>\$ -</u>	<u>\$ 331,310</u>	<u>\$ 42,210</u>	<u>\$ 8,526</u>	<u>\$ 108,837</u>	<u>\$ 54,557</u>	<u>\$ 19,614</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, 2019

	Special Revenue					
	Housing Trust	CDGB Housing Grant	Next Michigan	EDC Revolving Loan	TNT Forfeiture	TNT Grant
Revenues						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues						
Federal	-	-	-	-	-	146,421
State	-	-	-	-	-	-
Local	-	-	-	-	1,750	-
Licenses and permits	-	-	-	-	-	-
Charges for services	-	22	-	-	-	-
Fines and forfeitures	-	-	-	-	38,866	-
Interest	6,793	-	-	4,582	4	-
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>6,793</u>	<u>22</u>	<u>-</u>	<u>4,582</u>	<u>40,620</u>	<u>146,421</u>
Expenditures						
Current						
Judicial	-	-	-	-	-	-
General government	-	-	-	-	-	-
Public safety	-	-	-	-	40,080	146,421
Health and welfare	-	-	-	-	-	-
Economic development	-	30,472	13,715	-	-	-
Parks and recreation	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>30,472</u>	<u>13,715</u>	<u>-</u>	<u>40,080</u>	<u>146,421</u>
Revenues over (under) expenditures	<u>6,793</u>	<u>(30,450)</u>	<u>(13,715)</u>	<u>4,582</u>	<u>540</u>	<u>-</u>
Other financing sources (uses)						
Sale of capital assets	-	-	-	-	-	-
Issuance of bonds	-	-	-	-	-	-
Bond premium	-	-	-	-	-	-
Payment to escrow agent	-	-	-	-	-	-
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	6,793	(30,450)	(13,715)	4,582	540	-
Fund balances, beginning of year	<u>292,346</u>	<u>1,809,387</u>	<u>25,712</u>	<u>239,845</u>	<u>291,955</u>	<u>7,863</u>
Fund balances, end of year	<u>\$ 299,139</u>	<u>\$ 1,778,937</u>	<u>\$ 11,997</u>	<u>\$ 244,427</u>	<u>\$ 292,495</u>	<u>\$ 7,863</u>

Special Revenue			Debt Service		
<u>Child Care</u>	<u>Animal Control</u>	<u>Senior Center</u>	<u>Building Authority LaFranier DPW</u>	<u>Courthouse</u>	<u>Health Services</u>
\$ -	\$ 185,100	\$ 498,186	\$ -	\$ -	\$ -
-	-	-	-	-	-
484,025	-	-	-	-	-
-	200	-	-	-	-
-	124,526	-	-	-	-
-	17,732	92,445	-	-	-
-	-	-	-	-	-
-	2,653	16,387	-	-	-
136,338	5,574	21,610	-	-	-
620,363	335,785	628,628	-	-	-
-	-	-	-	-	-
-	-	-	-	-	104,610
-	315,316	-	-	-	-
1,130,780	-	594,396	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	480,000	160,000
-	-	-	-	101,800	134,881
-	-	-	-	-	-
1,130,780	315,316	594,396	-	581,800	399,491
(510,417)	20,469	34,232	-	(581,800)	(399,491)
-	-	-	-	-	-
-	-	-	-	-	3,780,000
-	-	-	-	-	144,610
-	-	-	-	-	(3,820,000)
525,000	-	-	240,000	581,800	294,881
-	-	-	-	-	-
525,000	-	-	240,000	581,800	399,491
14,583	20,469	34,232	240,000	-	-
1	54,465	653,343	(490,000)	-	-
\$ 14,584	\$ 74,934	\$ 687,575	\$ (250,000)	\$ -	\$ -

(continued)

GRAND TRAVERSE COUNTY
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2019

	Capital Projects			
	County Facilities	Building Authority - Pavilion	Capital Improvement	Total
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ 1,281,563
Intergovernmental revenues				
Federal	-	-	-	1,673,214
State	-	-	-	1,710,130
Local	37,163	-	-	3,543,359
Licenses and permits	-	-	-	170,642
Charges for services	-	-	-	1,209,770
Fines and forfeitures	-	-	-	45,366
Interest	-	2,850	-	46,217
Miscellaneous	113,969	-	-	382,239
Total revenues	151,132	2,850	-	10,062,500
Expenditures				
Current				
Judicial	-	-	-	7,520,827
General government	1,797,741	540	56,148	2,095,224
Public safety	-	-	-	4,745,502
Health and welfare	-	-	-	2,194,623
Economic development	-	-	-	44,187
Parks and recreation	-	-	-	729,820
Debt service				
Principal	-	-	-	640,000
Interest	-	-	-	236,681
Capital outlay	-	496,680	345,848	976,714
Total expenditures	1,797,741	497,220	401,996	19,183,578
Revenues over (under) expenditures	(1,646,609)	(494,370)	(401,996)	(9,121,078)
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Issuance of bonds	-	-	-	3,780,000
Bond premium	-	-	-	144,610
Payment to escrow agent	-	-	-	(3,820,000)
Transfers in	1,662,623	-	909,576	9,239,260
Transfers out	-	-	-	(6,626)
Total other financing sources (uses)	1,662,623	-	909,576	9,337,244
Net changes in fund balances	16,014	(494,370)	507,580	216,166
Fund balances, beginning of year	450,157	494,370	1,125,922	7,867,069
Fund balances, end of year	\$ 466,171	\$ -	\$ 1,633,502	\$ 8,083,235

(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, 2019

	<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>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	393,162	393,162	382,743	(10,419)
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	29	29
Total revenues	<u>393,162</u>	<u>393,162</u>	<u>382,772</u>	<u>(10,390)</u>
Expenditures				
Current				
Judicial	1,818,652	1,847,989	1,784,584	63,405
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	22,580	21,743	-	21,743
Total expenditures	<u>1,841,232</u>	<u>1,869,732</u>	<u>1,784,584</u>	<u>85,148</u>
Revenues over (under) expenditures	<u>(1,448,070)</u>	<u>(1,476,570)</u>	<u>(1,401,812)</u>	<u>74,758</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	1,448,070	1,476,570	1,408,616	(67,954)
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>1,448,070</u>	<u>1,476,570</u>	<u>1,408,616</u>	<u>(67,954)</u>
Net changes in fund balance	-	-	6,804	6,804
Fund balance, beginning of year	<u>744</u>	<u>744</u>	<u>744</u>	<u>-</u>
Fund balance, end of year	<u>\$ 744</u>	<u>\$ 744</u>	<u>\$ 7,548</u>	<u>\$ 6,804</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, 2019

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	12,000	13,540	10,723	(2,817)
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>12,000</u>	<u>13,540</u>	<u>10,723</u>	<u>(2,817)</u>
Expenditures				
Current				
Judicial	12,000	16,540	14,140	2,400
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>12,000</u>	<u>16,540</u>	<u>14,140</u>	<u>2,400</u>
Revenues over (under) expenditures	<u>-</u>	<u>(3,000)</u>	<u>(3,417)</u>	<u>(417)</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	-	(3,000)	(3,417)	(417)
Fund balance, beginning of year	<u>26,931</u>	<u>26,931</u>	<u>26,931</u>	<u>-</u>
Fund balance, end of year	<u>\$ 26,931</u>	<u>\$ 23,931</u>	<u>\$ 23,514</u>	<u>\$ (417)</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, 2019

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	53,699	51,188	(2,511)
Local	906,715	906,715	786,195	(120,520)
Licenses and permits	-	-	-	-
Charges for services	-	-	100	100
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	25	25
Total revenues	\$ 906,715	\$ 960,414	\$ 837,508	\$ (122,906)
Expenditures				
Current				
Judicial	3,566,826	3,620,525	3,441,109	179,416
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	3,566,826	3,620,525	3,441,109	179,416
Revenues over (under) expenditures	\$ (2,660,111)	\$ (2,660,111)	\$ (2,603,601)	\$ 56,510
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	2,660,111	2,660,111	2,603,600	(56,511)
Transfers out	-	-	-	-
Total other financing sources (uses)	2,660,111	2,660,111	2,603,600	(56,511)
Net changes in fund balance	-	-	(1)	(1)
Fund balance, beginning of year	251	251	251	-
Fund balance, end of year	\$ 251	\$ 251	\$ 250	\$ (1)

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, 2019

	<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>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	18,322	18,322	-	18,322
Total expenditures	18,322	18,322	-	18,322
Revenues over (under) expenditures	(18,322)	(18,322)	-	18,322
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	(18,322)	(18,322)	-	18,322
Fund balance, beginning of year	18,323	18,323	18,323	-
Fund balance, end of year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 18,323</u>	<u>\$ 18,322</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, 2019

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	262,088	308,088	271,120	(36,968)
Local	2,068,000	2,068,000	2,078,718	10,718
Licenses and permits	-	-	-	-
Charges for services	4,800	4,800	4,401	(399)
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	11,500	32,977	33,086	109
Total revenues	<u>2,346,388</u>	<u>2,413,865</u>	<u>2,387,325</u>	<u>(26,540)</u>
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	2,621,388	2,688,865	2,541,428	147,437
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>2,621,388</u>	<u>2,688,865</u>	<u>2,541,428</u>	<u>147,437</u>
Revenues over (under) expenditures	<u>(275,000)</u>	<u>(275,000)</u>	<u>(154,103)</u>	<u>120,897</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	275,000	275,000	153,762	(121,238)
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>275,000</u>	<u>275,000</u>	<u>153,762</u>	<u>(121,238)</u>
Net changes in fund balance	-	-	(341)	(341)
Fund balance, beginning of year	<u>341</u>	<u>341</u>	<u>341</u>	<u>-</u>
Fund balance, end of year	<u>\$ 341</u>	<u>\$ 341</u>	<u>\$ -</u>	<u>\$ (341)</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, 2019

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	300,000	447,000	147,000	(300,000)
Local	301,000	432,913	77,095	(355,818)
Licenses and permits	-	-	-	-
Charges for services	198,800	307,100	285,256	(21,844)
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	22,000	34,247	12,247
Total revenues	<u>799,800</u>	<u>1,209,013</u>	<u>543,598</u>	<u>(665,415)</u>
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	1,162,059	1,388,553	729,820	658,733
Capital outlay	1,000	165,945	134,186	31,759
Total expenditures	<u>1,163,059</u>	<u>1,554,498</u>	<u>864,006</u>	<u>690,492</u>
Revenues over (under) expenditures	<u>(363,259)</u>	<u>(345,485)</u>	<u>(320,408)</u>	<u>25,077</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	340,183	321,983	321,983	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>340,183</u>	<u>321,983</u>	<u>321,983</u>	<u>-</u>
Net changes in fund balance	(23,076)	(23,502)	1,575	25,077
Fund balance, beginning of year	<u>97,841</u>	<u>97,841</u>	<u>97,841</u>	<u>-</u>
Fund balance, end of year	<u>\$ 74,765</u>	<u>\$ 74,339</u>	<u>\$ 99,416</u>	<u>\$ 25,077</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, 2019

	<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>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current				
Judicial	-	-	-	-
General government	11,243	11,243	-	11,243
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	11,243	11,243	-	11,243
Revenues over (under) expenditures	(11,243)	(11,243)	-	11,243
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	(11,243)	(11,243)	-	11,243
Fund balance, beginning of year	11,633	11,633	11,633	-
Fund balance, end of year	<u>\$ 390</u>	<u>\$ 390</u>	<u>\$ 11,633</u>	<u>\$ 11,243</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, 2019

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Intergovernmental revenues				
Federal	\$ 1,563,000	\$ 1,563,000	\$ 1,526,793	\$ (36,207)
State	126,500	126,500	120,047	(6,453)
Local	79,479	79,479	79,479	-
Licenses and permits	-	-	-	-
Charges for services	185,000	185,000	198,022	13,022
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>1,953,979</u>	<u>1,953,979</u>	<u>1,924,341</u>	<u>(29,638)</u>
Expenditures				
Current				
Judicial	2,295,064	2,332,792	2,280,994	51,798
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>2,295,064</u>	<u>2,332,792</u>	<u>2,280,994</u>	<u>51,798</u>
Revenues over (under) expenditures	<u>(341,085)</u>	<u>(378,813)</u>	<u>(356,653)</u>	<u>22,160</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	272,085	309,813	288,139	(21,674)
Transfers out	(6,000)	(6,000)	(6,000)	-
Total other financing sources (uses)	<u>266,085</u>	<u>303,813</u>	<u>282,139</u>	<u>(21,674)</u>
Net changes in fund balance	(69,000)	(75,000)	(74,514)	486
Fund balance, beginning of year	<u>1,379,177</u>	<u>1,379,177</u>	<u>1,379,177</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,310,177</u>	<u>\$ 1,304,177</u>	<u>\$ 1,304,663</u>	<u>\$ 486</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, 2019

	<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>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(626)	(626)	-
Total other financing sources (uses)	-	(626)	(626)	-
Net changes in fund balance	-	(626)	(626)	-
Fund balance, beginning of year	626	626	626	-
Fund balance, end of year	<u>\$ 626</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2019

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Property taxes	\$ 575,000	\$ 575,000	\$ 598,277	\$ 23,277
Intergovernmental revenues				
Federal	-	-	-	-
State	-	-	-	-
Local	84,000	94,000	63,049	(30,951)
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	12,795	12,795
Miscellaneous	-	-	-	-
Total revenues	<u>659,000</u>	<u>669,000</u>	<u>674,121</u>	<u>5,121</u>
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	659,000	669,000	469,447	199,553
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>659,000</u>	<u>669,000</u>	<u>469,447</u>	<u>199,553</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>204,674</u>	<u>204,674</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	-	-	204,674	204,674
Fund balance, beginning of year	<u>331,826</u>	<u>331,826</u>	<u>331,826</u>	<u>-</u>
Fund balance, end of year	<u>\$ 331,826</u>	<u>\$ 331,826</u>	<u>\$ 536,500</u>	<u>\$ 204,674</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, 2019

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	100,000	100,000	106,945	6,945
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>106,945</u>	<u>6,945</u>
Expenditures				
Current				
Judicial	-	-	-	-
General government	185,500	185,500	136,185	49,315
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>185,500</u>	<u>185,500</u>	<u>136,185</u>	<u>49,315</u>
Revenues over (under) expenditures	<u>(85,500)</u>	<u>(85,500)</u>	<u>(29,240)</u>	<u>56,260</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	(85,500)	(85,500)	(29,240)	56,260
Fund balance, beginning of year	<u>275,795</u>	<u>275,795</u>	<u>275,795</u>	<u>-</u>
Fund balance, end of year	<u>\$ 190,295</u>	<u>\$ 190,295</u>	<u>\$ 246,555</u>	<u>\$ 56,260</u>

