

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**LAPEER COUNTY, MICHIGAN**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**BOARD OF COMMISSIONERS**

**Gary Roy, Chairperson**  
**Dyle Henning, Vice Chairperson**  
**Lenny Schneider**  
**Bryan Zender**  
**Rick Warren**  
**Linda M. Jarvis**  
**Brenden Miller**

**ISSUED BY:**  
**COUNTY ADMINISTRATION OFFICE**

**Quentin Bishop, County Controller/Administrator**  
**Jackie Arnold, Chief Finance Officer**

# LAPEER COUNTY, MICHIGAN

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## *Lapeer County Administration Office*

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July 21, 2022

*To the Board of Commissioners and Citizens of Lapeer County:*

The Annual Comprehensive Financial Report (ACFR) of the County of Lapeer, Michigan (the "County"), for the year ended December 31, 2021 is submitted herewith. The administration of the County is responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. 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 and the County as a whole. The report is prepared for the purpose of disclosing the County's financial condition to our community, elected officials, and other interested parties. A comprehensive framework of internal control to provide a reasonable basis for asserting that the financial statements are fairly presented has been established. Since the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The financial statements have been prepared in compliance with applicable statutes of the State of Michigan and generally accepted accounting principles (GAAP) as stated in the Government Accounting Standards Board's (GASB) Statements and Interpretations. This ACFR is issued pursuant to the requirements of the GASB. Readers of this report will notice a Statement of Net Position and a Statement of Activities are included. These statements present the financial position of the County viewed in their entirety. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to augment the MD&A and should be read in conjunction with it. The MD&A can be found following the report of the independent auditors.

The County's financial statements have been audited by UHY LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the County for the ending fiscal year are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion that the County's financial statements for the year ended December 31, 2021 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County is part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government's internal controls and legal requirements involving the administration of federal awards. These reports are available in the County's separately issued Single Audit Report.

## **PROFILE OF LAPEER COUNTY**

Incorporated in 1835, the County covers an area of approximately 666 square miles. Located 56 miles north of the City of Detroit and 48 miles west of the Canadian border on Interstate 69, the County has exceptional access to transportation systems. Four major state highways, M-21, M-24, M-90, and M-53, intersect the County. Bishop International Airport, located adjacent to I-75, 20 miles to the west in Flint, offers a hub to major commercial and passenger air carriers. The local DuPont Airport serves the private aviation community. Rail passenger service is provided by AMTRAK and freight service by CSX via a major east-west rail line that links Canada and Chicago. The Greater Lapeer Transportation Authority provides bus transportation intra-county. There are eighteen townships, two cities, and six villages within the boundaries of the County.

The proximity of the County to the Detroit Metropolitan Area and job markets in Oakland, Macomb, and Genesee Counties remain principal factors in the local economy, with approximately 50% of the County workforce employed in those areas. A pastoral landscape and planning efforts to direct growth and preserve green space, along with ample hunting and fishing opportunities, are attractive attributes to those considering relocating to the County.

A number of financial institutions are located throughout the County. Branches of Chase, TCF, First Citizen, PNC, Tri-County, Independent, Flagstar, Oxford, Citizens First, Choice One, and six credit unions also offer financial services.

The taxable value of property in FY 2021 was \$3,301,993,009, compared to \$3,178,742,982 in 2020, an increase of approximately 3.88%. During the same period, S.E.V. increased from \$4,273,345,365 to \$4,474,528,072, up approximately 4.71%. The tax levy of 3.6984 in 2021 was rolled back to 3.6654 as a result of the Headlee rollback computations for general County operations. Only five counties in Michigan have a lower operational tax rate than the County.

Considered by the U.S. Census Bureau as part of the Detroit Metropolitan Statistical Area, the County population in 2020 was 88,619, compared to the 2010 Census total of 88,319. The U. S. Census Bureau estimated the 2021 population at 88,513.

The real estate market throughout the County continues to reflect the effects of the economic climate. The median residential selling price in 2021 was \$241,570, an increase from \$214,007 in 2020, based on data from REDFIN.COM.

With over 250 lakes, two County, two State, and a number of local parks, abundant camping, and water sport opportunities are available for the enthusiast. Within an hour drive, Lake Huron provides additional fishing and boating experiences and access to the other Great Lakes. Numerous golf courses add to the extensive recreation options. The County is also home to three sites on the national historical register, including one of the oldest operating Courthouses in the nation. Built in 1846, this significant historical site is an outstanding example of Greek revival architecture and has undergone a complete renovation.

Major professional sports teams, the Detroit Lions, the Detroit Red Wings, Detroit Tigers, and the Detroit Pistons, play their home games within a 60-minute drive. Michigan State University in East Lansing and the University of Michigan in Ann Arbor are less than 75 miles from Lapeer. These Big Ten institutions provide ready access to excellent educational and research facilities and NCAA Division One college athletic events.

Creating a link between government and businesses interested in locating or expanding in the County, the Lapeer Development Corporation (LDC) continues to lead and coordinate economic development. In 2003, the LDC was designated as the County Brownfield Authority by the Board of Commissioners (the "County Board"). With the Brownfield capacity, another tool is available for the local economic development process.

A major economic initiative focused on jobs and investment continues with the I-69 International Trade Corridor, Next Michigan Corporation, which is one of five designations permitted in the State. Next Michigan Corporation is an independently established entity that works to establish a logistics hub around inter-modal access points to create a cooperative partnership involving 35 local communities in St. Clair, Lapeer, Genesee, and Shiawassee Counties located along the I-69 corridor that allows the use of tax incentives to attract new businesses. The partnership includes agencies, authorities, municipalities, and businesses.

McLaren-Lapeer Region (the "Hospital"), an acute care facility, serves the County and is affiliated with McLaren Health Care Corporation. Located in the City of Lapeer, the Hospital has 222 beds with a staff of 350 doctors and more than 500 nurses and provides a full range of advanced diagnostic technology, including an imaging center. McLaren Health Care Corporation has developed a network of care sites throughout the County that provide a range of outpatient services, renovated the emergency room at the hospital, and completed construction of a 16,200 square foot state-of-the-art Great Lakes Cancer Institute in 2008. The Hospital has also been verified as a Level Two Trauma Center, the only facility in the Thumb with that prestigious designation.

In addition to private nursing home facilities throughout the County, the County Medical Care Facility provides 202 beds with a staff of 3 doctors and approximately 350 employees.

The Lapeer County Community Foundation (the "Foundation") continues to perform a vital role in supporting various projects and initiatives in the community. From humble beginnings of a \$20,000 gift to establish the Lapeer County Community Fund with the Community Foundation of Greater Flint, the Foundation became wholly independent in 2005 and has grown to over \$14.2 million in assets spread over 70 managed funds. In that time, the Foundation has granted \$5.4 million back into our County communities. In 2021 alone, the Foundation granted over \$450,000 in grants and scholarships to local non-profit organizations, education and government institutions, and County students. The Foundation celebrated its 25<sup>th</sup> anniversary in 2021. To recognize the impact the Foundation has had in our local communities, the Foundation granted \$25,000 for quality-of-life projects to the nine villages and cities across the County. The Foundation provides expertise and guidance to help donors achieve their charitable goals through gifts, large and small, that will impact the quality of life in the County for future generations.