GRAND TRAVERSE COUNTY

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

FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	628,678	628,678	373,556	(255,122)
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>628,678</u>	<u>628,678</u>	<u>373,556</u>	<u>(255,122)</u>
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	782,258	857,258	763,439	93,819
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>782,258</u>	<u>857,258</u>	<u>763,439</u>	<u>93,819</u>
Revenues over (under) expenditures	<u>(153,580)</u>	<u>(228,580)</u>	<u>(389,883)</u>	<u>(161,303)</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	153,580	153,580	172,280	18,700
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>153,580</u>	<u>153,580</u>	<u>172,280</u>	<u>18,700</u>
Net changes in fund balance	-	(75,000)	(217,603)	(142,603)
Fund balance, beginning of year	<u>217,603</u>	<u>217,603</u>	<u>217,603</u>	<u>-</u>
Fund balance, end of year	<u>\$ 217,603</u>	<u>\$ 142,603</u>	<u>\$ -</u>	<u>\$ (142,603)</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, 2019

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	286,256	286,256	252,235	(34,021)
Local	26,244	26,244	26,244	-
Licenses and permits	-	-	-	-
Charges for services	470,000	470,000	473,603	3,603
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	18,500	18,500	37,269	18,769
Total revenues	<u>801,000</u>	<u>801,000</u>	<u>789,351</u>	<u>(11,649)</u>
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	912,467	912,467	869,979	42,488
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>912,467</u>	<u>912,467</u>	<u>869,979</u>	<u>42,488</u>
Revenues over (under) expenditures	<u>(111,467)</u>	<u>(111,467)</u>	<u>(80,628)</u>	<u>30,839</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	77,000	77,000	77,000	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>77,000</u>	<u>77,000</u>	<u>77,000</u>	<u>-</u>
Net changes in fund balance	(34,467)	(34,467)	(3,628)	30,839
Fund balance, beginning of year	<u>334,938</u>	<u>334,938</u>	<u>334,938</u>	<u>-</u>
Fund balance, end of year	<u>\$ 300,471</u>	<u>\$ 300,471</u>	<u>\$ 331,310</u>	<u>\$ 30,839</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, 2019

	<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>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	6,500	6,500	6,500	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>6,500</u>	<u>6,500</u>	<u>6,500</u>	<u>-</u>
Expenditures				
Current				
Judicial	42,210	42,210	-	42,210
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>42,210</u>	<u>42,210</u>	<u>-</u>	<u>42,210</u>
Revenues over (under) expenditures	<u>(35,710)</u>	<u>(35,710)</u>	<u>6,500</u>	<u>42,210</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>(35,710)</u>	<u>(35,710)</u>	<u>6,500</u>	<u>42,210</u>
Fund balance, beginning of year	<u>35,710</u>	<u>35,710</u>	<u>35,710</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,210</u>	<u>\$ 42,210</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, 2019

	<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>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	153	153
Miscellaneous	-	-	-	-
Total revenues	-	-	153	153
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Revenues over (under) expenditures	-	-	153	153
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	-	-	153	153
Fund balance, beginning of year	8,373	8,373	8,373	-
Fund balance, end of year	<u>\$ 8,373</u>	<u>\$ 8,373</u>	<u>\$ 8,526</u>	<u>\$ 153</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, 2019

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	36,000	36,000	46,116	10,116
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	92	92
Total revenues	<u>36,000</u>	<u>36,000</u>	<u>46,208</u>	<u>10,208</u>
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	36,000	36,000	21,587	14,413
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>36,000</u>	<u>36,000</u>	<u>21,587</u>	<u>14,413</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>24,621</u>	<u>24,621</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	-	-	24,621	24,621
Fund balance, beginning of year	<u>84,216</u>	<u>84,216</u>	<u>84,216</u>	<u>-</u>
Fund balance, end of year	<u>\$ 84,216</u>	<u>\$ 84,216</u>	<u>\$ 108,837</u>	<u>\$ 24,621</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, 2019

	<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>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	30,000	30,000	31,244	1,244
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>30,000</u>	<u>30,000</u>	<u>31,244</u>	<u>1,244</u>
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	66,000	66,000	36,187	29,813
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>66,000</u>	<u>66,000</u>	<u>36,187</u>	<u>29,813</u>
Revenues over (under) expenditures	<u>(36,000)</u>	<u>(36,000)</u>	<u>(4,943)</u>	<u>31,057</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>(36,000)</u>	<u>(36,000)</u>	<u>(4,943)</u>	<u>31,057</u>
Fund balance, beginning of year	<u>59,500</u>	<u>59,500</u>	<u>59,500</u>	<u>-</u>
Fund balance, end of year	<u>\$ 23,500</u>	<u>\$ 23,500</u>	<u>\$ 54,557</u>	<u>\$ 31,057</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, 2019

	<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>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	10,000	10,959	10,959	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>10,000</u>	<u>10,959</u>	<u>10,959</u>	<u>-</u>
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	10,000	11,065	11,065	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>10,000</u>	<u>11,065</u>	<u>11,065</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>(106)</u>	<u>(106)</u>	<u>-</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
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>(106)</u>	<u>(106)</u>	<u>-</u>
Fund balance, beginning of year	<u>19,720</u>	<u>19,720</u>	<u>19,720</u>	<u>-</u>
Fund balance, end of year	<u>\$ 19,720</u>	<u>\$ 19,614</u>	<u>\$ 19,614</u>	<u>\$ -</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, 2019

	<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>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	8,155	8,155	-	8,155
Capital outlay	-	-	-	-
Total expenditures	8,155	8,155	-	8,155
Revenues over (under) expenditures	(8,155)	(8,155)	-	8,155
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	(8,155)	(8,155)	-	8,155
Fund balance, beginning of year	8,155	8,155	8,155	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,155</u>	<u>\$ 8,155</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, 2019

	<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>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	6,793	6,793
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>6,793</u>	<u>6,793</u>
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	250,000	250,000	-	250,000
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Revenues over (under) expenditures	<u>(250,000)</u>	<u>(250,000)</u>	<u>6,793</u>	<u>256,793</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>(250,000)</u>	<u>(250,000)</u>	<u>6,793</u>	<u>256,793</u>
Fund balance, beginning of year	<u>292,346</u>	<u>292,346</u>	<u>292,346</u>	<u>-</u>
Fund balance, end of year	<u>\$ 42,346</u>	<u>\$ 42,346</u>	<u>\$ 299,139</u>	<u>\$ 256,793</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, 2019

	<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>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	22	22
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>22</u>	<u>22</u>
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	200,000	200,000	30,472	169,528
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>200,000</u>	<u>200,000</u>	<u>30,472</u>	<u>169,528</u>
Revenues over (under) expenditures	<u>(200,000)</u>	<u>(200,000)</u>	<u>(30,450)</u>	<u>169,550</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>(200,000)</u>	<u>(200,000)</u>	<u>(30,450)</u>	<u>169,550</u>
Fund balance, beginning of year	<u>1,809,387</u>	<u>1,809,387</u>	<u>1,809,387</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,609,387</u>	<u>\$ 1,609,387</u>	<u>\$ 1,778,937</u>	<u>\$ 169,550</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, 2019

	<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>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	25,000	25,000	13,715	11,285
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	25,000	25,000	13,715	11,285
Revenues over (under) expenditures	(25,000)	(25,000)	(13,715)	11,285
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	(25,000)	(25,000)	(13,715)	11,285
Fund balance, beginning of year	25,712	25,712	25,712	-
Fund balance, end of year	<u>\$ 712</u>	<u>\$ 712</u>	<u>\$ 11,997</u>	<u>\$ 11,285</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, 2019

	<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>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	4,582	4,582
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>4,582</u>	<u>4,582</u>
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Economic development	50,000	50,000	-	50,000
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Revenues over (under) expenditures	<u>(50,000)</u>	<u>(50,000)</u>	<u>4,582</u>	<u>54,582</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>(50,000)</u>	<u>(50,000)</u>	<u>4,582</u>	<u>54,582</u>
Fund balance, beginning of year	<u>239,845</u>	<u>239,845</u>	<u>239,845</u>	<u>-</u>
Fund balance, end of year	<u>\$ 189,845</u>	<u>\$ 189,845</u>	<u>\$ 244,427</u>	<u>\$ 54,582</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, 2019

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Intergovernmental revenues				
Federal	\$ 2,000	\$ 2,000	\$ -	\$ (2,000)
State	-	-	-	-
Local	1,500	1,500	1,750	250
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	37,500	37,500	38,866	1,366
Interest	10	10	4	(6)
Miscellaneous	-	-	-	-
Total revenues	<u>41,010</u>	<u>41,010</u>	<u>40,620</u>	<u>(390)</u>
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	68,250	68,250	40,080	28,170
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>68,250</u>	<u>68,250</u>	<u>40,080</u>	<u>28,170</u>
Revenues over (under) expenditures	<u>(27,240)</u>	<u>(27,240)</u>	<u>540</u>	<u>27,780</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>(27,240)</u>	<u>(27,240)</u>	<u>540</u>	<u>27,780</u>
Fund balance, beginning of year	<u>291,955</u>	<u>291,955</u>	<u>291,955</u>	<u>-</u>
Fund balance, end of year	<u>\$ 264,715</u>	<u>\$ 264,715</u>	<u>\$ 292,495</u>	<u>\$ 27,780</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, 2019

	<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>
Revenues				
Intergovernmental revenues				
Federal	\$ 97,000	\$ 157,984	\$ 146,421	\$ (11,563)
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>97,000</u>	<u>157,984</u>	<u>146,421</u>	<u>(11,563)</u>
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	97,000	157,984	146,421	11,563
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>97,000</u>	<u>157,984</u>	<u>146,421</u>	<u>11,563</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
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>-</u>	<u>-</u>
Fund balance, beginning of year	<u>7,863</u>	<u>7,863</u>	<u>7,863</u>	<u>-</u>
Fund balance, end of year	<u>\$ 7,863</u>	<u>\$ 7,863</u>	<u>\$ 7,863</u>	<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, 2019

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Intergovernmental revenues				
Federal	\$ -	\$ -	\$ -	\$ -
State	817,000	817,000	484,025	(332,975)
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	262,000	262,000	136,338	(125,662)
Total revenues	<u>1,079,000</u>	<u>1,079,000</u>	<u>620,363</u>	<u>(458,637)</u>
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	1,779,000	1,779,000	1,130,780	648,220
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>1,779,000</u>	<u>1,779,000</u>	<u>1,130,780</u>	<u>648,220</u>
Revenues over (under) expenditures	<u>(700,000)</u>	<u>(700,000)</u>	<u>(510,417)</u>	<u>189,583</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	700,000	700,000	525,000	(175,000)
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>700,000</u>	<u>700,000</u>	<u>525,000</u>	<u>(175,000)</u>
Net changes in fund balance	-	-	14,583	14,583
Fund balance, beginning of year	<u>1</u>	<u>1</u>	<u>1</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 14,584</u>	<u>\$ 14,583</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, 2019

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Property taxes	\$ 175,000	\$ 175,000	\$ 185,100	\$ 10,100
Intergovernmental revenues				
Federal	-	-	-	-
State	-	-	-	-
Local	250	250	200	(50)
Licenses and permits	120,250	120,250	124,526	4,276
Charges for services	13,600	13,600	17,732	4,132
Fines and forfeitures	-	-	-	-
Interest	-	-	2,653	2,653
Miscellaneous	400	400	5,574	5,174
Total revenues	<u>309,500</u>	<u>309,500</u>	<u>335,785</u>	<u>26,285</u>
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	321,500	321,500	315,316	6,184
Health and welfare	-	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>321,500</u>	<u>321,500</u>	<u>315,316</u>	<u>6,184</u>
Revenues over (under) expenditures	<u>(12,000)</u>	<u>(12,000)</u>	<u>20,469</u>	<u>32,469</u>
Other financing sources (uses)				
Sale of capital assets	2,000	2,000	-	(2,000)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>(2,000)</u>
Net changes in fund balance	(12,000)	(10,000)	20,469	30,469
Fund balance, beginning of year	<u>54,465</u>	<u>54,465</u>	<u>54,465</u>	<u>-</u>
Fund balance, end of year	<u>\$ 42,465</u>	<u>\$ 44,465</u>	<u>\$ 74,934</u>	<u>\$ 30,469</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, 2019

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Property taxes	\$ 492,955	\$ 492,955	\$ 498,186	\$ 5,231
Intergovernmental revenues				
Federal	-	-	-	-
State	-	-	-	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	77,000	98,000	92,445	(5,555)
Fines and forfeitures	-	-	-	-
Interest	5,000	5,000	16,387	11,387
Miscellaneous	8,000	8,000	21,610	13,610
Total revenues	<u>582,955</u>	<u>603,955</u>	<u>628,628</u>	<u>24,673</u>
Expenditures				
Current				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	612,455	633,455	594,396	39,059
Economic development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>612,455</u>	<u>633,455</u>	<u>594,396</u>	<u>39,059</u>
Revenues over (under) expenditures	<u>(29,500)</u>	<u>(29,500)</u>	<u>34,232</u>	<u>63,732</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	(29,500)	(29,500)	34,232	63,732
Fund balance, beginning of year	<u>653,343</u>	<u>653,343</u>	<u>653,343</u>	<u>-</u>
Fund balance, end of year	<u>\$ 623,843</u>	<u>\$ 623,843</u>	<u>\$ 687,575</u>	<u>\$ 63,732</u>