The Lapeer County Intermediate School District serves five school systems, and a number of private and charter schools provide diverse educational experiences within the County. Chatfield School, chartered by Saginaw Valley State University, completed its nineteenth year of operation in August 2021. Located in the City of Lapeer, Chatfield School has an enrollment of 486 students.

Mott Community College maintains a campus site in the City of Lapeer. Significant improvements have been made to accommodate additional parking at the facility, and Mott Community College continues to modify classroom space and enhance the use of technology.

The Lapeer District Library with eight branches, an automated circulation system, and an online catalog, offers ready access to residents within the County. The Lapeer District Library also operates the Lapeer Information Depot, a website that offers links to many websites in the County and a community calendar that notes a wide range of local activities and events. The Almont area is served by a district library, as is the Imlay City community. Both Dryden and North Branch Townships maintain a local library.

All public safety dispatching within the County is coordinated through one central communication site. The Lapeer County 911 Central Dispatch Center (the "Center") is responsible for dispatching 18 local fire departments, the County Sheriff Department, the Michigan State Police, the Department of Natural Resources, 7 local police departments, and 5 EMS organizations. The Emergency Operations Center, located in the Center, is the hub for communication and coordination in the event of a natural or man-made disaster, providing inter-operative communications for all responding local departments and the State.

The Emergency Operations Center functions as a single point of presence, connecting via fiber-optic lines for various State agencies (DHHS, MSP, LEIN, DOC) and County departments, with one outgoing fiber-optic line to Lansing. This collaborative arrangement is cost effective for all participating agencies.

## **ORGANIZATION STRUCTURE**

The County is organized under various public acts of the State and is governed by the seven-member County Board. The County operates under the Controller/Administrator form of government. Each Commissioner is elected on a partisan basis for a term of two years from districts that are approximately equal in population. The County Board annually elects a member to serve as Chairperson and a member to serve as Vice Chairperson. Primary functions of the County Board include determination of the type and level of County service, adoption of the County Budget, equalization of County property values, legislative oversight of County services, and the appointment of various boards, commissions, and certain County officials.

The Judicial System within the County operates under the direction of the State Supreme Court. The District Judge serves a six-year term and is elected at large. One Judge is elected at large for a six-year term in the Probate Court. Two Judges are elected at large for six-year terms in the 40th Judicial Circuit Court. The Supreme Court selects a Judge to serve as the Chief Judge of the Courts. The office of the Friend of the Court is a statutorily created agency of the Circuit Court. The office is headed by a Friend of the Court appointed by the Chief Judge.

Administration of the County is divided by the Michigan Constitution among various statutory County officials, including the County Treasurer, County Clerk, Register of Deeds, Prosecuting Attorney, Drain Commissioner, Sheriff, and Surveyor, who are elected at large for four-year terms. The County Treasurer is the custodian of funds for the County and performs other duties concerned with the fiscal affairs of County departments and agencies. The duties of County Clerk include keeping and maintaining records of births, deaths, marriages, and discharges of military personnel and serving as Clerk to the County Board and the Circuit Court. The duties of the Register of Deeds include the recording of deeds, mortgages, surveys, plats, notices of liens, and bills of sales.



The Prosecuting Attorney prosecutes violations of State criminal law within the County. The County Drain Commissioner administers the location, construction, and the maintenance of drains in the County. The Sheriff's duties involve the charge and custody of the County Jail, the serving of process, and law enforcement in unincorporated areas. The County Surveyor is responsible for a multi-year County remonumentation project and for the public land survey records in the County.

The County Board appoints several County officers, including the Administrator/Controller, the Health Officer, the Medical Examiner, the E-911 Director, the Equalization Director, and the Emergency Management Coordinator. The responsibility of these officials is defined by State statute and/or policy of the County Board.

The County Board also appoints various boards and commissions to oversee specific County services and to advise the County Board. Appointments to specific County functions include the Department of Human Services Board, the Veterans Affairs Board, the 911 Authority, the Historical Courthouse Committee, the Community Mental Health Board, the Community Corrections Board, and the Local Emergency Planning Committee.

## **FINANCIAL PRACTICES**

### **Factors Affecting Financial Condition**

Focused budget management efforts over the past ten years have enabled the County to contend with the impact of dramatic revenue reductions that occurred during the "great recession" without significant limitations in services. With the improving Michigan economic environment, the contraction of the property tax base has seen a moderate change, and State Revenue Sharing payments reached \$1,758,221 in FY 2021, increasing from \$1,338,710 in FY 2020, still less than the peak of \$1,774,671 received in 2001. As one of the major General Fund revenue sources, these changes have enforced stringent stewardship of the budget process.

The County continues to comply with the requirements of the State in order to receive full revenue sharing payments. With the adoption of the "County Incentive Program" (CIP), the County, pursuant to PA 200 of 2012, submits the required compliance document to the Michigan Department of Treasury and posts the documents as required on the County's publicly accessible website.

Growth in the tax base through 2008 had historically produced an incremental annual increase in property tax revenue. While not offsetting other lost or reduced revenue, the expansion of taxable value, even with the required rollback in the tax rate, had provided some restrained capacity to meet the growing demands on the General Fund budget. As originally noted in the 2008 ACFR, trends indicating that this growth had leveled along with the slowing of the State economy and in fact may be declining, were evident. The data from 2012 confirmed the continued reduction in the property tax base and, consequently, tax revenue. Significantly though, 2013 saw a slight modification in the downward trend, and for the first time since 2008, property tax revenues were slightly higher than the prior year. In 2020, \$11,725,563 was received in property taxes in the General Fund and, in FY 2021, \$12,073,146 was posted. As a point of reference, the County recorded \$11,016,896 in property tax revenue in 2008.

Local Tax Increment Finance Authorities (TIFA's) and Downtown Development Authorities (DDA's) created by local units of government continue to capture revenues that otherwise would be available for use in the General Fund. The revenue produced for the General Fund by multiplying the taxable value of property by the adopted tax rate was reduced by approximately \$648,918 that was "captured" by local government TIFA's and DDA's in 2021.

While progress is being made in the overall stability of the State budget, the State continues to face cyclical and structural budget problems that create a perplexing dilemma at the County level of government. The uncertainty of State funding for court equity, diverted felon, community corrections, revenue sharing, public health programs, and other functions supported by restricted revenue presents both planning and operational questions. In addition, substantial year-end receivables for State revenue grant programs also compounds County cash flow forecasting.

As the year concluded, a number of emerging initiatives from the State level present another level of fiscal concern. Discussions and proposals regarding County level programs, equalization, the Medical Examiner, and raising the age of juvenile offenders portend to have significant fiscal impact on the General Fund budget without State fiscal support.

Additional new expenses are also anticipated as the need to enhance cyber security to meet developing audit requirements to comply as both Federal and State guidelines and/or regulations are established.

### **Long-term Financial Planning/Budgeting**

The County has, as a matter of practice and policy, focused on a long-term financial planning perspective. In 2003, the County Board adopted a multi-year fiscal plan and established a biennial budget process. Under the provisions of the Uniform Budget Act for Local Government (PA 621 of 1978), the General Appropriations Act serves as the foundation for financial planning and control. The two-year budget and the multi-year fiscal plan provide bases to anticipate current fiscal challenges and take timely and appropriate action to respond to major budgetary fluctuations.