GRAND TRAVERSE COUNTY
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2019

	Enterprise Funds					
Assets	<u>Homestead</u>	<u>Inspections</u>	<u>Foreclosure Tax Collection</u>	<u>Solid Waste</u>	<u>Building Authority</u>	<u>Total</u>
Current assets						
Cash and pooled investments	\$ 430,528	\$ 3,443,718	\$ 601,446	\$ 418,592	\$ 15	\$ 4,894,299
Accounts receivable	-	-	-	51,223	-	51,223
Property tax receivable	166,095	-	-	-	-	166,095
Due from other funds	-	-	-	136	-	136
Due from other governments	-	-	-	13,741	-	13,741
Prepaid and other assets	-	-	1,000	-	-	1,000
Total current assets	596,623	3,443,718	602,446	483,692	15	5,126,494
Noncurrent assets						
Capital assets						
Construction in progress	-	99,942	-	-	-	99,942
Capital assets, net	-	30,610	-	-	-	30,610
Net capital assets	-	130,552	-	-	-	130,552
Total assets	596,623	3,574,270	602,446	483,692	15	5,257,046
Liabilities						
Current liabilities						
Accounts payable	-	43,197	4,712	10,856	-	58,765
Accrued liabilities	373	16,296	1,854	-	-	18,523
Due to other funds	89	1,866	-	158	-	2,113
Due to other governmental units	433,678	-	-	250	-	433,928
Total current liabilities	434,140	61,359	6,566	11,264	-	513,329
Noncurrent liabilities						
Compensated absences	-	54,833	-	-	-	54,833
Total liabilities	434,140	116,192	6,566	11,264	-	568,162
Net position						
Net investment in capital assets	-	130,552	-	-	-	130,552
Unrestricted	162,483	3,327,526	595,880	472,428	15	4,558,332
Total net position	\$ 162,483	\$ 3,458,078	\$ 595,880	\$ 472,428	\$ 15	\$ 4,688,884

GRAND TRAVERSE COUNTY
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2019

	<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>
Operating revenue						
Charges for services	\$ -	\$ 1,934,232	\$ 85,942	\$ 316,863	\$ -	\$ 2,337,037
Miscellaneous	15,176	2,507	65,239	6,843	4	89,769
Total operating revenue	<u>15,176</u>	<u>1,936,739</u>	<u>151,181</u>	<u>323,706</u>	<u>4</u>	<u>2,426,806</u>
Operating expense						
Personnel services	16,489	681,134	75,209	92,216	-	865,048
Contracted services	329	197,200	69,000	194,976	-	461,505
Supplies	350	23,333	4,712	3,611	-	32,006
Other	-	115,070	2,699	3,502	-	121,271
Depreciation	-	20,408	-	-	-	20,408
Total operating expense	<u>17,168</u>	<u>1,037,145</u>	<u>151,620</u>	<u>294,305</u>	<u>-</u>	<u>1,500,238</u>
Operating income (loss)	<u>(1,992)</u>	<u>899,594</u>	<u>(439)</u>	<u>29,401</u>	<u>4</u>	<u>926,568</u>
Non-operating revenue (expense)						
Gain on sale of capital assets	-	145	-	-	-	145
Interest income	3,706	-	8,889	-	-	12,595
Total non-operating revenue (expense)	<u>3,706</u>	<u>145</u>	<u>8,889</u>	<u>-</u>	<u>-</u>	<u>12,740</u>
Income (loss) before transfers	<u>1,714</u>	<u>899,739</u>	<u>8,450</u>	<u>29,401</u>	<u>4</u>	<u>939,308</u>
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(70,496)	-	-	(70,496)
Total transfers	<u>-</u>	<u>-</u>	<u>(70,496)</u>	<u>-</u>	<u>-</u>	<u>(70,496)</u>
Change in net position	1,714	899,739	(62,046)	29,401	4	868,812
Net position, beginning of year	<u>160,769</u>	<u>2,558,339</u>	<u>657,926</u>	<u>443,027</u>	<u>11</u>	<u>3,820,072</u>
Net position, end of year	<u>\$ 162,483</u>	<u>\$ 3,458,078</u>	<u>\$ 595,880</u>	<u>\$ 472,428</u>	<u>\$ 15</u>	<u>\$ 4,688,884</u>

GRAND TRAVERSE COUNTY

NONMAJOR PROPRIETARY FUNDS COMBINING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2019

	Enterprise Funds					Total
	Homestead	Inspections	Foreclosure Tax Collection	Solid Waste	Building Authority	
Cash flows from operating activities						
Receipts from customers and users	\$ (132,082)	\$ 1,936,949	\$ 151,181	\$ 314,833	\$ 4	\$ 2,270,885
Payments to employees	(16,489)	(1,663,041)	(75,209)	(92,216)	-	(1,846,955)
Payments to suppliers	406,292	(295,151)	(75,468)	(224,895)	-	(189,222)
Net cash provided by (used in) operating activities	<u>257,721</u>	<u>(21,243)</u>	<u>504</u>	<u>(2,278)</u>	<u>4</u>	<u>234,708</u>
Cash flows from non-capital financing activities						
Payment of loan from other funds	-	-	-	394	-	394
Receipts of loan to other funds	81	97	-	23	-	201
Transfer out	-	-	(70,496)	-	-	(70,496)
Net cash provided by (used in) non-capital financing activities	<u>81</u>	<u>97</u>	<u>(70,496)</u>	<u>417</u>	<u>-</u>	<u>(69,901)</u>
Cash flows from capital and related financing activities						
Sale of capital assets	-	145	-	-	-	145
Acquisitions of capital assets	-	(99,942)	-	-	-	(99,942)
Cash flows from investing activities						
Interest income	<u>3,706</u>	<u>-</u>	<u>8,889</u>	<u>-</u>	<u>-</u>	<u>12,595</u>
Net increase (decrease) in cash and pooled investments	261,508	(120,943)	(61,103)	(1,861)	4	77,605
Cash and pooled investments, beginning of year	<u>169,020</u>	<u>3,564,661</u>	<u>662,549</u>	<u>420,453</u>	<u>11</u>	<u>4,816,694</u>
Cash and pooled investments, end of year	<u>\$ 430,528</u>	<u>\$ 3,443,718</u>	<u>\$ 601,446</u>	<u>\$ 418,592</u>	<u>\$ 15</u>	<u>\$ 4,894,299</u>
Cash flows from operating activities						
Operating income (loss)	\$ (1,992)	\$ 899,594	\$ (439)	\$ 29,401	\$ 4	\$ 926,568
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities						
Depreciation	-	20,408	-	-	-	20,408
Changes in operating assets and liabilities which provided (used) cash						
Accounts receivable	-	210	-	(21,197)	-	(20,987)
Property tax receivable	(147,258)	-	-	-	-	(147,258)
Net pension deferred outflows and inflows	-	144,316	-	-	-	144,316
Prepaid assets and other items	-	-	(188)	-	-	(188)
Due from other governments	-	-	-	12,324	-	12,324
Accounts payable	(25)	38,291	749	(22,206)	-	16,809
Accrued liabilities	78	2,161	382	-	-	2,621
Due to other governments	406,918	-	-	(600)	-	406,318
Compensated absences	-	4,657	-	-	-	4,657
Net pension liability	-	(1,130,880)	-	-	-	(1,130,880)
Net cash provided by (used in) operating activities	<u>\$ 257,721</u>	<u>\$ (21,243)</u>	<u>\$ 504</u>	<u>\$ (2,278)</u>	<u>\$ 4</u>	<u>\$ 234,708</u>

GRAND TRAVERSE COUNTY
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2019

	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>
Assets						
Current assets						
Cash and pooled investments	\$ 386,886	\$ 134,901	\$ 924,899	\$ 22,495	\$ -	\$ 1,469,181
Accounts receivable	2,590	-	-	857	-	3,447
Due from other funds	118,100	-	-	19,112	-	137,212
Due from other governments	25,064	-	-	559	-	25,623
Prepaid items	58,068	-	-	15,178	-	73,246
Total current assets	590,708	134,901	924,899	58,201	-	1,708,709
Noncurrent assets						
Capital assets						
Capital assets	602,369	-	-	16,208	1,995,217	2,613,794
Total assets	1,193,077	134,901	924,899	74,409	1,995,217	4,322,503
Liabilities						
Current liabilities						
Accounts payable	41,536	1,992	8,133	9,576	-	61,237
Accrued liabilities	21,013	59,151	124,219	-	-	204,383
Due to other funds	303	-	-	-	-	303
Current portion of long-term debt	128,761	-	-	-	-	128,761
Total current liabilities	191,613	61,143	132,352	9,576	-	394,684
Noncurrent liabilities						
Long-term debt	273,996	-	-	-	-	273,996
Advance from other funds	-	-	-	-	1,467,225	1,467,225
Compensated absences	36,532	-	-	-	-	36,532
Total long-term liabilities	310,528	-	-	-	1,467,225	1,777,753
Total liabilities	502,141	61,143	132,352	9,576	1,467,225	2,172,437
Net position						
Net investment in capital assets	199,612	-	-	16,208	527,992	743,812
Unrestricted	491,324	73,758	792,547	48,625	-	1,406,254
Total net position	\$ 690,936	\$ 73,758	\$ 792,547	\$ 64,833	\$ 527,992	\$ 2,150,066

GRAND TRAVERSE COUNTY
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2019

	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>
Operating revenue						
Charges for services	\$ 1,983,092	\$ 321,812	\$ 12,000,221	\$ 94,725	\$ 674,127	\$ 15,073,977
Miscellaneous	240,626	646,486	464,938	43	-	1,352,093
Total operating revenue	<u>2,223,718</u>	<u>968,298</u>	<u>12,465,159</u>	<u>94,768</u>	<u>674,127</u>	<u>16,426,070</u>
Operating expense						
Personnel services	980,432	-	6,120	-	-	986,552
Contracted services	122,471	2,881	12,377,935	736	-	12,504,023
Supplies	408,792	-	697	118,305	-	527,794
Other	569,417	891,659	22,073	24,586	-	1,507,735
Depreciation	137,815	-	-	10,472	570,062	718,349
Total operating expense	<u>2,218,927</u>	<u>894,540</u>	<u>12,406,825</u>	<u>154,099</u>	<u>570,062</u>	<u>16,244,453</u>
Operating income (loss)	<u>4,791</u>	<u>73,758</u>	<u>58,334</u>	<u>(59,331)</u>	<u>104,065</u>	<u>181,617</u>
Non-operating revenue (expense)						
Interest expense	(23,241)	-	-	-	(41,987)	(65,228)
Change in net position	(18,450)	73,758	58,334	(59,331)	62,078	116,389
Net position, beginning of year	<u>709,386</u>	<u>-</u>	<u>734,213</u>	<u>124,164</u>	<u>465,914</u>	<u>2,033,677</u>
Net position, end of year	<u>\$ 690,936</u>	<u>\$ 73,758</u>	<u>\$ 792,547</u>	<u>\$ 64,833</u>	<u>\$ 527,992</u>	<u>\$ 2,150,066</u>

GRAND TRAVERSE COUNTY

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2019

	Internal Service Funds					
	Information Technology	County Insurance	Fringe Benefits	Central Services	Motor Pool	Total
Cash flows from operating activities						
Receipts for interfund services	\$ 2,244,499	\$ 968,298	\$ 12,465,463	\$ 87,464	\$ 674,127	\$ 16,439,851
Payments to employees	(991,003)	-	(6,120)	-	-	(997,123)
Payments to suppliers	(1,182,860)	(932,106)	(12,283,748)	(129,439)	-	(14,528,153)
Net cash provided by (used in) operating activities	<u>70,636</u>	<u>36,192</u>	<u>175,595</u>	<u>(41,975)</u>	<u>674,127</u>	<u>914,575</u>
Cash flows from non-capital financing activities						
Payment of loan from other funds	-	(165,076)	(120,417)	-	(632,140)	(917,633)
Cash flows from capital and related financing activities						
Interest expense	(23,242)	-	-	-	(41,987)	(65,229)
Principal payments	(191,537)	-	-	-	-	(191,537)
Acquisitions of capital assets	-	-	-	(7,663)	-	(7,663)
Net cash provided by (used in) capital and related financing activities	<u>(214,779)</u>	<u>-</u>	<u>-</u>	<u>(7,663)</u>	<u>(41,987)</u>	<u>(264,429)</u>
Net increase (decrease) in cash and pooled investments	(144,143)	(128,884)	55,178	(49,638)	-	(267,487)
Cash and pooled investments, beginning of year	<u>531,029</u>	<u>263,785</u>	<u>869,721</u>	<u>72,133</u>	<u>-</u>	<u>1,736,668</u>
Cash and pooled investments, end of year	<u>\$ 386,886</u>	<u>\$ 134,901</u>	<u>\$ 924,899</u>	<u>\$ 22,495</u>	<u>\$ -</u>	<u>\$ 1,469,181</u>
Cash flows from operating activities						
Operating income (loss)	\$ 4,791	\$ 73,758	\$ 58,334	\$ (59,331)	\$ 104,065	\$ 181,617
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities						
Depreciation	137,815	-	-	10,472	570,062	718,349
Changes in operating assets and liabilities which provided (used) cash						
Accounts receivable	(2,078)	-	304	(857)	-	(2,631)
Due from other funds	25,716	-	-	(8,721)	-	16,995
Due from component units	2,567	-	-	439	-	3,006
Due from other governments	(5,424)	-	-	1,835	-	(3,589)
Prepaid assets and other items	7,270	-	-	7,714	-	14,984
Accounts payable	(87,251)	(75)	4,884	6,474	-	(75,968)
Due to other governments	(6,300)	-	-	-	-	(6,300)
Accrued liabilities	4,101	(37,491)	112,073	-	-	78,683
Compensated absences	(10,571)	-	-	-	-	(10,571)
Net cash provided by (used in) operating activities	<u>\$ 70,636</u>	<u>\$ 36,192</u>	<u>\$ 175,595</u>	<u>\$ (41,975)</u>	<u>\$ 674,127</u>	<u>\$ 914,575</u>

GRAND TRAVERSE COUNTY

AGENCY FUNDS COMBINING BALANCE SHEET

DECEMBER 31, 2019

	<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>
Assets							
Cash and pooled investments	\$ 2,208,467	\$ 106,835	\$ 39,647	\$ 49,636	\$ 4,540	\$ 764,171	\$ 3,173,296
Due from other governments	-	-	-	-	-	419,914	419,914
Total assets	<u>\$ 2,208,467</u>	<u>\$ 106,835</u>	<u>\$ 39,647</u>	<u>\$ 49,636</u>	<u>\$ 4,540</u>	<u>\$ 1,184,085</u>	<u>\$ 3,593,210</u>
Liabilities							
Due to other governmental units	\$ 897,163	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 897,163
Court items payable	132,498	-	-	49,636	4,540	-	186,674
Undistributed receipts	99,852	106,835	-	-	-	1,184,085	1,390,772
Other	<u>1,078,954</u>	<u>-</u>	<u>39,647</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,118,601</u>
Total liabilities	<u>\$ 2,208,467</u>	<u>\$ 106,835</u>	<u>\$ 39,647</u>	<u>\$ 49,636</u>	<u>\$ 4,540</u>	<u>\$ 1,184,085</u>	<u>\$ 3,593,210</u>

GRAND TRAVERSE COUNTY

AGENCY FUNDS COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

FOR THE YEAR ENDED DECEMBER 31, 2019

	Balance January 1, 2019	Additions	Deductions	Balance December 31, 2019
<u>Trust and Agency Fund</u>				
Assets				
Cash and pooled investments	\$ 1,981,735	\$ 79,366,167	\$ 79,139,435	\$ 2,208,467
Due from other governments	-	3,425	3,425	-
Total assets	<u>\$ 1,981,735</u>	<u>\$ 79,369,592</u>	<u>\$ 79,142,860</u>	<u>\$ 2,208,467</u>
Liabilities				
Due to other governmental units	\$ 824,377	\$ 67,454,971	\$ 67,382,185	\$ 897,163
Court items payable	118,706	571,861	558,069	132,498
Undistributed receipts	7,229	14,756,655	14,664,032	99,852
Other	1,031,423	2,207,534	2,160,003	1,078,954
Total liabilities	<u>\$ 1,981,735</u>	<u>\$ 84,991,021</u>	<u>\$ 84,764,289</u>	<u>\$ 2,208,467</u>
<u>Library Fines</u>				
Assets				
Cash and pooled investments	\$ 130,135	\$ 214,453	\$ 237,753	\$ 106,835
Liabilities				
Undistributed receipts	\$ 130,135	\$ 214,553	\$ 237,853	\$ 106,835
<u>Inmate Trust</u>				
Assets				
Cash and pooled investments	\$ 118,226	\$ 555,502	\$ 634,081	\$ 39,647
Liabilities				
Other	\$ 118,226	\$ 555,502	\$ 634,081	\$ 39,647
<u>District Court Trust</u>				
Assets				
Cash and pooled investments	\$ 27,972	\$ 316,683	\$ 295,019	\$ 49,636
Liabilities				
Court items payable	\$ 27,972	\$ 316,683	\$ 295,019	\$ 49,636

GRAND TRAVERSE COUNTY

AGENCY FUNDS COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

FOR THE YEAR ENDED DECEMBER 31, 2019

	Balance January 1, 2019	Additions	Deductions	Balance December 31, 2019
<u>Friend of the Court</u>				
Assets				
Cash and pooled investments	\$ 5,680	\$ 1,349,217	\$ 1,350,357	\$ 4,540
Liabilities				
Court items payable	\$ 5,680	\$ 1,349,217	\$ 1,350,357	\$ 4,540
<u>Water and Sewer Receiving Funds</u>				
Assets				
Cash and pooled investments	\$ 676,355	\$ 10,347,498	\$ 10,259,682	\$ 764,171
Due from other governments	957,294	9,808,116	10,345,496	419,914
Total assets	<u>\$ 1,633,649</u>	<u>\$ 20,155,614</u>	<u>\$ 20,605,178</u>	<u>\$ 1,184,085</u>
Liabilities				
Undistributed receipts	\$ 1,633,649	\$ 10,561,937	\$ 11,011,501	\$ 1,184,085
<u>Total Agency Funds</u>				
Assets				
Cash and pooled investments	\$ 2,940,103	\$ 92,149,520	\$ 91,916,327	\$ 3,173,296
Due from other governments	957,294	9,811,541	10,348,921	419,914
Total assets	<u>\$ 3,897,397</u>	<u>\$ 101,961,061</u>	<u>\$ 102,265,248</u>	<u>\$ 3,593,210</u>
Liabilities				
Due to other governmental units	\$ 824,377	\$ 67,454,971	\$ 67,382,185	\$ 897,163
Court items payable	152,358	2,237,761	2,203,445	186,674
Undistributed receipts	1,771,013	25,533,145	25,913,386	1,390,772
Other	1,149,649	2,763,036	2,794,084	1,118,601
Total liabilities	<u>\$ 3,897,397</u>	<u>\$ 97,988,913</u>	<u>\$ 98,293,100</u>	<u>\$ 3,593,210</u>

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GRAND TRAVERSE COUNTY

LAND BANK AUTHORITY STATEMENT OF NET POSITION

DECEMBER 31, 2019

Assets

Current assets	
Cash and pooled investments	\$ 163,676
Property tax receivable	15,760
Property inventory	<u>453,882</u>

Total assets

633,318

Liabilities

Current liabilities	
Accounts payable	946

Deferred inflows of resources

Subsequent year property taxes	<u>76,609</u>
--------------------------------	---------------

Net position

Restricted	555,763
Unrestricted	<u>-</u>

Total net position

\$ 555,763

GRAND TRAVERSE COUNTY
LAND BANK AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2019

Operating revenue	
Property sales	\$ 25,000
Operating expense	
Economic development	839,726
Operating income (loss)	(814,726)
Non-operating revenue (expense)	
Property taxes	24,474
Interest income	9,457
Total non-operating revenue (expense)	33,931
Change in net position	(780,795)
Net position, beginning of year	1,336,558
Net position, end of year	\$ 555,763

GRAND TRAVERSE COUNTY

LAND BANK AUTHORITY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2019

Cash flows from operating activities

Receipts from customers and users	\$ 209,000
Payments to suppliers	<u>(847,284)</u>

Net cash provided by (used in) operating activities (638,284)

Cash flows from non-capital financing activities

Receipt of property taxes	69,966
---------------------------	--------

Cash flows from investing activities

Interest income	<u>9,457</u>
-----------------	--------------

Net increase (decrease) in cash and pooled investments (558,861)

Cash and pooled investments, beginning of year 722,537

Cash and pooled investments, end of year \$ 163,676

Cash flows from operating activities

Operating income (loss)	\$ (814,726)
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	184,000
Accounts payable	<u>(7,558)</u>

Net cash provided by (used in) operating activities \$ (638,284)

GRAND TRAVERSE COUNTY

BROWNFIELD REDEVELOPMENT AUTHORITY COMBINING STATEMENT OF NET POSITION

DECEMBER 31, 2019

	<u>General Operations</u>	<u>Local Revolving Fund</u>	<u>River's Edge</u>	<u>Park Street</u>	<u>CSXT Boardman Lake</u>
Assets					
Cash and pooled investments	\$ 92,161	\$ 1,019,108	\$ -	\$ -	\$ 1,562,108
Due from other governments	-	-	-	-	-
Advance to other funds	-	1,399,042	-	-	-
Accounts receivable long-term	-	-	-	-	-
Prepaid items	-	17,942	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<hr/> \$ 92,161	<hr/> \$ 2,436,092	<hr/> \$ -	<hr/> \$ -	<hr/> \$ 1,562,108
Liabilities and fund balances					
Liabilities					
Current					
Accounts payable	\$ 15,152	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-
Due to other governments	-	-	-	-	-
Current portion of long-term debt	-	-	-	-	-
Noncurrent					
Advance from other funds	-	-	-	-	-
Long-term debt	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<hr/> 15,152	<hr/> -	<hr/> -	<hr/> -	<hr/> -
Net position					
Net investment in capital assets	-	-	-	-	-
Restricted	77,009	2,436,092	-	-	1,562,108
Unrestricted	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total net position	<hr/> \$ 77,009	<hr/> \$ 2,436,092	<hr/> \$ -	<hr/> \$ -	<hr/> \$ 1,562,108

<u>Traverse House Scamehorn</u>	<u>Grand Traverse Auto</u>	<u>Grand Traverse Commons</u>	<u>Kinney</u>	<u>Blarney Castle</u>	<u>River West Snowden</u>	<u>TC East Bay Plaza</u>
\$ -	\$ -	\$ 160,767	\$ -	\$ 63,626	\$ 237,493	\$ 86,479
-	3,836	-	-	-	-	-
-	-	-	-	-	-	-
8,752	1,561,145	221,075	41,817	285,590	-	-
-	-	-	-	-	-	-
<u>\$ 8,752</u>	<u>\$ 1,564,981</u>	<u>\$ 381,842</u>	<u>\$ 41,817</u>	<u>\$ 349,216</u>	<u>\$ 237,493</u>	<u>\$ 86,479</u>
\$ -	\$ 3,836	\$ -	\$ -	\$ -	\$ -	\$ -
-	975	8,849	-	3,029	-	-
-	-	-	-	-	-	-
-	20,433	-	-	41,052	-	-
8,752	1,348,473	-	41,817	-	-	-
-	191,264	372,993	-	305,135	-	-
<u>8,752</u>	<u>1,564,981</u>	<u>381,842</u>	<u>41,817</u>	<u>349,216</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	237,493	86,479
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 237,493</u>	<u>\$ 86,479</u>

(continued)

GRAND TRAVERSE COUNTY

BROWNFIELD REDEVELOPMENT AUTHORITY COMBINING STATEMENT OF NET POSITION

DECEMBER 31, 2019

	<u>TBA Credit Union</u>	<u>Graetz Property</u>	<u>Old Town Center</u>	<u>Uptown</u>
Assets				
Cash and pooled investments	\$ 9,610	\$ 1,150	\$ 10,095	\$ 27,860
Due from other governments	-	-	-	-
Advance to other funds	-	-	-	-
Accounts receivable long-term	-	-	-	106,403
Prepaid items	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 9,610</u>	<u>\$ 1,150</u>	<u>\$ 10,095</u>	<u>\$ 134,263</u>
Liabilities and fund balances				
Liabilities				
Current				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	398
Due to other governments	9,610	1,150	10,095	27,860
Current portion of long-term debt	-	-	-	9,905
Noncurrent				
Advance from other funds	-	-	-	-
Long-term debt	-	-	-	96,100
	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,100</u>
Total liabilities	<u>9,610</u>	<u>1,150</u>	<u>10,095</u>	<u>134,263</u>
Net position				
Net investment in capital assets	-	-	-	-
Restricted	-	-	-	-
Unrestricted	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Food For Thought</u>	<u>Envision 8th Street</u>	<u>Park Place</u>	<u>Rennie School</u>	<u>Total</u>
\$ 6,405	\$ 10,856	\$ 99,284	\$ 4,849	\$ 3,391,851
-	-	-	-	3,836
-	-	-	-	1,399,042
-	-	-	-	2,224,782
-	-	-	-	17,942
<u>\$ 6,405</u>	<u>\$ 10,856</u>	<u>\$ 99,284</u>	<u>\$ 4,849</u>	<u>\$ 7,037,453</u>

\$ -	\$ -	\$ -	\$ -	\$ 18,988
-	-	-	-	13,251
6,405	992	6,201	-	62,313
-	-	-	-	71,390
-	-	-	-	1,399,042
-	-	-	-	965,492
<u>6,405</u>	<u>992</u>	<u>6,201</u>	<u>-</u>	<u>2,530,476</u>
-	-	-	-	-
-	9,864	93,083	4,849	4,506,977
-	-	-	-	-
<u>\$ -</u>	<u>\$ 9,864</u>	<u>\$ 93,083</u>	<u>\$ 4,849</u>	<u>\$ 4,506,977</u>

(concluded)

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

DECEMBER 31, 2019

	<u>General Operations</u>	<u>Local Revolving Fund</u>	<u>River's Edge</u>	<u>Park Street</u>	<u>CSXT Boardman Lake</u>
Revenues					
Capture	\$ -	\$ 26,741	\$ -	\$ 187,632	\$ 802,204
Miscellaneous	-	-	10,000	-	-
Total revenues	-	26,741	10,000	187,632	802,204
Expense					
Contracted services	143,729	101,495	-	187,752	46,115
Revenues over (under) expense	(143,729)	(74,754)	10,000	(120)	756,089
Non-operating revenue (expense)					
Interest income	-	18,394	-	31	19,790
Grants					
State	-	-	-	-	-
Interest expense	-	-	-	-	-
Total other financing sources (uses)	-	18,394	-	31	19,790
Income (loss) before transfers	(143,729)	(56,360)	10,000	(89)	775,879
Other financing sources and (uses)					
Transfers in	175,000	10,000	-	-	-
Transfers out	-	-	(10,000)	(2,368)	(59,664)
Total transfers	175,000	10,000	(10,000)	(2,368)	(59,664)
Change in net position	31,271	(46,360)	-	(2,457)	716,215
Net position, beginning of year	45,738	2,482,452	-	2,457	845,893
Net position, end of year	\$ 77,009	\$ 2,436,092	\$ -	\$ -	\$ 1,562,108

<u>Traverse House Scamehorn</u>	<u>Grand Traverse Auto</u>	<u>Grand Traverse Commons</u>	<u>Kinney</u>	<u>Blarney Castle</u>	<u>River West Snowden</u>	<u>TC East Bay Plaza</u>
\$ 30,648	\$ 131,889	\$ 959,601	\$ 63,423	\$ 5,848	\$ 20,900	\$ 76,152
-	-	-	-	-	-	-
30,648	131,889	959,601	63,423	5,848	20,900	76,152
25,476	334,906	866,335	63,199	-	-	55,922
5,172	(203,017)	93,266	224	5,848	20,900	20,230
385	3,022	3,177	746	2,199	3,959	1,464
-	226,680	-	-	-	-	-
-	(21,580)	(29,057)	-	-	-	-
385	208,122	(25,880)	746	2,199	3,959	1,464
5,557	5,105	67,386	970	8,047	24,859	21,694
-	-	-	-	-	-	-
(5,557)	(5,105)	(67,386)	(970)	(8,047)	(303)	(4,916)
(5,557)	(5,105)	(67,386)	(970)	(8,047)	(303)	(4,916)
-	-	-	-	-	24,556	16,778
-	-	-	-	-	212,937	69,701
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 237,493	\$ 86,479

(continued)

GRAND TRAVERSE COUNTY

BROWNFIELD REDEVELOPMENT AUTHORITY COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