Recent and ongoing economic events at the local, State, and national levels have intensified the value of a multi-year financial planning and budgeting process. As a result of continued financial uncertainty, County Administration and the County Board have expanded the scope of the planning process to address rapidly changing fiscal circumstances and requisite budgetary and expenditure adjustments, both cyclical and structural.

The County has also adopted a position control system and adheres to the practice of budgeting for full employment. Consequently, salary and fringe benefits appropriations are tied to specific authorized positions, not to the individual factors and variances that occur with employees in the respective positions. This practice adds substantial stability to budget and personnel management.

Grant management continues to receive additional attention by analyzing long-term budget effects occurring through the potential transfer of expenses to the General Fund when a grant expires. A historical review of grant-based initiatives underscores the program and activities cost that has subsequently become a reoccurring expense in the General Fund. Consequently, grant proposals are reviewed to ensure that any long-time reoccurring cost are identified prior to any authorization to submit and any match or continuation expenses are fully identified before approval.

### **Capital Improvement/Acquisitions**

A key element in overall fiscal planning has been the strong support of the County Board in maintaining facilities and equipment. Through the adoption of a capital planning and budgeting process, the County has taken affirmative steps to maintain buildings, parking lots, and the fleet. Capital budgeting has, in addition, provided the means to address technology needs and to replace aging equipment on a schedule.

The multi-year technology plan approved by the County Board continued into 2021. This plan remains as a footprint for the development of a cost-effective informational technology platform that gives each department the capacity to meet internal needs, yet ensures that hardware and software are acquired to integrate into the County-wide system. A single point of access, at substantial cost benefit, provides connectivity to the internet for all departments.

### **Cooperative Purchasing**

Considerable cost benefit has been achieved from the participation in cooperative/group purchasing programs. Fleet replacement vehicles have been acquired from the State and/or the Oakland County programs at discounted prices. Office supplies are obtained through contract pricing with the State and various service programs.

### **Privatization**

A continued element in the fiscal planning process has been the opportunity to privatize certain services when warranted. Food services for senior citizens (home delivered and congregate meals) and for jail inmates remain contracted with a private vendor. Custodial and snow removal, vehicle repair, and technology services remain under contract. Periodic review of contractual cost compared to the expense of in-house services provides a benchmark in the decision of which fiscal model presents the most cost-effective manner of service delivery.

### **Shared Services**

As the County faces continuing budgetary pressures, opportunities to partner with other units of government are considered when circumstances allow. While highly non-traditional, the County continues an agreement with St Clair County to share the duties of their Equalization Director. This arrangement has resulted in cost containment and will be monitored during the life of the agreement to determine cost benefit and measure the delivery of service.

The County Parks Department, in collaboration with Lapeer County Community Mental Health (CMH) and Team Work, Inc. (a local private non-profit agency), provides job training for CMH clients. The clients work maintenance and concessions at the two County waterparks. This provides real world experience and allows the County Parks Department to fully operate at a reduced cost.

The City of Lapeer and the County continued snow plowing projects around the downtown court complex area with City staff and equipment extending their plowing to include County sidewalks. With reduced grounds personnel, this cost-effective accommodation allowed County staff to concentrate on other County facilities.

### **Bond Rating**

The County is cognizant of the value of bond ratings for the present and future development of infrastructure throughout the County. Standard and Poor's reaffirmed the AA+ stable rating for the County's existing GO debt. While the County has a low debt load, a prominent focus of fiscal planning is the attainment of bond ratings that support low interest rates when the need to acquire capital occurs. Not only the County benefits from a favorable rate, but also local units that borrow with the pledge of full faith and credit of the County. The retention of an extremely low debt load remains a significant factor in the rating. Without a focused financial planning perspective, the cost to the citizens of the County to construct and/or improve public facilities and infrastructure may be significantly higher for any future debt issues.

## **Budgeting Controls**

The County maintains budgetary internal controls with the objective of ensuring compliance with legal provisions embodied in the annual appropriated budget approved by the County Board. Activities of the General Fund and special revenue funds are included in the annual budget. The approved budgets of the County are adopted for the General Fund at the activity level and the special revenue funds at the function level. These are the legally enacted levels under the State Uniform Budgeting and Accounting Act. However, budgets are maintained throughout the year at the account level to provide additional control in preventing over-expenditures at levels adopted for reporting to the State. Budgetary transfers are permitted in accordance with County Board adopted budget policies. In the present economic environment, frequent fiscal review and planning sessions occur throughout the year with the County Board.

## **MAJOR INITIATIVES**

The implementation of the Information Systems Plan to upgrade technology throughout all departments continued into 2021. The integration of systems, additional security applications, and backup capacity have added efficiencies to our communication capacities. The collaborative effort with the Lapeer County Intermediate School District for internet service and fiber-optic lines remains a cost-effective and productive relationship. An expanded and enhanced capacity for digital record retention has been given increased importance as the system evolves.

Recognizing that energy costs are a significant element of the operational budgets, the County Grounds and Maintenance Department continued to install energy-saving equipment in respective County facilities. Department staff remained involved in the analysis and implementation of programs to reduce or contain expenses with all utilities. A continued review of energy containment methods for all County facilities remains in effect.

The County remains a member of the I-69 International Trade Corridor Next Michigan Development Corporation. This initiative, in cooperation with the State, was created to benefit from the commercial link I-69 provides from Canada to the Mid-West and provides the manufacturing/industrial community access to additional tools to begin or enhance operations.

## **AWARDS AND ACKNOWLEDGMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its ACFR for the fiscal year ended December 31, 2020. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports. The County has been a recipient of the award each year since 1997.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report whose contents conform to program standards. The reports must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. We believe our current report conforms to Certificate of Achievement Program requirements and are submitting it to the GFOA to determine eligibility for recognition for FY 2021.

**Acknowledgments:** The preparation of this report could not have been accomplished without the participation of the County departments and the various elected and appointed officials. Our appreciation is extended to all who assisted in the creation of this document. We would also like to thank the County Board for their commitment and support in the planning and management of the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in cursive script that reads "Quentin Bishop".

Quentin L. Bishop  
County Controller/Administrator



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**County of Lapeer  
Michigan**

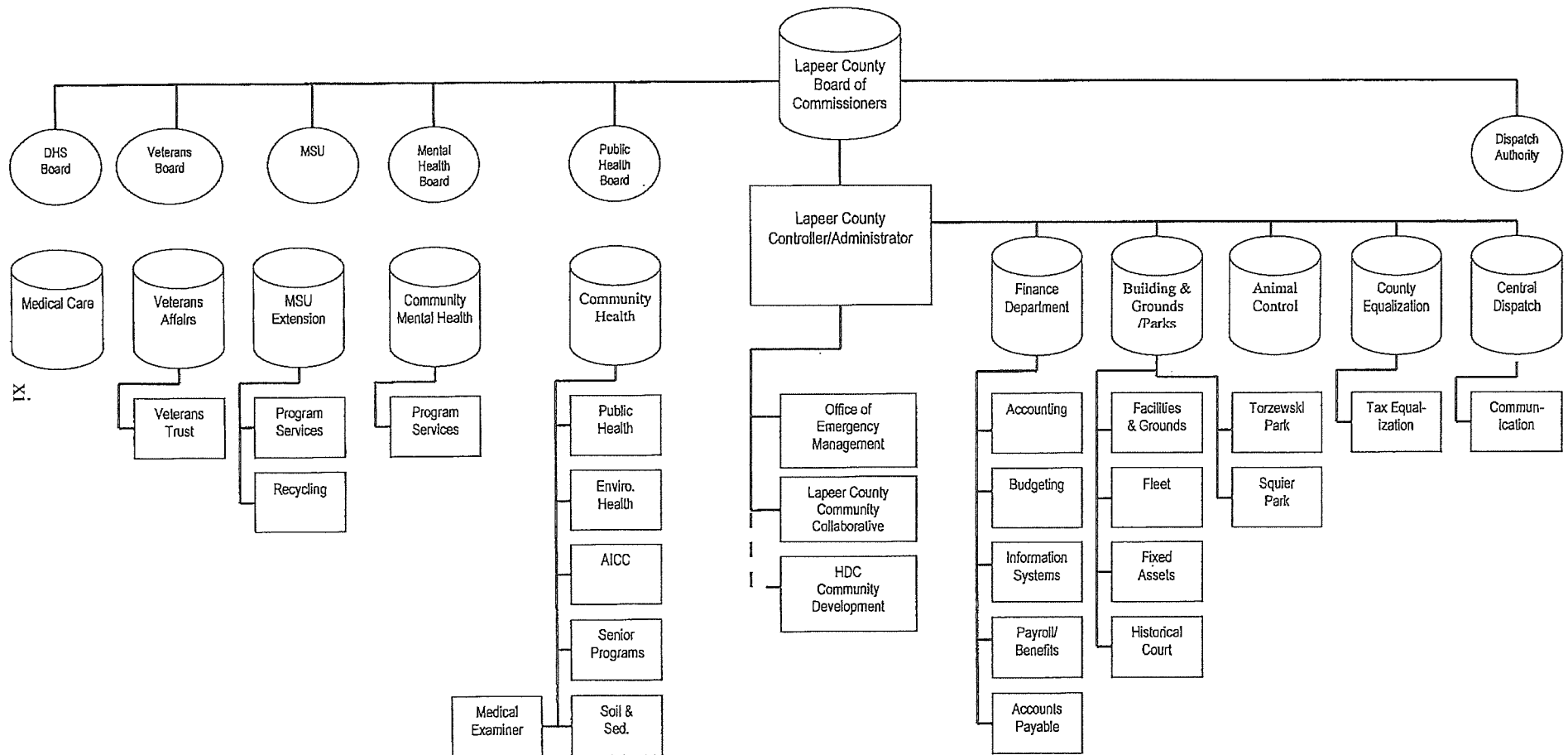
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2021

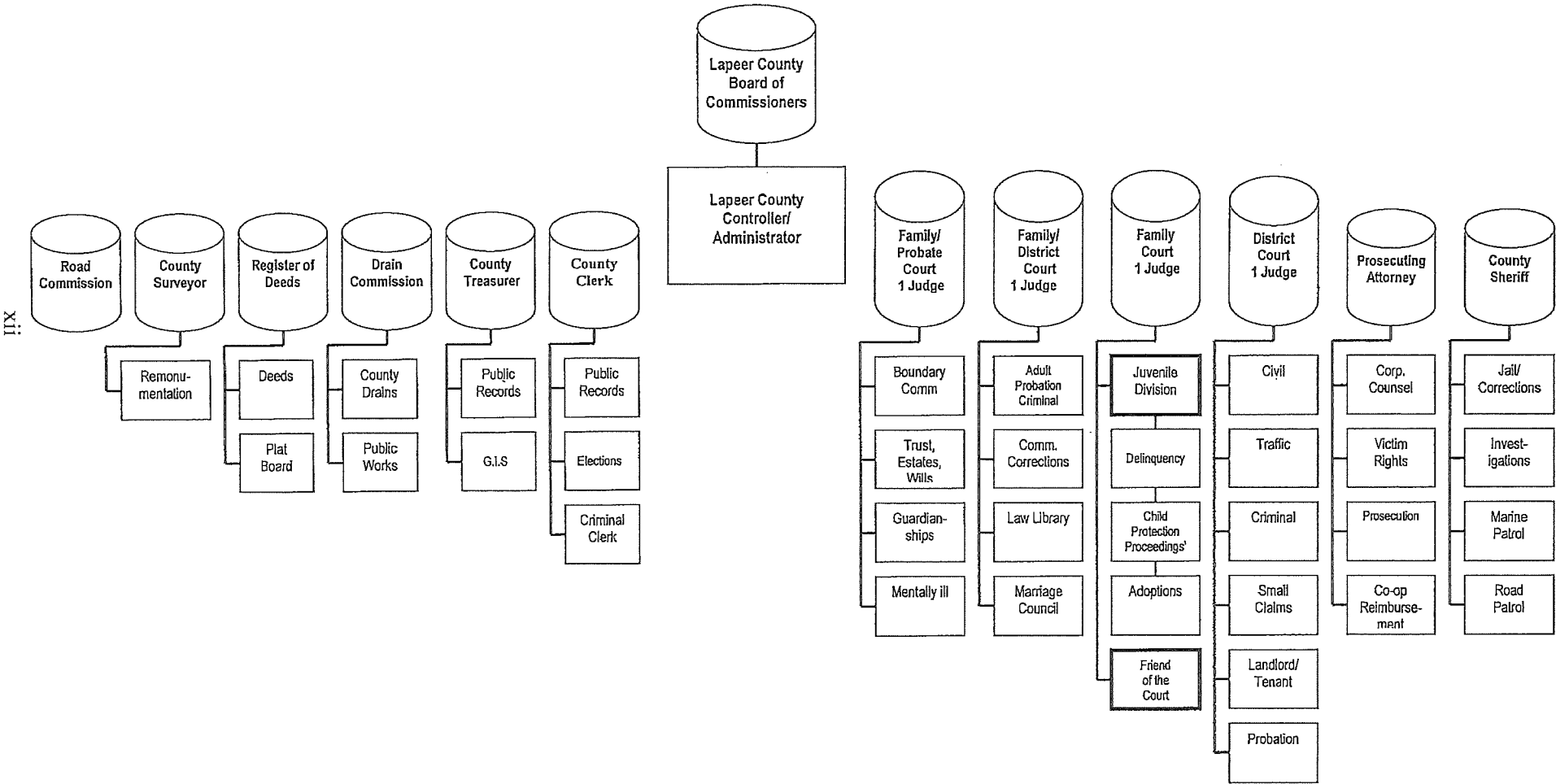
*Christopher P. Morill*

Executive Director/CEO

## LAPEER COUNTY APPOINTED ORGANIZATIONAL CHART



# LAPEER COUNTY ELECTORATE ORGANIZATIONAL CHART





## **LAPEER COUNTY, MICHIGAN**

### **BOARD OF COMMISSIONERS**

#### **Chairperson**

Gary Roy

#### **Vice Chairperson**

Lenny Schneider

#### **Members**

Dyle Henning  
Rick Warren

Linda M. Jarvis

Brenden Miller  
Bryan Zender

### **COURT JUDGES**

Nick O. Holowka  
Family Court

Justus Scott  
Family Court

Michael Hodges  
Family/District Court

Laura Chegar Barnard  
District Court

### **COUNTY ELECTED OFFICIALS**

Dana M. Miller  
Treasurer

Scott McKenna  
Sheriff

Joseph Suma  
Drain Commissioner

Theresa Spencer  
Clerk

John Miller  
Prosecuting Attorney

Richard A. Duthler  
Surveyor

Lori Gebhardt  
Register of Deeds

### **COUNTY APPOINTED**

Quentin Bishop  
Controller/Administrator

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Commissioners  
of Lapeer County  
Lapeer, Michigan

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

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lapeer County, Michigan (the "County"), as of and for the year ended December 31, 2021 and the related notes to the financial statements which collectively comprise the County's basic financial statements, as listed in the table of contents.