DECEMBER 31, 2019

	<u>TBA Credit Union</u>	<u>Graetz Property</u>	<u>Old Town Center</u>	<u>Uptown</u>
Revenues				
Capture	\$ 75,989	\$ 9,472	\$ 64,293	\$ 46,367
Miscellaneous	-	-	-	-
Total revenues	<u>75,989</u>	<u>9,472</u>	<u>64,293</u>	<u>46,367</u>
Expense				
Contracted services	<u>70,646</u>	<u>8,849</u>	<u>60,390</u>	<u>44,844</u>
Revenues over (under) expense	<u>5,343</u>	<u>623</u>	<u>3,903</u>	<u>1,523</u>
Non-operating revenue (expense)				
Interest income	129	15	134	168
Grants				
State	-	-	-	-
Interest expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Non-operating revenue (expense)	<u>129</u>	<u>15</u>	<u>134</u>	<u>168</u>
Income (loss) before transfers	5,472	638	4,037	1,691
Other financing sources and (uses)				
Transfers in	-	-	-	-
Transfers out	<u>(6,020)</u>	<u>(754)</u>	<u>(5,361)</u>	<u>(1,691)</u>
Total transfers	<u>(6,020)</u>	<u>(754)</u>	<u>(5,361)</u>	<u>(1,691)</u>
Change in net position	(548)	(116)	(1,324)	-
Net position, beginning of year	<u>548</u>	<u>116</u>	<u>1,324</u>	<u>-</u>
Net position, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Food For Thought</u>	<u>Envision 8th Street</u>	<u>Park Place</u>	<u>Rennie School</u>	<u>Total</u>
\$ 45,104	\$ 8,644	\$ 87,966	\$ 9,608	\$ 2,652,481
-	-	-	-	10,000
45,104	8,644	87,966	9,608	2,662,481
43,687	-	-	-	2,053,345
1,417	8,644	87,966	9,608	609,136
58	90	605	11	54,377
-	-	-	-	226,680
-	-	-	-	(50,637)
58	90	605	11	230,420
1,475	8,734	88,571	9,619	839,556
-	-	-	-	185,000
(1,549)	(455)	(84)	(4,770)	(185,000)
(1,549)	(455)	(84)	(4,770)	-
(74)	8,279	88,487	4,849	839,556
74	1,585	4,596	-	3,667,421
\$ -	\$ 9,864	\$ 93,083	\$ 4,849	\$ 4,506,977

(concluded)

GRAND TRAVERSE COUNTY
BROWNFIELD REDEVELOPMENT AUTHORITY
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>General Operations</u>	<u>Local Revolving Fund</u>	<u>River's Edge</u>	<u>Park Street</u>	<u>CSXT Boardman Lake</u>
Cash flows from operating activities					
Receipts from customers and users	\$ -	\$ 26,741	\$ 10,000	\$ 187,632	\$ 802,204
Payments to employees	-	-	-	-	-
Payments to suppliers	(143,711)	(100,676)	-	(187,752)	(46,115)
Net cash provided by (used in) operating activities	<u>(143,711)</u>	<u>(73,935)</u>	<u>10,000</u>	<u>(120)</u>	<u>756,089</u>
Cash flows from non-capital financing activities					
Payment of loan from other funds	-	-	-	-	-
Payment of loan to other funds	-	157,351	-	-	-
Contributions received	-	-	-	-	-
Transfer in	175,000	10,000	-	-	-
Transfer out	-	-	(10,000)	(2,368)	(59,664)
Net cash provided by (used in) non-capital financing activities	<u>175,000</u>	<u>167,351</u>	<u>(10,000)</u>	<u>(2,368)</u>	<u>(59,664)</u>
Cash flows from capital and related financing activities					
Interest expense	-	-	-	-	-
Principal payments	-	-	-	-	-
Additional long-term debt	-	-	-	-	-
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities					
Interest income	-	18,394	-	31	19,790
Net cash provided by (used in) investing activities	<u>-</u>	<u>18,394</u>	<u>-</u>	<u>31</u>	<u>19,790</u>
Net increase (decrease) in cash and pooled investments	31,289	111,810	-	(2,457)	716,215
Cash and pooled investments, beginning of year	<u>60,872</u>	<u>907,298</u>	<u>-</u>	<u>2,457</u>	<u>845,893</u>
Cash and pooled investments, end of year	<u>\$ 92,161</u>	<u>\$ 1,019,108</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,562,108</u>
Cash flows from operating activities					
Operating income (loss)	\$ (143,729)	\$ (74,754)	\$ 10,000	\$ (120)	\$ 756,089
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	-	-	-	-	-
Prepaid assets and other items	-	819	-	-	-
Due from other governments	-	-	-	-	-
Accounts payable	18	-	-	-	-
Accrued liabilities	-	-	-	-	-
Due to other governments	-	-	-	-	-
Net cash provided by (used in) operating activities	<u>\$ (143,711)</u>	<u>\$ (73,935)</u>	<u>\$ 10,000</u>	<u>\$ (120)</u>	<u>\$ 756,089</u>

<u>Traverse House Scamehorn</u>	<u>Grand Traverse Auto</u>	<u>Grand Traverse Commons</u>	<u>Kinney</u>	<u>Blarney Castle</u>	<u>River West Snowden</u>	<u>TC East Bay Plaza</u>
\$ 46,742	\$ 695,579	\$ 1,156,719	\$ 126,622	\$ 101,021	\$ 20,900	\$ 76,152
-	-	(1,905)	-	-	-	-
<u>(25,476)</u>	<u>(553,094)</u>	<u>(866,335)</u>	<u>(63,199)</u>	<u>(1,599)</u>	<u>-</u>	<u>(55,922)</u>
21,266	142,485	288,479	63,423	99,422	20,900	20,230
(41,248)	8,473	-	(124,576)	-	-	-
-	-	-	-	-	-	-
-	226,680	-	-	-	-	-
-	-	-	-	-	-	-
<u>(5,557)</u>	<u>(5,105)</u>	<u>(67,386)</u>	<u>(970)</u>	<u>(8,047)</u>	<u>(303)</u>	<u>(4,916)</u>
<u>(46,805)</u>	<u>230,048</u>	<u>(67,386)</u>	<u>(125,546)</u>	<u>(8,047)</u>	<u>(303)</u>	<u>(4,916)</u>
-	(21,580)	(29,057)	-	-	-	-
-	(609,060)	(188,127)	-	(182,699)	-	-
-	1,733	-	-	-	-	-
-	(628,907)	(217,184)	-	(182,699)	-	-
385	3,022	3,177	746	2,199	3,959	1,464
385	3,022	3,177	746	2,199	3,959	1,464
(25,154)	(253,352)	7,086	(61,377)	(89,125)	24,556	16,778
<u>25,154</u>	<u>253,352</u>	<u>153,681</u>	<u>61,377</u>	<u>152,751</u>	<u>212,937</u>	<u>69,701</u>
\$ -	\$ -	\$ 160,767	\$ -	\$ 63,626	\$ 237,493	\$ 86,479
\$ 5,172	\$ (203,017)	\$ 93,266	\$ 224	\$ 5,848	\$ 20,900	\$ 20,230
16,094	350,977	197,118	63,199	95,173	-	-
-	-	-	-	-	-	-
-	212,713	-	-	-	-	-
-	(212,713)	-	-	-	-	-
-	(5,475)	(1,905)	-	(1,599)	-	-
-	-	-	-	-	-	-
<u>\$ 21,266</u>	<u>\$ 142,485</u>	<u>\$ 288,479</u>	<u>\$ 63,423</u>	<u>\$ 99,422</u>	<u>\$ 20,900</u>	<u>\$ 20,230</u>

(continued)

GRAND TRAVERSE COUNTY

BROWNFIELD REDEVELOPMENT AUTHORITY COMBINING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>TBA Credit Union</u>	<u>Graetz Property</u>	<u>Old Town Center</u>	<u>Uptown</u>
Cash flows from operating activities				
Receipts from customers and users	\$ 75,989	\$ 9,472	\$ 64,293	\$ 56,418
Payments to employees	-	-	-	-
Payments to suppliers	(65,803)	(8,265)	(55,221)	(29,339)
Net cash provided by (used in) operating activities	<u>10,186</u>	<u>1,207</u>	<u>9,072</u>	<u>27,079</u>
Cash flows from non-capital financing activities				
Payment of loan from other funds	-	-	-	-
Payment of loan to other funds	-	-	-	-
Contributions received	-	-	-	-
Transfer in	-	-	-	-
Transfer out	(6,020)	(754)	(5,361)	(1,691)
Net cash provided by (used in) non-capital financing activities	<u>(6,020)</u>	<u>(754)</u>	<u>(5,361)</u>	<u>(1,691)</u>
Cash flows from capital and related financing activities				
Interest expense	-	-	-	-
Principal payments	-	-	-	(11,495)
Additional long-term debt	-	-	-	-
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,495)</u>
Cash flows from investing activities				
Interest income	129	15	134	168
Net cash provided by (used in) investing activities	129	15	134	168
Net increase (decrease) in cash and pooled investments	4,295	468	3,845	14,061
Cash and pooled investments, beginning of year	<u>5,315</u>	<u>682</u>	<u>6,250</u>	<u>13,799</u>
Cash and pooled investments, end of year	<u>\$ 9,610</u>	<u>\$ 1,150</u>	<u>\$ 10,095</u>	<u>\$ 27,860</u>
Cash flows from operating activities				
Operating income (loss)	\$ 5,343	\$ 623	\$ 3,903	\$ 1,523
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	-	-	-	10,051
Prepaid assets and other items	-	-	-	-
Due from other governments	-	-	-	-
Accounts payable	-	-	-	-
Accrued liabilities	-	-	-	398
Due to other governments	4,843	584	5,169	15,107
Net cash provided by (used in) operating activities	<u>\$ 10,186</u>	<u>\$ 1,207</u>	<u>\$ 9,072</u>	<u>\$ 27,079</u>

<u>Food For Thought</u>	<u>Envision 8th Street</u>	<u>Park Place</u>	<u>Rennie School</u>	<u>Total</u>
\$ 45,104	\$ 8,644	\$ 87,966	\$ 9,608	\$ 3,607,806
-	-	-	-	(1,905)
<u>(39,573)</u>	<u>629</u>	<u>5,567</u>	<u>-</u>	<u>(2,235,884)</u>
<u>5,531</u>	<u>9,273</u>	<u>93,533</u>	<u>9,608</u>	<u>1,370,017</u>
-	-	-	-	(157,351)
-	-	-	-	157,351
-	-	-	-	226,680
-	-	-	-	185,000
<u>(1,549)</u>	<u>(455)</u>	<u>(84)</u>	<u>(4,770)</u>	<u>(185,000)</u>
<u>(1,549)</u>	<u>(455)</u>	<u>(84)</u>	<u>(4,770)</u>	<u>226,680</u>
-	-	-	-	(50,637)
-	-	-	-	(991,381)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,733</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,040,285)</u>
<u>58</u>	<u>90</u>	<u>605</u>	<u>11</u>	<u>54,377</u>
58	90	605	11	54,377
4,040	8,908	94,054	4,849	610,789
<u>2,365</u>	<u>1,948</u>	<u>5,230</u>	<u>-</u>	<u>2,781,062</u>
<u>\$ 6,405</u>	<u>\$ 10,856</u>	<u>\$ 99,284</u>	<u>\$ 4,849</u>	<u>\$ 3,391,851</u>
\$ 1,417	\$ 8,644	\$ 87,966	\$ 9,608	609,136
-	-	-	-	732,612
-	-	-	-	819
-	-	-	-	212,713
-	-	-	-	(212,695)
-	-	-	-	(8,581)
<u>4,114</u>	<u>629</u>	<u>5,567</u>	<u>-</u>	<u>36,013</u>
<u>\$ 5,531</u>	<u>\$ 9,273</u>	<u>\$ 93,533</u>	<u>\$ 9,608</u>	<u>\$ 1,370,017</u>

(concluded)

GRAND TRAVERSE COUNTY
DRAIN COMMISSION
COMBINING BALANCE SHEET / STATEMENT OF NET POSITION

DECEMBER 31, 2019

	<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>
Assets							
Cash and pooled investments	\$ -	\$ 1,605	\$ 1,954	\$ 4,557	\$ 893	\$ 4,846	\$ 741
Accounts receivable	61,040	-	-	-	-	-	-
Due from other funds	29,415	-	-	-	-	-	-
Capital assets							
Land	-	-	-	-	-	-	-
Construction in process	-	-	-	-	-	-	-
Total assets	<u>\$ 90,455</u>	<u>\$ 1,605</u>	<u>\$ 1,954</u>	<u>\$ 4,557</u>	<u>\$ 893</u>	<u>\$ 4,846</u>	<u>\$ 741</u>
Liabilities and fund balances							
Liabilities							
Current							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
Due to primary government	59,956	-	-	-	-	-	-
Notes payable	-	-	-	-	-	-	-
Total liabilities	<u>59,956</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances							
Restricted	-	1,605	1,954	4,557	893	4,846	741
Unassigned	30,499	-	-	-	-	-	-
Total fund balances	<u>30,499</u>	<u>1,605</u>	<u>1,954</u>	<u>4,557</u>	<u>893</u>	<u>4,846</u>	<u>741</u>
Total liabilities and fund balances	<u>\$ 90,455</u>	<u>\$ 1,605</u>	<u>\$ 1,954</u>	<u>\$ 4,557</u>	<u>\$ 893</u>	<u>\$ 4,846</u>	<u>\$ 741</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
\$ 397	\$ -	\$ 5,881	\$ -	\$ 95,963	\$ 9,628	\$ 69,637	\$ 196,102	\$ -	\$ 196,102
-	11,591	-	13,738	-	-	-	86,369	-	86,369
-	-	-	-	-	-	-	29,415	-	29,415
-	-	-	-	-	-	-	-	56,700	56,700
-	-	-	-	-	-	-	-	575,153	575,153
<u>\$ 397</u>	<u>\$ 11,591</u>	<u>\$ 5,881</u>	<u>\$ 13,738</u>	<u>\$ 95,963</u>	<u>\$ 9,628</u>	<u>\$ 69,637</u>	<u>\$ 311,886</u>	<u>\$ 631,853</u>	<u>943,739</u>
\$ -	\$ -	\$ -	\$ -	\$ 83,820	\$ -	\$ -	\$ 83,820	\$ -	\$ 83,820
-	1,525	-	27,890	-	-	-	29,415	-	29,415
-	2,175	-	5,190	-	-	-	67,321	-	67,321
-	-	-	-	675,000	-	-	675,000	-	675,000
-	3,700	-	33,080	758,820	-	-	855,556	-	855,556
397	7,891	5,881	-	-	9,628	69,637	108,030	(108,030)	-
-	-	-	(19,342)	(662,857)	-	-	(651,700)	651,700	-
397	7,891	5,881	(19,342)	(662,857)	9,628	69,637	(543,670)	543,670	-
<u>\$ 397</u>	<u>\$ 11,591</u>	<u>\$ 5,881</u>	<u>\$ 13,738</u>	<u>\$ 95,963</u>	<u>\$ 9,628</u>	<u>\$ 69,637</u>	<u>\$ 311,886</u>		
Net position									-
Net investment in capital assets									-
Restricted									138,529
Unrestricted									(50,346)
Total net position									<u>\$ 88,183</u>
Reconciliation of Fund Balance on the Combining Balance Sheet to Net Position on the Statement of Net Position									
Fund balances									\$ (543,670)
Add - capital assets									<u>631,853</u>
Net position									<u>\$ 88,183</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, 2019