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 Lapeer County, Michigan, as of December 31, 2021 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

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

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

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

## ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The General Fund schedules; individual and combining statements and schedules for the nonmajor governmental funds, Delinquent Tax proprietary fund schedules, internal service fund combining statements, and fiduciary fund combining statements; capital assets used in the operation of governmental funds schedules; and discretely presented component unit individual and combining fund statements and reconciliations, as listed in the table of contents, are presented for purposes of additional analysis and are not required parts of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements; 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 supplementary information, as identified above, is fairly stated, in all respects, in relation to the basic financial statements as a whole.

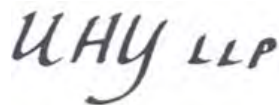
### ***Other Information Included in the Report***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated July 21, 2022 on our consideration of Lapeer County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lapeer County's internal control over financial reporting and compliance.



Port Huron, Michigan  
July 21, 2022

# MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the County of Lapeer, Michigan (the "County") we offer readers of our financial statements this narrative and analysis of the financial activities for the fiscal year ended December 31, 2021. This analysis should be read in conjunction with the letter of transmittal, beginning on page i of this report, and with the basic financial statements and related notes that follow this section.

## FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources by \$76,905,992 (net position) at December 31, 2021. Of this amount, \$25,954,255 represents unrestricted net position, which may be used to meet the County's ongoing obligations to citizens and creditors. Also included is \$15,010,696 of restricted net position restricted for specific purposes (specific millage funds, E-911, etc.) and \$35,941,041 representing investment in capital assets.
- Capital assets of the primary government (carrying value net of accumulated depreciation) decreased by \$1,850,254 from the previous year due to depreciation exceeding capital additions. Non-current liabilities of the primary government decreased by \$4,244,675, due primarily to current-year activity associated with the County's net pension liability and forgiveness of the Paycheck Protection Program (PPP) Loan at the Medical Care Facility.
- At December 31, 2021, the County's governmental funds reported a combined ending fund balance of \$21,175,778, an increase of \$671,311 compared to the prior year. Approximately 19% of this amount, \$3,991,337 is available for spending at the government's discretion (unassigned fund balance).

## 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 are made up of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information intended to furnish additional detail to support 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, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between them 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 government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying events giving rise to the changes occur, 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 taxes and earned but unused vacation).

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 cost 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, and recreation and culture. The business-type activities of the County include Medical Care Facility, Delinquent Tax, and Telecommunications functions.

The government-wide financial statements include not only the County itself (known as the primary government), but also the legally separate component units consisting of the Road Commission, Board of Public Works, Drainage Districts, and Land Bank Authority for which the County is financially accountable. Financial information for these components is reported separately from the financial information presented for the primary government itself.

**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. Governmental funds are reported using the modified accrual method of accounting where, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources available to meet expenses, as well as on balances of those resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Governmental funds include the General Fund, the Special Revenue funds, the Debt Service fund, and the Capital Projects funds.

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 government's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in the fund balances provide a reconciliation to facilitate this comparison between governmental fund financial statements and government-wide financial statements.

The County maintains 39 individual governmental funds. Information is presented separately in the governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balance for the General Fund, Community Mental Health, E-911, and American Rescue Plan, all of which are considered major funds. Schedules for the combining General Fund - non-GAAP budgetary to GAAP basis presentation and data for the other governmental funds that are combined into a single, aggregated column on the basic financial statements are provided as supplemental information. Individual fund data of the budgetary basis of the Local Reserve, Budget Stabilization, Emergency Disaster, and Rental Property Funds (GASB Statement No. 54 components of the General Fund) are provided elsewhere in this report.

As required by State law, the County adopts an annual budget for its General Fund and Special Revenue funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with these budgets.

**Proprietary Funds:** Proprietary funds use the accrual basis of accounting, which is the same type used by private business. The County maintains two different types of 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 activities of the Medical Care Facility, Delinquent Tax, and Telecommunications (Tele-Comm) Funds.

Internal Service funds are an accounting device used by governments to accumulate and allocate cost internally among the County's various functions. The County uses internal service funds to account for its various employee benefit and risk management programs as well as two equipment acquisition pools. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds are required to present a statement of cash flows, which is not required for the government-wide presentation. The proprietary fund financial statements provide separate information for all three of the County's proprietary funds, of which the Medical Care Facility and Delinquent Tax Funds are considered major funds. The County's Internal Service funds in combination are presented in the proprietary fund financial statements in the Governmental Activities - Internal Service Fund column.

**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 statements because the resources of those funds are not available to support the County's own programs. The largest of the fiduciary funds is the General Agency Fund. The accounting used for the 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 on budgetary comparisons for two major governmental funds and certain pension system schedules.

The combining statements referred to earlier in connection with the combining non-GAAP budgetary basis General Fund schedules, non-major governmental, internal service and fiduciary funds are presented immediately following the required supplementary information.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$76,905,992 at December 31, 2021.

Approximately 34% or \$25,954,255 of the County's net position is unrestricted and available for future obligations. Approximately 19% or \$15,010,696 of the County's net position is restricted for specific purposes by external parties, constitutional provisions, or enabling legislation. Approximately 47% or \$35,941,041 of net position represents our investment in capital assets (e.g., land, buildings, machinery, and equipment.). The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The following analysis focuses on the net position of the County's governmental and business-type activities.

## Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets -						
Current and Other Assets	\$ 45,374,472	\$ 36,141,014	\$ 34,009,023	\$ 26,882,944	\$ 79,383,495	\$ 63,023,958
Capital Assets, net	<u>18,937,040</u>	<u>20,091,198</u>	<u>17,004,001</u>	<u>17,700,097</u>	<u>35,941,041</u>	<u>37,791,295</u>
Total Assets	<u>64,311,512</u>	<u>56,232,212</u>	<u>51,013,024</u>	<u>44,583,041</u>	<u>115,324,536</u>	<u>100,815,253</u>
Deferred Outflows of Resources	<u>4,401,054</u>	<u>3,065,101</u>	<u>2,827,775</u>	<u>1,324,040</u>	<u>7,228,829</u>	<u>4,389,141</u>
Liabilities -						
Non-current Liabilities	4,089,099	5,591,122	10,932,799	13,675,451	15,021,898	19,266,573
Other Liabilities	<u>15,921,323</u>	<u>8,360,929</u>	<u>2,668,080</u>	<u>2,414,804</u>	<u>18,589,403</u>	<u>10,775,733</u>
Total Liabilities	<u>20,010,422</u>	<u>13,952,051</u>	<u>13,600,879</u>	<u>16,090,255</u>	<u>33,611,301</u>	<u>30,042,306</u>
Deferred Inflows of Resources	<u>9,107,591</u>	<u>5,705,865</u>	<u>2,928,481</u>	<u>1,769,064</u>	<u>12,036,072</u>	<u>7,474,929</u>
Net Position -						
Net investment in capital assets	18,937,040	20,091,198	17,004,001	17,700,097	35,941,041	37,791,295
Restricted	11,229,704	10,857,502	3,780,992	3,564,137	15,010,696	14,421,639
Unrestricted	<u>9,427,809</u>	<u>8,690,697</u>	<u>16,526,446</u>	<u>6,783,528</u>	<u>25,954,255</u>	<u>15,474,225</u>
Total Net Position	<u>\$ 39,594,553</u>	<u>\$ 39,639,397</u>	<u>\$ 37,311,439</u>	<u>\$ 28,047,762</u>	<u>\$ 76,905,992</u>	<u>\$ 67,687,159</u>

At the end of the fiscal year, the County was able to report positive balances in all three categories of net position for the government as a whole. The same situation held true for the prior fiscal year.

The County's net position increased from \$67,687,159 to \$76,905,992 for a net change of governmental and business-type activities of \$9,218,833 from the prior year primarily due to the forgiveness of the PPP \$3,397,606 and recognition of the Employee Retention Credit revenue of \$5,982,095 for the Medical Care Facility business-type activity.

## Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation:

**Net Results of Activities** - which will impact (increase/decrease) current assets and unrestricted net position.

**Borrowing for Capital** - which will increase current assets and long-term debt.

**Spending Borrowed Proceeds on New Capital** - which will reduce current assets and increase capital assets. There is a second impact, an increase in net investment in capital assets and an increase in related debt which will not change the net investment in capital assets category.

**Spending of Non-borrowed Current Assets on New Capital** - which will (a) reduce current assets and increase capital assets and (b) will reduce restricted net position and increase net investment in capital assets.

**Principal Payment on Debt** - which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase net investment in capital assets.

**Reduction of Capital Assets through Depreciation** - which will reduce capital assets and net investment in capital assets.



The following condensed financial information was derived from the Government-wide Statement of Activities and reflects how the County's net position changed during 2021 and 2020.

### Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
<b>Revenue:</b>						
Program Revenue -						
Charges for services	\$ 12,805,358	\$ 11,810,651	\$ 24,511,405	\$ 29,100,248	\$ 37,316,763	\$ 40,910,899
Operating grants and contributions	29,167,123	28,569,011	-	-	29,167,123	28,569,011
Capital grants and contributions	700,380	-	-	-	700,380	-
General Revenue -						
Property taxes	13,104,450	14,735,672	1,092,182	1,133,886	14,196,632	15,869,558
Grants and contributions not restricted to specific programs	1,758,221	1,338,710	11,890,793	2,404,795	13,649,014	3,743,505
Other	69,888	180,181	8,728	75,828	78,616	256,009
<b>Total Revenue</b>	<u>57,605,420</u>	<u>56,634,225</u>	<u>37,503,108</u>	<u>32,714,757</u>	<u>95,108,528</u>	<u>89,348,982</u>
<b>Expenses:</b>						
Legislative	353,813	340,525	-	-	353,813	340,525
Judicial	5,325,503	5,258,417	-	-	5,325,503	5,258,417
General government	7,138,394	6,306,583	-	-	7,138,394	6,306,583
Public safety	13,683,609	10,724,283	-	-	13,683,609	10,724,283
Public works	844,194	1,670,934	-	-	844,194	1,670,934
Health and welfare	29,852,869	29,601,242	-	-	29,852,869	29,601,242
Recreation and culture	451,882	277,906	-	-	451,882	277,906
Medical Care Facility	-	-	28,006,714	30,540,895	28,006,714	30,540,895
Delinquent tax	-	-	232,717	314,936	232,717	314,936
<b>Total Expenses</b>	<u>57,650,264</u>	<u>54,179,890</u>	<u>28,239,431</u>	<u>30,855,831</u>	<u>85,889,695</u>	<u>85,035,721</u>
Change in net position before transfers	( 44,844)	2,454,335	9,263,677	1,858,926	9,218,833	4,313,261
Transfers	-	263,000	-	( 263,000)	-	-
Change in net position	( 44,844)	2,717,335	9,263,677	1,595,926	9,218,833	4,313,261
Net position at beginning of year	<u>39,639,397</u>	<u>36,922,062</u>	<u>28,047,762</u>	<u>26,451,836</u>	<u>67,687,159</u>	<u>63,373,898</u>
Net position at end of year	<u>\$ 39,594,553</u>	<u>\$ 39,639,397</u>	<u>\$ 37,311,439</u>	<u>\$ 28,047,762</u>	<u>\$ 76,905,992</u>	<u>\$ 67,687,159</u>

## Normal Impacts

There are eight basic (normal) impacts on revenues and expenses as reflected below.

### Revenues:

**Economic Condition** - which can reflect a declining, stable or growing economic environment and has a substantial impact on property taxes, charges for services, shared revenue or other tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption.

**Increase/Decrease in Board Approved Rates** - while certain tax rates are set by statute, the County Commissioners have significant authority to impose and periodically increase/decrease rates.

**Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring)** - certain recurring revenues (state revenue sharing, block grants, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year to year comparisons.

**Market Impacts on Investment Income** - the County's investment portfolio is managed using a shorter average maturity than most governments and the market condition may cause investment income to fluctuate more than alternative long-term options.

### Expenses:

**Introduction of New Programs** - within the functional expenses categories (Public Safety, Public Works, Parks and Recreation, etc.), individual programs may be added or discontinued to meet changing community needs.

**Increase/Decrease in Authorized Personnel** - changes in service demand may cause the County Commissioners to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent a significant percentage of the County's operating cost.

**Salary Increases (cost of living, merit, and market adjustment)** - the ability to attract and retain human and intellectual resources requires the County to strive to approach a competitive salary range position in the marketplace.

**Inflation** - while overall inflation appears to be reasonably modest, the County is a major consumer of certain commodities such as chemicals and supplies, fuels and parts. Some functions may experience unusual commodity-specific increases.

### **Governmental Activities:**

The largest revenue source for governmental activities is the allocated operating property tax. The General Fund property tax rate was 3.6654 mills in 2021 as a result of the Headlee Amendment and the application of the base tax rate reduction fraction.

Although the taxable value of the property assessments increased from \$3,178,742,982 in 2020 to \$3,301,993,009 in 2021, the County does not retain the entire property tax that is collected from this base. Tax Increment Finance Authorities (TIFA) and Downtown Development Authorities (DDA) established by local units of government "captured" approximately \$647,000 of property tax revenue that otherwise would have been available for use in the General Fund. It is important to note the existing TIFA's and DDA's continue to "capture" each year an increasing percentage of the total property tax, thereby limiting the capacity of the County to otherwise apply the revenue to mandated and essential activities.

State Revenue Sharing, the second largest single source of general revenue, was \$1,758,221 and \$1,338,710 in 2021 and 2020, respectively.

In total, fiscal year 2021 governmental activities revenue increased by \$971,195 or approximately 2% over the prior year. None of the changes to revenue source categories were considered significant. Expenses for the governmental activities increased by \$3,470,374 or approximately 6% over the prior year. The increase was primarily related to increased expenditures related to public safety.

### **Business-type Activities:**

In total, fiscal year 2021 business-type activities revenue increased by \$4,788,351 over the prior year, mainly due to PPP Loan forgiveness in the Medical Care Facility Fund. Expenses for the business-type activities decreased by \$2,616,400 or approximately 8% over the prior year. The decrease was primarily related to changes in the County's net pension liability in the Medical Care Facility.

## **Financial Analysis of the County's Major 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 government's net resources available for spending at the end of the fiscal year.

At December 31, 2021, the County's governmental funds reported combined ending fund balances of \$21,175,778 an increase of \$671,311 in comparison to the prior year. Nonspendable fund balance is \$533,099, consisting of advances, prepaids, and deposits. Restricted fund balance is \$10,699,258. Committed fund balance is \$5,452,084. Assigned fund balance is \$500,000 and unassigned fund balance is \$3,991,337.

The General Fund is the primary operating fund of the County. At December 31, 2021, the General Fund reported an ending fund balance of \$9,146,464 with \$3,991,337 of that amount unassigned. As a measure of the General Fund's liquidity, the unassigned fund balance represents approximately 19% of the total General Fund expenditures and transfers out, while total fund balance represents 44% of total General Fund expenditures and transfers out.

During the fiscal year 2021, there were no significant budget amendments approved for the General Fund.

The 2021 amended budget of the General Fund had projected revenues of \$20,354,391 and transfers in of \$2,000,000, with expenditures of \$20,134,322 and transfers out of \$2,720,070. The final budget anticipated expenditures and other financing uses over revenues and other financing sources of \$500,000.

The second major governmental fund is the Community Mental Health. At year-end, Community Mental Health reported a fund balance of \$2,359,547. Fund balance increased by \$29,553 from the prior year.

The third major governmental fund is the E-911. At December 31, 2021, the E-911 reported a fund balance of \$981,239. Fund balance increased by \$252,862 over the prior fiscal year. The increase was due to increases in surcharges.

The fourth major fund is the American Rescue Plan. This is a new fund in fiscal year 2021, used to account for activities funded by the American Rescue Plan Act of 2021 (ARPA). Revenue is recognized as expenses are incurred. At December 31, 2021, the American Rescue Plan reported a fund balance of \$0.

**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 had two major proprietary funds at December 31, 2021.

The Medical Care Facility reported a net position increase from \$10,046,095 to \$18,302,399 or approximately 82%. This increase was primarily due to funding attributed to PPP Loan forgiveness and the Employee Retention Credit. The Delinquent Tax Fund reported an increase in net position from \$17,972,467 to \$18,959,040 or approximately 5%.

### **Capital Assets and Debt Administration**

**Capital Assets:** The County's investment in capital assets for its governmental and business-type activities as of December 31, 2021 amounted to \$35,941,041. The balance is \$1,850,254 less than the balance at December 31, 2020 due to depreciation expense exceeding capital additions in 2021. This investment in capital assets includes land, land improvements, building and building improvements, machinery and equipment, and vehicles. During the year, the County added \$1,243,681 in its governmental activities mainly related to Community Mental Health building improvements, new roofs for building structures in General Squier and Torzewski Parks, County complex building improvements, new boilers at the historic courthouse and health department buildings, playground equipment, and several new vehicles, lawn mowers, and trailers. The County added \$320,143 in the business-type activities related to additions at the Medical Care Facility.

See Note 5 to the financial statements for additional information regarding capital assets.

**Long-term Liabilities:** At December 31, 2021, the County's long-term liabilities consisted of accrued self-insurance claims and compensated absences at December 31, 2021 of \$1,651,477, decreasing from the 2020 balance of \$5,224,368. At December 31, 2020, the County had a Paycheck Protection Program Loan of \$3,397,606 at the Medical Care Facility. The loan was fully forgiven, as authorized by the CARES Act on August 16, 2021. See Note 9 to the financial statements for additional information regarding long-term liabilities.

### **Economic Outlook**

The County has concerns regarding the possible impact on the General Fund resulting from potential unfunded or underfunded State mandates as a result of the COVID-19 pandemic and compounding compliance requirements related to funds received through the American Rescue Plan Act.

In addition to any inflationary effects on the overall budget, the need for increased spending on cyber security is inevitable. With specific requirements relating to mandatory expenses, the budget does not allow for increased spending in other areas. Consequently, pressure remains for constant review and modification of the budget when warranted. Ten-year forecasting, even with evident limitations and efficient use of reserves, may help to minimize the effects of the next economic downturn. Additionally, with the exception of American Rescue Plan funds, certain projects may be funded, whereby budget impact can be minimized.

The County continues to use multi-year budgeting in an attempt to create a structure, in addition to other tools, that gives policy makers time to address issues from a longer-term perspective. With the emergence of new conditions, this process provides time to deliberate, as opposed to perceptive action.

Conversely, the County's concerns with revenue sharing could be offset with the determination of eligible uses of American Rescue Plan funds, which are finite yet approved for usage through 2026. Broadly identified categories for spending, all with limitations, are, but not limited to: infrastructure, addressing negative economic impacts, and supporting public health and safety response.

### **Request for Information**

This financial report is designed to provide a general overview of the County's finances for our citizens, taxpayers, customers, investors, and creditors and to demonstrate the County's accountability for the taxpayer money we receive. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Office of Controller/Administrator, 255 Clay Street, Lapeer, Michigan 48446, or contact us at (810) 667-0366.