	<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>
Revenues							
Interest	\$ -	\$ 35	\$ 43	\$ 100	\$ 20	\$ 107	\$ 16
Special assessment	67,420	-	-	-	-	-	-
Total revenues	<u>67,420</u>	<u>35</u>	<u>43</u>	<u>100</u>	<u>20</u>	<u>107</u>	<u>16</u>
Expenditures							
Current							
Public works	3,300	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total expenditures	<u>3,300</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	64,120	35	43	100	20	107	16
Change in net position							
Fund balances/net position beginning of year	<u>(33,621)</u>	<u>1,570</u>	<u>1,911</u>	<u>4,457</u>	<u>873</u>	<u>4,739</u>	<u>725</u>
Fund balances/net position, end of year	<u>\$ 30,499</u>	<u>\$ 1,605</u>	<u>\$ 1,954</u>	<u>\$ 4,557</u>	<u>\$ 893</u>	<u>\$ 4,846</u>	<u>\$ 741</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 Activities
\$ 9	\$ (10)	\$ 135	\$ (1)	\$ 2,689	\$ 212	\$ 1,537	\$ 4,892	\$ -	\$ 4,892
-	13,369	-	15,332	-	-	-	96,121	-	96,121
9	13,359	135	15,331	2,689	212	1,537	101,013	-	101,013
-	3,944	-	6,817	48,948	-	-	63,009	(56,700)	6,309
-	-	-	-	12,608	-	-	12,608	-	12,608
-	3,944	-	6,817	61,556	-	-	75,617	(56,700)	18,917
9	9,415	135	8,514	(58,867)	212	1,537	25,396	56,700	82,096
									82,096
388	(1,524)	5,746	(27,856)	(603,990)	9,416	68,100	(569,066)	575,153	6,087
\$ 397	\$ 7,891	\$ 5,881	\$ (19,342)	\$ (662,857)	\$ 9,628	\$ 69,637	\$ (543,670)	\$ 631,853	\$ 88,183

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

Net change in fund balances	\$ 25,396
Add - capital asset additions	56,700
Change in net position	<u>\$ 82,096</u>

GRAND TRAVERSE COUNTY

DEPARTMENT OF PUBLIC WORKS STATEMENT OF NET POSITION

DECEMBER 31, 2019

Assets	Septage Facility	Garfield Septage Facility	DPW	Total
Current assets				
Cash and pooled investments	\$ 608,945	\$ -	\$ 750	\$ 609,695
Accounts receivable	62,113	-	73,870	135,983
Interest receivable	-	-	84,753	84,753
Due from other governments	-	1,509	1,226,230	1,227,739
Total current assets	671,058	1,509	1,385,603	2,058,170
Long-term assets				
Long-term receivable	-	-	17,851,960	17,851,960
Capital assets				
Land	400,000	-	-	400,000
Capital assets	5,887,916	-	-	5,887,916
Net capital assets	6,287,916	-	-	6,287,916
Total assets	6,958,974	1,509	19,237,563	26,198,046
Liabilities				
Current liabilities				
Accounts payable	102,345	428	59,874	162,647
Accrued liabilities	14,994	18	202,088	217,100
Due to primary government	-	592	143,669	144,261
Due to other governmental units	2,149	265	918,814	921,228
Current portion of long-term debt	190,000	-	3,297,129	3,487,129
Total current liabilities	309,488	1,303	4,621,574	4,932,365
Noncurrent liabilities				
Long-term debt	1,842,938	-	14,231,000	16,073,938
Advance from primary government	1,662,000	-	332,960	1,994,960
Compensated absences	-	-	51,728	51,728
Total long-term liabilities	3,504,938	-	14,615,688	18,120,626
Total liabilities	3,814,426	1,303	19,237,262	23,052,991
Net position				
Net investment in capital assets	2,592,978	-	-	2,592,978
Restricted	-	206	301	507
Unrestricted	551,570	-	-	551,570
Total net position	\$ 3,144,548	\$ 206	\$ 301	\$ 3,145,055

GRAND TRAVERSE COUNTY

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

FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Septage Facility</u>	<u>Garfield Septage Facility</u>	<u>DPW</u>	<u>Total</u>
Operating revenue				
State	\$ -	\$ -	\$ 113,753	\$ 113,753
Local sources	-	1,869	5,625,432	5,627,301
Charges for services	1,218,671	5,298	121,845	1,345,814
Total operating revenue	<u>1,218,671</u>	<u>7,167</u>	<u>5,861,030</u>	<u>7,086,868</u>
Operating expense				
Personnel services	64,538	1,228	1,191,730	1,257,496
Contracted services	380,481	79	200,285	580,845
Supplies	4,143	54	339,758	343,955
Other	284,289	6,077	3,591,374	3,881,740
Depreciation	238,483	-	-	238,483
Total operating expense	<u>971,934</u>	<u>7,438</u>	<u>5,323,147</u>	<u>6,302,519</u>
Operating income (loss)	<u>246,737</u>	<u>(271)</u>	<u>537,883</u>	<u>784,349</u>
Non-operating revenue (expense)				
Interest expense	(93,752)	-	(547,137)	(640,889)
Total non-operating revenue (expense)	<u>(93,752)</u>	<u>-</u>	<u>(547,137)</u>	<u>(640,889)</u>
Change in net position	152,985	(271)	(9,254)	143,460
Net position, beginning of year	<u>2,991,563</u>	<u>477</u>	<u>9,555</u>	<u>3,001,595</u>
Net position, end of year	<u>\$ 3,144,548</u>	<u>\$ 206</u>	<u>\$ 301</u>	<u>\$ 3,145,055</u>

GRAND TRAVERSE COUNTY

DEPARTMENT OF PUBLIC WORKS STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Septage Facility</u>	<u>Garfield Septage Facility</u>	<u>DPW</u>	<u>Total</u>
Cash flows from operating activities				
Receipts from customers and users	\$ 1,216,926	\$ 5,683	\$ 9,145,070	\$ 10,367,679
Payments to employees	(64,538)	(1,228)	(1,190,479)	(1,256,245)
Payments to suppliers	(651,023)	(4,455)	(4,214,294)	(4,869,772)
Net cash provided by (used in) operating activities	<u>501,365</u>	<u>-</u>	<u>3,740,297</u>	<u>4,241,662</u>
Cash flows from non-capital financing activities				
Payment of loan from primary government	(115,000)	-	(60,000)	(175,000)
Cash flows from capital and related financing activities				
Interest expense	(92,939)	-	(547,137)	(640,076)
Principal paid on long-term debt	(190,000)	-	(3,141,000)	(3,331,000)
Net cash provided by (used in) capital and related financing activities	<u>(282,939)</u>	<u>-</u>	<u>(3,688,137)</u>	<u>(3,971,076)</u>
Net increase (decrease) in cash and pooled investments	103,426	-	(7,840)	95,586
Cash and pooled investments, beginning of year	<u>505,519</u>	<u>-</u>	<u>8,590</u>	<u>514,109</u>
Cash and pooled investments, end of year	<u>\$ 608,945</u>	<u>\$ -</u>	<u>\$ 750</u>	<u>\$ 609,695</u>
Cash flows from operating activities				
Operating income (loss)	\$ 246,737	\$ (271)	\$ 537,883	\$ 784,349
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation	238,483	-	-	238,483
Deferred outflows related to pensions	-	-	-	-
Changes in operating assets and liabilities which provided (used) cash				
Accounts receivable	(1,501)	25	(54,240)	(55,716)
Due from other governments	-	(1,509)	451,211	449,702
Long-term lease receivable	-	-	3,201,000	3,201,000
Accounts payable	18,889	(159)	(12,706)	6,024
Accrued liabilities	(999)	18	(70,171)	(71,152)
Due to other governments	(244)	1,896	(313,931)	(312,279)
Compensated absences	-	-	1,251	1,251
Net cash provided by (used in) operating activities	<u>\$ 501,365</u>	<u>\$ -</u>	<u>\$ 3,740,297</u>	<u>\$ 4,241,662</u>

STATISTICAL SECTION

Statistical Section Table of Contents

This part of the County's Comprehensive Annual Financial Report presents detailed information to assist the user in understanding what the financial statements, note disclosures and required supplementary information say about the overall economic condition of Grand Traverse County.

		<u>Page</u>
Financial Trends Tables 1-4	These schedules contain trend information to help the reader understand and evaluate how the County's financial condition, performance, and well-being have changed over time.	171
Revenue Capacity Tables 5-8	These schedules contain information to help the reader assess the County's ability to generate its most significant local revenue source, the property tax.	176
Debt Capacity Tables 9-12	These schedules present information to help the reader assess the affordability of the county's current levels of outstanding debt and its ability to issue additional debt in the future.	180
Demographic and Economic Information Tables 13-14	These schedules present various demographic and economic indicators to help the reader understand the environment within which the County operates and how they affect the County's financial activities.	184
Operating Information Tables 15-17	These schedules contain information about the County's operations and resources to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	186

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. The county implemented GASB Statement No. 34 in 2003, schedules presenting government-wide information include data beginning in that year.

GRAND TRAVERSE COUNTY, MICHIGAN

Table 1 - Unaudited

Net Position by Component										
Last Ten Fiscal Years										
(amounts expressed in thousands)										
	Fiscal Year					Fiscal Year				
Primary Government Activities	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental activities										
Net investment in capital assets	\$ 35,054	\$ 34,482	\$ 29,410	\$ 36,800	\$ 36,973	\$ 34,741	\$ 35,450	\$ 36,440	\$ 35,668	\$ 33,229
Restricted	6,448	6,297	8,639	8,117	6,333	5,991	5,926	10,177	15,617	7,077
Unrestricted	(25,343)	(30,396)	(33,297)	(44,384)	(39,143)	7,950	10,794	6,733	4,138	17,572
Total governmental activities net position	\$ 16,159	\$ 10,383	\$ 4,752	\$ 533	\$ 4,163	\$ 48,682	\$ 52,170	\$ 53,350	\$ 55,423	\$ 57,878
Business-type activities										
Net investment in capital assets	\$ 16,876	\$ 17,078	\$ 21,008	\$ 18,563	\$ 17,955	\$ 17,659	\$ 16,096	\$ 14,928	\$ 13,708	\$ 11,728
Unrestricted	13,020	12,568	12,508	14,039	15,499	22,088	21,552	20,520	20,216	19,630
Total business-type activities net position	\$ 29,896	\$ 29,646	\$ 33,516	\$ 32,602	\$ 33,454	\$ 39,747	\$ 37,648	\$ 35,448	\$ 33,924	\$ 31,358
Primary government										
Net investment in capital assets	\$ 51,930	\$ 51,560	\$ 50,418	\$ 55,363	\$ 54,928	\$ 52,400	\$ 51,546	\$ 51,368	\$ 49,376	\$ 44,957
Restricted	6,448	6,297	8,639	8,117	6,333	5,991	5,926	10,177	15,617	7,077
Unrestricted	(12,323)	(17,828)	(20,789)	(30,345)	(23,644)	30,038	32,346	27,253	24,354	37,202
Total primary government net position	\$ 46,055	\$ 40,029	\$ 38,268	\$ 33,135	\$ 37,617	\$ 88,429	\$ 89,818	\$ 88,798	\$ 89,347	\$ 89,236

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 Fiscal Years Ending December 31, 2010 and 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				
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Expenses										
Governmental activities:										
Legislative	\$ 388	\$ 237	\$ 210	\$ 355	\$ 402	\$ 351	\$ 344	\$ 383	\$ 434	\$ 413
Judicial	9,846	9,893	9,735	11,702	10,769	10,460	10,685	10,570	8,639	8,862
General government	9,281	9,539	7,122	11,272	8,699	8,823	8,626	8,560	10,934	11,392
Public safety	18,959	17,164	16,244	20,353	17,690	17,283	16,203	16,544	16,379	16,058
Public works	50	129	228	256	251	243	213	278	268	261
Health and welfare	12,470	11,724	11,551	12,630	11,896	11,479	12,141	11,047	10,481	10,660
Economic development	44	257	704	159	118	1,497	213	9	445	84
Recreation and culture	764	1,411	659	698	953	892	985	888	915	966
Interest on long-term debt	338	374	270	280	291	303	314	442	360	481
Total governmental activities expenses	52,140	50,728	46,723	57,705	51,069	51,331	49,724	48,721	48,855	49,177
Business-type activities:										
Inspections	1,037	1,602	785	1,333	1,187	1,137	1,102	1,041	949	989
Medical Care Facility (Pavilions)	32,528	28,393	28,824	30,922	30,338	28,723	28,305	28,047	25,439	24,259
Solid waste	294	312	35	307	382	318	307	339	320	661
Delinquent tax collection and administration	178	174	168	162	539	185	348	280	193	250
Total business-type activities expenses	34,037	30,481	29,812	32,724	32,446	30,363	30,062	29,707	26,901	26,159
Total primary government expenses	86,177	81,209	76,535	90,429	83,515	81,694	79,786	78,428	75,756	75,336
Program revenues										
Governmental activities:										
Charges for services:										
Legislative	-	-	-	25	-	2	-	1	8	9
Judicial	2,592	2,559	2,545	2,722	2,946	2,882	2,944	2,832	2,920	3,005
General government	4,377	3,664	3,113	4,748	3,090	2,888	2,947	3,148	2,597	2,335
Public safety	1,232	1,203	1,379	3,500	981	1,739	1,628	1,509	1,516	1,625
Public works	-	44	210	178	166	120	102	90	80	75
Health and welfare	1,682	1,606	1,217	2,049	3,414	2,402	2,353	2,442	2,048	2,443
Economic development	-	-	3	68	-	3	-	-	-	-
Recreation and culture	295	234	187	289	344	486	471	419	395	460
Operating grants and contributions	14,085	15,336	13,358	10,715	11,780	9,908	11,218	9,828	10,033	10,438
Capital grants and contributions	-	-	-	-	3	9	-	165	387	443
Total governmental activities program revenues	24,263	24,646	22,012	24,294	22,724	20,439	21,663	20,434	19,984	20,833
Business-type activities:										
Charges for services:										
Inspections	1,937	1,839	1,892	1,730	1,685	1,676	1,428	990	925	871
Medical Care Facility (Pavilions)	31,404	31,092	30,086	27,297	26,213	24,736	24,753	24,037	25,191	23,747
Solid waste	310	361	245	196	296	261	284	357	442	568
Delinquent tax collection and administration	1,171	1,021	1,111	1,043	372	414	453	548	2,170	2,334
Operating grants and contributions	90	101	177	2,514	3,437	3,590	4,192	4,070	120	112
Total business-type activities program revenues	34,912	34,414	33,511	32,780	32,003	30,677	31,110	30,002	28,848	27,632

GRAND TRAVERSE COUNTY, MICHIGAN

Table 2 - Unaudited

Changes in Net Position										
Last Ten Fiscal Years										
(amounts expressed in thousands)										
	Fiscal Year					Fiscal Year				
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total primary government program revenues	59,175	59,060	55,523	57,074	54,727	51,116	52,773	50,436	48,832	48,465
Net (expense) revenues										
Governmental activities	\$ (27,877)	\$ (26,082)	\$ (24,711)	\$ (33,411)	\$ (28,345)	\$ (30,892)	\$ (28,061)	\$ (28,287)	\$ (28,871)	\$ (28,344)
Business-type activities	875	3,933	3,699	56	(443)	314	1,048	295	1,947	1,473
Total primary government net (expense) revenues	(27,002)	(22,149)	(21,012)	(33,355)	(28,788)	(30,578)	(27,013)	(27,992)	(26,924)	(26,871)
General revenues and other changes in net position										
Governmental activities:										
Property taxes	29,833	28,176	27,776	26,027	25,870	25,840	25,550	24,501	24,008	24,146
State revenue sharing	2,533	2,462	2,428	2,686	1,692	332	-	-	-	-
Unrestricted investment earnings	471	332	187	155	149	163	143	156	227	344
Other revenues (expense)	23	36	246	-	31	30	12	-	17	13
Transfers - internal activities	793	707	2,848	912	1,114	1,039	1,177	1,558	2,164	1,158
Total governmental activities	33,653	31,713	33,485	29,780	28,856	27,404	26,882	26,215	26,416	25,661
Business-type activities:										
Property taxes	-	-	-	2	2,754	2,824	2,767	2,882	2,754	3,203
Unrestricted investment earnings	170	149	61	2	-	-	-	-	29	78
Other revenues (expense)	-	-	2	-	-	1	-	-	-	16
Transfers - internal activities	(793)	(707)	(2,848)	(912)	(1,114)	(1,039)	(1,177)	(1,558)	(2,164)	(1,158)
Total business-type activities	(623)	(558)	(2,785)	(908)	1,640	1,786	1,590	1,324	619	2,139
Total primary government	33,030	31,155	30,700	28,872	30,496	29,190	28,472	27,539	27,035	27,800
Change in net position										
Governmental activities	5,776	5,631	8,774	(3,631)	511	(3,488)	(1,179)	(2,072)	(2,455)	(2,683)
Business-type activities	251	3,375	914	(852)	1,197	2,100	2,638	1,619	2,566	3,612
Total primary government change in net position	\$ 6,027	\$ 9,006	\$ 9,688	\$ (4,483)	\$ 1,708	\$ (1,388)	\$ 1,459	\$ (453)	\$ 111	\$ 929

GRAND TRAVERSE COUNTY, MICHIGAN

Table 3 - Unaudited

Fund Balances - Governmental Funds

Last Ten Fiscal Years

(amounts expressed in thousands)

	Fiscal Year					Fiscal Year				
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General fund:										
Nonspendable	\$ 2,610	\$ 3,012	\$ 3,712	\$ 4,876	\$ 2,351	\$ 2,811	\$ 3,194	\$ 3,434	\$ 2,988	\$ -
Restricted	-	-	-	-	-	-	-	-	10	-
Assigned	1,004	-	-	-	500	706	1,582	625	625	-
Unassigned	13,614	11,088	8,215	7,470	6,665	5,421	4,425	3,976	4,148	-
Reserved	-	-	-	-	-	-	-	-	-	870
Unreserved	-	-	-	-	-	-	-	-	-	7,230
Total general fund	<u>17,228</u>	<u>14,100</u>	<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>
All other governmental funds:										
Nonspendable	160	1,790	224	64	53	32	8	6	349	-
Restricted	6,448	5,082	10,530	7,924	6,330	3,411	5,925	9,949	10,130	-
Committed	5,572	5,526	3,493	2,970	4,562	3,958	4,061	216	104	-
Assigned	-	-	-	-	-	-	-	1,891	2,682	-
Unassigned	(250)	(490)	(955)	(1,395)	(1,820)	(2,235)	(2,621)	(2,995)	(1,845)	-
Reserved	-	-	-	-	-	-	-	-	-	7,184
Special revenues funds	-	-	-	-	-	-	-	-	-	7,173
Capital projects funds	-	-	-	-	-	-	-	-	-	1,064
Total all other governmental funds	<u>11,930</u>	<u>11,908</u>	<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>
Total governmental funds	<u>\$ 29,158</u>	<u>\$ 26,008</u>	<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>

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				
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues										
Taxes	\$ 29,833	\$ 28,176	\$ 27,776	\$ 26,026	\$ 25,870	\$ 25,841	\$ 25,550	\$ 24,501	\$ 24,008	\$ 24,146
Licenses and permits	574	626	798	704	632	566	569	500	460	461
Intergovernmental:										
Federal sources	3,191	3,015	3,077	2,998	4,732	3,632	4,581	3,903	4,224	4,590
State sources	7,360	7,591	6,958	6,782	5,329	4,073	3,783	3,633	3,799	3,672
Local sources	5,578	6,663	5,296	6,049	5,185	3,714	3,645	3,576	3,470	3,704
Charges for services	6,769	6,372	5,974	5,708	6,164	6,623	6,548	6,311	6,068	6,222
Fines and forfeits	143	196	226	235	94	118	113	93	87	104
Reimbursements	3,346	3,256	2,991	3,373	2,478	2,506	2,780	3,062	3,040	3,172
Contributions	-	-	-	-	-	1	3	20	1	2
Rental revenues	1,321	569	551	745	691	697	689	619	649	638
Interest revenues	578	465	225	155	148	162	151	165	251	349
Other revenues	408	492	461	387	666	596	478	811	802	1,946
Total revenues	59,101	57,421	54,333	53,162	51,989	48,529	48,890	47,194	46,859	49,006
Expenditures										
Current:										
Legislative	409	259	234	367	426	378	373	421	411	422
Judicial	9,967	9,933	9,988	10,009	10,381	10,139	10,393	10,225	10,212	10,016
General government	11,345	11,862	10,653	9,648	9,885	10,092	9,910	9,980	10,744	11,050
Public safety	19,026	17,539	16,651	16,897	16,117	15,367	15,276	15,421	15,453	14,656
Public works	50	129	228	256	251	243	213	278	268	261
Health and welfare	12,271	11,640	11,959	11,587	11,932	11,965	11,807	10,514	11,708	10,990
Economic development	44	257	704	227	118	1,498	213	9	84	322
Recreation and culture	730	1,279	471	515	760	667	741	640	716	686
Other	713	-	4,892	-	-	-	-	-	-	-
Debt service:										
Principal	775	730	590	570	570	545	550	2,005	1,050	740
Interest and fiscal charges	345	350	269	280	291	303	314	356	484	512
Capital outlay	1,203	3,388	987	450	336	689	574	5,814	1,820	1,590
Total expenditures	56,878	57,366	57,626	50,806	51,067	51,886	50,364	55,663	52,950	51,245
Revenues over (under) expenditures	2,223	55	(3,293)	2,356	922	(3,357)	(1,474)	(8,469)	(6,091)	(2,239)
Other financing sources (uses)										
Issuance of long-term debt	3,780	-	3,500	-	-	-	-	11,170	-	-
Bond Premium	145	-	-	-	-	-	-	-	-	-
Discount on issuance of long-term debt	-	-	-	-	-	-	-	(46)	-	-
Payment to refunding bond escrow agent	(3,820)	-	-	-	-	-	-	(6,192)	-	-
Proceeds from sale of capital assets	29	26	255	-	31	29	12	17	16	12
Transfers in	11,411	11,683	13,769	10,736	12,857	1,286	13,381	13,082	13,371	14,410
Transfers out	(10,618)	(10,975)	(10,921)	(9,824)	(11,841)	(12,003)	(12,446)	(11,650)	(12,553)	(13,416)
Total other financing sources (uses)	927	734	6,603	912	1,047	(10,688)	947	6,381	834	1,006
Net change in fund balances	\$ 3,150	\$ 789	\$ 3,310	\$ 3,268	\$ 1,969	\$ (14,045)	\$ (527)	\$ (2,088)	\$ (5,257)	\$ (1,233)
Debt service as a percentage of noncapital expenditures	2.02%	2.01%	1.52%	1.69%	1.70%	1.66%	1.74%	4.74%	3.00%	2.52%

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					
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%
2018	4,790,410,598	1,277,820,874	256,447,356	6,324,678,828	6.7608	12,649,357,656	50.00%
2019	5,196,659,937	1,380,031,100	261,629,431	6,838,320,468	6.7294	13,676,640,936	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	Animal Control	Senior Center	Conservation Dist.	Total Millage	Intermediate Schools	District Library Operations	District Library Debt	Community College	Community College Debt	BATA	Direct & Overlapping Rates
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	0.0000	2.1520	0.5900	0.3420	13.6027
2018	4.9246	0.4939	-	0.9881	0.1185	0.0370	0.0987	0.1000	6.7608	2.9197	0.9431	0.0000	2.1439	0.5700	0.4978	13.8353
2019	4.9019	0.4916	-	0.9835	0.1179	0.0368	0.0982	0.0995	6.7294	2.9161	0.9382	0.0000	2.1339	0.5500	0.4952	13.7628

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. 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	2019			2010		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
Consumers Energy	\$ 32,836,396	1	0.61%	\$ 21,899,753	1	0.50%
DTE Gas Company	25,558,112	2	0.48%	-	-	-
Grand Traverse Mall LTD PTNR	16,083,146	3	0.30%	14,215,000	7	0.32%
Cherryland Rural Electric Co-op	15,912,777	4	0.30%	11,922,608	9	0.27%
Grand Traverse Resort & Spa LLC	15,202,824	5	0.28%	13,604,256	8	0.31%
CEGM Traverse City LLC	14,439,611	6	0.27%	-	-	-
Michigan Electric Transmission Co.	12,469,900	7	0.23%	-	-	-
Liv Arbors LLC	11,511,230	8	0.21%	-	-	-
GTC Owener, LLC	10,281,200	9	0.19%	-	-	-
Midwest MFD, LLC	9,925,826	10	0.18%	-	-	-
Great Wolf Lodge TC Development LLC	-	-	-	17,810,900	2	0.41%
Centro Bradley GT II LLC	-	-	-	17,783,730	3	0.40%
Michigan Consolidated Gas Company	-	-	-	15,200,812	5	0.35%
Sara Lee Corp	-	-	-	14,280,730	6	0.33%
State of Michigan (Taxable lands)	-	-	-	16,814,363	4	0.38%
Metavation Traverse City, LLC	-	-	-	9,193,929	10	0.21%
	<u>\$ 164,221,022</u>		<u>3.05%</u>	<u>\$ 152,726,081</u>		<u>3.48%</u>
County Total Taxable Value 2019 / 2010	\$5,368,654,721			\$4,392,056,777		

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
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%
2018	24,477,306	23,911,720	97.69%	531,049	34,537	24,477,306	100.00%
2019	25,551,939	24,967,112	97.71%	544,578	40,249	25,551,939	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			
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	0.34%	162
2018	10,939,808	594,296	2,985,000	14,519,104	0.31%	157
2019	10,271,270	402,757	2,760,000	13,434,027	(2)	144

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)
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
2018	13,924,808	-	13,924,808	6,324,678,828	0.22%	150
2019	13,031,270	-	13,031,270	6,838,320,468	0.19%	140

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 Table 13 for population data.

Computation of Direct and Overlapping Governmental Activities Debt

As of December 31, 2019

	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Debt repaid with property taxes: County	\$ 178,147,070	87.02%	\$ 155,017,199
County direct debt			<u>10,674,027</u>
Total direct and overlapping debt			<u>\$ 165,691,226</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				
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Debt limit	\$ 683,832	\$ 632,468	\$ 607,718	\$ 576,137	\$ 552,818	\$ 532,450	\$ 521,356	\$ 512,871	\$ 524,475	\$ 559,052
Total net debt applicable to limit	38,271	43,878	43,314	42,409	43,289	47,678	54,127	57,156	70,590	83,427
Legal debt margin	\$ 645,561	\$ 588,590	\$ 564,404	\$ 533,728	\$ 509,529	\$ 484,772	\$ 467,229	\$ 455,715	\$ 453,885	\$ 475,625
Total net debt applicable to the limit as a percentage of debt limit	5.60%	6.94%	7.13%	7.36%	7.83%	8.95%	10.38%	11.14%	13.46%	14.92%

Legal Debt Margin Calculation for Fiscal Year 2019
(amounts expressed in thousands)

State equalized value of real property	\$ 6,576,691
State equalized value of personal property	261,629
Total state equalized value	\$ 6,838,320
Debt limit (10% of total state equalized value)	683,832
Debt applicable to limit: (1)	\$ 38,271
Less:	
Assets in Debt Service funds available for payment of principal	-
Total amount of debt applicable to debt limit	38,271
Legal debt margin	\$ 645,561

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)
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	4,330,055	47,165	9,658	4.30%
2018	92,573	4,687,847	50,639	9,666	4.10%
2019	93,088	(5)	(5)	9,467	4.30%

Sources:

(1) U.S. Census Bureau

(2) Bureau of Economic Analysis, 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. 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	2019			2010		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Munson Medical Center	3,100	1	6.17%	3,740	1	8.96%
Traverse City Area Public Schools	1,825	2	3.63%	1,984	2	4.75%
Northwestern Michigan College	742	3	1.48%	700	4	1.68%
Traverse Bay Intermediate School District	550	4	1.09%	618	5	1.48%
Hagerty Insurance	500	5	0.99%	450	9	1.08%
Grand Traverse Resort & Casinos	500	6	0.99%	943	3	2.26%
Grand Traverse County	477	7	0.95%	530	6	1.27%
Interlochen Center for the Arts	475	8	0.94%	350	10	0.84%
Grand Traverse Pavilions	415	9	0.83%	470	8	1.13%
Britten Banners, Inc	410	10	0.82%			
Sara Lee/Hillshire Brands				500	7	1.20%
Totals	<u>8,994</u>		<u>17.89%</u>	<u>10,285</u>		<u>24.65%</u>
Total Employment 2019 / 2010	50,278			41,727		

Sources:

Grand Traverse County Official Statement for 2019 Building Authority Refunding Bonds
U.S. Dept of Labor 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,				
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Legislative	1	1	1	1	1	1	1	1	1	1
Judicial	105	104	103	94	90	96	90	93	93	95
General Government	85	85	90	90	95	100	98	110	122	124
Public Safety	137	136	135	149	152	144	149	149	149	154
Public Works	16	16	16	16	18	17	20	22	21	21
Health & Welfare	134	135	122	109	127	123	123	128	127	128
Total	478	477	467	459	483	481	481	503	513	523

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				
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Public safety:										
Average daily inmate population -										
Jail only	141.95	118.70	152.69	148.48	162.08	158.00	158.80	138.60	146.00	150.00
Average daily population - Includes										
Inmates boarded-out	134.07	121.58	157.07	153.00	172.58	163.42	160.80	138.60	146.00	150.00
911 Computer aided dispatch calls*	82,384	75,380	72,773	70,423	70,195	56,473	57,278	55,654	98,901	53,701
Commissary:										
Number of orders placed by inmates	3,006	3,188	3,756	4,057	17,587	18,716	15,250	7,553	(1)	6,910
Health and welfare:										
Commission on aging-client visits:										
Homemaker Aide Program	12,523	13,319	12,296	11,554	12,956	15,648	15,247	16,058	16,376	17,065
Home Health Care Program	5,494	4,565	4,134	5,506	6,286	6,873	6,986	8,011	8,308	7,489
Home Chore Program	9,470	8,814	8,936	9,736	10,030	8,803	8,112	8,365	10,476	8,914
Walk in & telephone assistance calls**	NA	NA	6,494	6,392	3,778	28,566	27,830	13,184	30,968	37,173
Respite Program *****	1,186	1,763	-	-	-	-	-	-	-	-
Public works:										
Number of sewer billings	35,196	35,232	35,112	30,720	20,344	7,791	7,770	7,968	8,024	7,916
Number of water billings	9,792	9,888	10,188	9,732	9,316	1,028	1,041	1,035	1,017	1,468
Number of combined billings	54,084	53,556	52,692	44,172	48,552	69,112	68,716	68,504	67,424	66,096
General Government:										
County Clerk-Passports processed	1,723	1,671	2,191	1,999	1,646	1,317	1,284	1,424	1,531	1,669
Finance-Checks processed	15,615	15,828	15,582	16,608	16,013	16,898	21,824	19,488	16,644	20,457
MSU-Extension:										
4-H Participants	1,733	2,107	3,178	2,231	3,066	1,325	1,187	1,384	-	-
FNP Participants***	601	4,424	3,117	684	797	882	683	679	565	430
PAT Participants	-	-	-	-	-	-	-	-	-	-
Register of Deeds-records filed:										
Discharge of Mortgage	4,531	4,199	4,559	4,834	4,666	3,600	4,896	4,900	4,148	4,243
Mortgage	4,731	4,234	4,365	4,704	4,378	3,786	5,011	5,577	4,143	4,672
Warranty Deed	3,312	3,310	3,396	3,329	3,208	2,843	2,731	2,266	1,760	1,678
Judicial:										
Circuit court total caseload	1,833	1,912	1,884	2,132	2,282	2,247	2,260	2,584	2,694	2,983
District court total caseload	12,921	11,751	10,531	11,649	14,185	15,028	15,751	14,046	16,433	19,348
Probate court total caseload	571	536	547	565	560	586	549	596	531	563
Recreation and culture:										
Swimming pool admissions****	51,468	32,914	40,726	29,896	12,727	23,411	23,438	19,706	18,014	19,564
Community and Economic Development:										
Construction permits issued	6,128	6,291	6,269	5,915	5,842	5,211	5,097	4,236	4,162	3,965
EDC loans	-	-	-	-	-	-	-	-	7	6
Medical care facility-skilled nursing:										
Resident Admits	525	448	613	614	491	454	461	492	425	350
Resident Days	80,680	82,182	82,335	83,597	83,659	84,250	85,498	85,727	81,513	78,857

Source: Various County departments

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

**Eliminated walk in & telephone assistance as of 12/31/2017

***FNP converted to SNAP-ED in 2011

****Starting in 2016 includes Exercise Room admissions

*****Respite Program numbers added 2018

(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				
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Public safety:										
Police:										
Stations	1	1	1	1	1	1	1	1	2	2
Buildings	5	5	5	5	5	5	5	5	6	5
Radio Towers	5	5	5	5	5	6	6	6	6	6
Vehicles*	78	77	77	78	93	91	95	96	98	92
Boats	8	8	8	8	8	8	7	5	9	9
Snowmobiles	4	4	3	3	3	2	2	2	4	4
Animal control:										
Building	1	1	1	1	1	1	1	1	1	1
Vehicles	4	2	2	2	2	2	2	2	2	2
General government:										
Buildings	4	4	4	4	4	4	4	3	4	4
Vehicles	19	20	19	19	21	20	20	22	30	28
Health and welfare:										
Buildings	3	2	2	2	2	2	2	1	3	3
Vehicles*	25	20	24	21	21	24	23	23	15	15
Public works:										
Buildings	1	1	1	1	1	1	1	1	1	1
Vehicles	19	19	19	16	16	16	16	16	17	17
Judicial:										
Buildings	3	3	3	3	3	3	3	3	3	3
Vehicles	2	4	3	3	3	4	4	-	3	3
Recreation and culture:										
Buildings	15	15	15	15	15	15	15	15	18	18
Vehicles	2	3	3	3	3	3	3	3	3	3
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	7	8	8	12	8	8	9	9	9	10
Medical care facility:										
Beds	240	240	240	240	240	240	240	240	240	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 18, 2020

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, 2019, 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 18, 2020.

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 18, 2020.

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.

Uredewald 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 18, 2020

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, 2019. 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, 2019.

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 2019-001. 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.

Urederold Haefner LLC

GRAND TRAVERSE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019

Federal Agency/Cluster/Program Title	CFDA Number	Pass Through	Cluster	Pass-through number	Expenditures
<u>U.S. Department of Agriculture:</u>					
Women, Infant and Children Program	10.557	MDHHS		20190016-05	\$ 289,507
Women, Infant and Children Program	10.557	MDHHS		20200066-01	99,709
WIC Breastfeeding	10.557	MDHHS		20190016-05	39,169
WIC Breastfeeding	10.557	MDHHS		20200066-01	13,056
					<u>441,441</u>
Total U.S. Department of Agriculture					<u>441,441</u>
<u>U.S. Department of Justice:</u>					
Bullet Proof Vest	16.607	Direct		N/A	<u>3,212</u>
Justice Assistance Grant Program Cluster:					
Byrne JAG State FY 2019	16.738	MDSP		2017-MU-BX-0191	111,218
Byrne JAG State FY 2020	16.738	MDSP		2019-MU-BX-0061	35,203
					<u>146,421</u>
High Intensity Drug Trafficking Areas Program (HIDTA)	95.001	Direct		N/A	<u>2,237</u>
Total U.S. Department of Justice					<u>151,870</u>
<u>U.S. Department of Transportation:</u>					
Office of Highway Safety Planning Traffic Enforcement	20.600	MDSP		PT-19-32	14,817
Office of Highway Safety Planning Traffic Enforcement	20.600	MDSP		PT-20-37	7,674
					<u>22,491</u>
Total U.S. Department of Transportation					<u>22,491</u>
<u>U.S. Environmental Protection Agency</u>					
Safe Drinking Water Revolving Loan Fund Program	66.468	Direct		FS975487-17	<u>3,134</u>
Total U.S. Environmental Protection Agency					<u>3,134</u>
<u>U.S. Department of Health and Human Services:</u>					
Public Health Emergency Preparedness					
Bioterrorism - Supplemental	93.069	MDHHS		20190016-05	94,599
Bioterrorism - Supplemental	93.069	MDHHS		20200066-01	29,949
Bioterrorism - Supplemental - Regional EPI	93.069	MDHHS		20190016-05	5,000
Bioterrorism - Supplemental - Regional EPI	93.069	MDHHS		20200066-01	1,812
					<u>131,360</u>
Projects Grants & Cooperative Agreements for Tuberculosis Control Programs	93.116	MDHHS		20200066-01	<u>25</u>
Family Planning Services	93.217	MDHHS		20190016-05	30,441
Family Planning Services	93.217	MDHHS		20200066-01	10,577
					<u>41,018</u>
Immunization:					
ARRA - Immunizations and Vaccine for Children	93.268	MDHHS		20190016-05	32,030
Immunization & Vaccine Program	93.268	MDHHS		20200066-01	10,721
Immunization Fixed Fee	93.268	MDHHS		20190016-05	5,000
Vaccines (non-cash assistance)	93.268	MDHHS		N/A	141,907
					<u>189,658</u>
Epidemiology and Laboratory Capacity	93.323	MDHHS		20190016-05	<u>20,000</u>
Child Support Enforcement:					
Title IV-D Incentive Payments	93.563	MDHHS		CSFOC-17-28001	181,890
Title IV-D Reimbursement - Friend of the Court	93.563	MDHHS		CSFOC-17-28001	1,344,903
Title IV-D Reimbursement - Prosecutor	93.563	MDHHS		CSPA-17-28002	80,590
					<u>1,607,383</u>

(continued)

GRAND TRAVERSE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019

Federal Agency/Cluster/Program Title	CFDA Number	Pass Through	Cluster	Pass-through number	Expenditures
Medicaid					
Medical Assistance Program - Medicaid Outreach	93.778	MDHHS	Medicaid	20190016-05	\$ 215,594
Medical Assistance Program - Medicaid Outreach	93.778	MDHHS	Medicaid	20190016-05	29,543
Medical Assistance Program - Medicaid Outreach	93.778	MDHHS	Medicaid	20200066-01	81,513
Medical Assistance Program - Care Coordination	93.778	MDHHS	Medicaid	20190016-05	12,350
Medical Assistance Program - Care Coordination	93.778	MDHHS	Medicaid	20200066-01	3,705
Medical Assistance Program - Case Management	93.778	MDHHS	Medicaid	20190016-05	10,885
Medical Assistance Program - Case Management	93.778	MDHHS	Medicaid	20200066-01	2,217
CSHCS - Medical Assistance Program	93.778	MDHHS	Medicaid	20190016-05	15,495
CSHCS - Medical Assistance Program	93.778	MDHHS	Medicaid	20200066-01	5,165
					<u>376,467</u>
HIV Prevention Activities Health Department Based	93.940	MDHHS		20190016-05	<u>20,000</u>
SAPT Block Grant (Harm Reduction)	93.959	MDHHS		20190016-05	48,512
SAPT Block Grant (Harm Reduction)	93.959	MDHHS		20200066-01	11,136
					<u>59,648</u>
Maternal and Child Health Services Block Grant (Family Planning)	93.991	MDHHS		20190016-05	<u>15,000</u>
Maternal and Child Health Services Block Grant (Enabling Services Women)	93.994	MDHHS		20190016-05	30,036
Maternal and Child Health Services Block Grant (Enabling Services Women)	93.994	MDHHS		20200066-01	9,571
Maternal and Child Health Services Block Grant (Family Planning)	93.994	MDHHS		20190016-05	6,316
Maternal and Child Health Services Block Grant (Care Coordination)	93.994	MDHHS		20190016-05	15,600
Maternal and Child Health Services Block Grant (Care Coordination)	93.994	MDHHS		20200066-01	5,840
Maternal and Child Health Services Block Grant (Case Management)	93.994	MDHHS		20190016-05	5,443
Maternal and Child Health Services Block Grant (Case Management)	93.994	MDHHS		20200066-01	807
					<u>73,613</u>
Total U.S. Department of Health and Human Services					<u>2,534,172</u>
<u>U.S. Department of Homeland Security:</u>					
Emergency Management Performance	97.042	MDSP		EMC-2019-EP-00004	<u>37,748</u>
2017 State Homeland Security Grant Program (noncash assistance)	97.067	COCM		EMW-2017-SS-00013	<u>625</u>
Total U.S. Department of Homeland Security					<u>38,373</u>
Total Expenditures of Federal Awards					<u>\$ 3,191,481</u>

(concluded)

See notes to schedule of expenditures of federal awards.

GRAND TRAVERSE COUNTY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2019

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

Direct Funding from Federal Agency
Michigan Department of Health and Human Services
Michigan Department of State Police
Michigan State Housing Development Authority
County of Crawford, Michigan

**Pass Through
Agency
Abbreviation**
Direct
MDHHS
MDSP
MSHDA
COCM

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, 2019 governmental funds financial statements \$ 3,191,481

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 -

Expenditures per Schedule of Expenditures of Federal Awards \$ 3,191,481

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, 2019

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	<u> </u> yes	<u> X </u> no
Significant deficiency(ies) identified?	<u> </u> yes	<u> X </u> none reported
Noncompliance material to financial statements noted?	<u> </u> yes	<u> X </u> no

Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	<u> </u> yes	<u> X </u> no
Significant deficiency(ies) identified?	<u> </u> 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	<u> </u> no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.563	Child Support Enforcement

Dollar threshold used to distinguish between Type A and B programs:	<u> \$750,000 </u>
Auditee qualified as low-risk auditee?	<u> </u> yes <u> X </u> no

SECTION II - FINANCIAL STATEMENT FINDINGS

None

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2019-001 - 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. A working capital reserve as a part of retained earnings of up to 60 calendar days cash expenses is considered reasonable. The County Information Technology and Central Services funds exceeds the allowable amounts at December 31, 2019.

Cause: While the appropriate County employees were aware of the applicable compliance requirements and the necessity to lower working capital reserves, there was an insufficient reduction in working capital to ensure compliance with the uniform guidance.

Effect: Noncompliance with the requirements of the Uniform guidance 2 CFR 200.

Recommendation: The County should develop and implement reimbursement rates to maintain working capital reserves below limits consistent with the Uniform Guidance 2 CFR 200.

Management Response: The County is in the process of reviewing the reimbursement rates of its internal service funds to ensure they are appropriate and maintain working capital reserves below limits consistent with the Uniform Guidance 2 CFR 200.

SECTION IV - SUMMARY OF PRIOR AUDIT FINDINGS

2018-001 - CFDA #93.563

This finding was repeated as 2019-001 above