## **BASIC FINANCIAL STATEMENTS**

# LAPEER COUNTY, MICHIGAN

## STATEMENT OF NET POSITION DECEMBER 31, 2021

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets:</b>				
Cash and cash equivalents	\$ 31,755,351	\$ 17,923,378	\$ 49,678,729	\$ 9,141,201
Investments	10,118,976	17	10,118,993	1,277,185
Receivables (net of allowance)	6,004,377	12,576,625	18,581,002	12,431,205
Prepays	163,371	24,645	188,016	174,712
Internal balances	( 3,414,820)	3,414,820	-	-
Inventory	-	-	-	1,244,898
Advance to component units	90,000	-	90,000	-
Other assets	508,489	-	508,489	-
Restricted assets -				
Cash and cash equivalents	148,728	69,538	218,266	16,890
Contracts receivable	-	-	-	1,197,562
Capital assets (net of accumulated depreciation) -				
Assets not being depreciated	1,153,020	-	1,153,020	38,813,113
Assets being depreciated	17,784,020	17,004,001	34,788,021	81,889,855
Total Assets	<u>64,311,512</u>	<u>51,013,024</u>	<u>115,324,536</u>	<u>146,186,621</u>
<b>Deferred Outflows of Resources:</b>				
Related to OPEB plan	-	-	-	864,529
Related to pensions	4,401,054	2,827,775	7,228,829	2,123,942
Total Deferred Outflows of Resources	<u>4,401,054</u>	<u>2,827,775</u>	<u>7,228,829</u>	<u>2,988,471</u>
<b>Liabilities:</b>				
Payables and accrued liabilities	7,176,885	2,598,542	9,775,427	3,305,508
Advances and deposits	-	-	-	866,979
Advances from primary government	-	-	-	90,000
Unearned revenue	8,744,438	-	8,744,438	-
Liabilities payable from restricted assets	-	69,538	69,538	16,890
Non-current liabilities -				
Due within one year	769,016	489,795	1,258,811	1,136,668
Due in more than one year -				
Other liabilities	392,666	-	392,666	8,050,776
Net pension liability	2,927,417	10,443,004	13,370,421	3,990,704
Net OPEB liability	-	-	-	5,446,127
Total Liabilities	<u>20,010,422</u>	<u>13,600,879</u>	<u>33,611,301</u>	<u>22,903,652</u>
<b>Deferred Inflows of Resources:</b>				
Taxes levied for a subsequent period	1,413,401	-	1,413,401	-
Related to OPEB plan	-	-	-	7,523,116
Related to pensions	7,694,190	2,928,481	10,622,671	665,079
Total Deferred Inflows of Resources	<u>9,107,591</u>	<u>2,928,481</u>	<u>12,036,072</u>	<u>8,188,195</u>

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

Continued

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Net Position:</b>				
Net investment in capital assets	\$ 18,937,040	\$ 17,004,001	\$ 35,941,041	\$ 115,296,871
Restricted - Expendable -				
Acquisition/construction of capital assets	3,972,464	-	3,972,464	-
Foreclosure sales	-	3,585,246	3,585,246	-
Treasurer's office administration	-	195,746	195,746	-
Debt Service	-	-	-	9,385,618
Health and Welfare	1,737,439	-	1,737,439	-
Public Safety	1,576,856	-	1,576,856	-
General Government	3,676,378	-	3,676,378	-
Other Purposes	266,567	-	266,567	-
Unrestricted (deficit)	9,427,809	16,526,446	25,954,255	( 6,599,244)
Total Net Position	<u>\$ 39,594,553</u>	<u>\$ 37,311,439</u>	<u>\$ 76,905,992</u>	<u>\$ 118,083,245</u>

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

Concluded

# LAPEER COUNTY, MICHIGAN

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
Governmental activities:				
Legislative	\$ 353,813	\$ -	\$ -	\$ -
Judicial	5,325,503	1,134,263	1,636,641	-
General Government	7,138,394	4,861,963	666,443	243,618
Public Safety	13,683,609	4,337,494	525,310	54,022
Public Works	844,194	-	-	-
Health and Welfare	29,852,869	2,377,567	26,329,672	-
Recreation and Culture	451,882	94,071	9,057	402,740
Total governmental activities	<u>57,650,264</u>	<u>12,805,358</u>	<u>29,167,123</u>	<u>700,380</u>
Business-type activities:				
Medical Care Facility	28,006,714	23,272,844	-	-
Delinquent Tax	232,717	1,217,761	-	-
Tele-Comm	-	20,800	-	-
Total business-type activities	<u>28,239,431</u>	<u>24,511,405</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 85,889,695</u>	<u>\$ 37,316,763</u>	<u>\$ 29,167,123</u>	<u>\$ 700,380</u>
<b>Component Units</b>				
Road Commission	\$ 12,804,596	\$ 3,875,238	\$ 15,955,554	\$ 2,423,770
Board of Public Works	34,085	34,085	-	-
Drainage Districts	1,756,378	5,410,153	-	-
Land Bank Authority	23,861	140,000	19,587	-
Total Component Units	<u>\$ 14,618,920</u>	<u>\$ 9,459,476</u>	<u>\$ 15,975,141</u>	<u>\$ 2,423,770</u>
General revenues:				
Property taxes				
Grants and contributions not				
restricted to specific programs				
Unrestricted investment income				
Gain on sale of capital assets				
Total general revenues and transfers				
Change in Net Position				
Net position at beginning of year				
Net position at end of year				

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



Net (Expense) Revenue and Change in Net Position			
Primary Government			Component Units
Governmental Activities	Business-type Activities	Total	
\$( 353,813)	\$ -	\$( 353,813)	\$ -
( 2,554,599)	-	( 2,554,599)	-
( 1,366,370)	-	( 1,366,370)	-
( 8,766,783)	-	( 8,766,783)	-
( 844,194)	-	( 844,194)	-
( 1,145,630)	-	( 1,145,630)	-
53,986	-	53,986	-
( 14,977,403)	-	( 14,977,403)	-
-	( 4,733,870)	( 4,733,870)	-
-	985,044	985,044	-
-	20,800	20,800	-
-	( 3,728,026)	( 3,728,026)	-
( 14,977,403)	( 3,728,026)	( 18,705,429)	-
-	-	-	9,449,966
-	-	-	-
-	-	-	3,653,775
-	-	-	135,726
-	-	-	13,239,467
13,104,450	1,092,182	14,196,632	-
1,758,221	11,890,793	13,649,014	-
25,003	8,728	33,731	6,083
44,885	-	44,885	264,884
14,932,559	12,991,703	27,924,262	270,967
( 44,844)	9,263,677	9,218,833	13,510,434
39,639,397	28,047,762	67,687,159	104,572,811
<u>\$ 39,594,553</u>	<u>\$ 37,311,439</u>	<u>\$ 76,905,992</u>	<u>\$ 118,083,245</u>

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

# LAPEER COUNTY, MICHIGAN

## BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2021

	General	Community Mental Health	E-911	American Rescue Plan
<b>Assets:</b>				
Cash and cash equivalents	\$ 1,739,707	\$ 5,593,273	\$ 4,145,540	\$ 7,855,049
Investments	10,118,976	-	-	-
Receivables (net of allowance) -				
Property taxes	1,035,810	-	-	-
Accounts and interest	32,358	179,383	506,002	-
Due from other governmental units	636,976	379,602	80,605	-
Due from other funds	1,585	-	-	-
Deposits with agent	307,630	-	-	-
Advances to other funds	25,000	7,500	-	-
Advances to component units	90,000	-	-	-
Prepays	15,890	61,399	30,417	-
Restricted assets - Cash	-	148,728	-	-
	<u>\$ 14,003,932</u>	<u>\$ 6,369,885</u>	<u>\$ 4,762,564</u>	<u>\$ 7,855,049</u>
Total Assets				
<b>Liabilities:</b>				
Accounts payable	\$ 147,689	\$ 1,739,528	\$ 19,417	\$ 47,112
Accrued liabilities	156,791	225,929	24,206	-
Due to other governmental units	768,351	1,997,202	-	-
Due to individuals and agencies	345,511	-	-	-
Due to other funds	27,480	-	3,737,702	-
Interfund payables	3,040,226	-	-	-
Advances from other funds	-	-	-	-
Unearned revenue	-	47,679	-	7,807,937
	<u>4,486,048</u>	<u>4,010,338</u>	<u>3,781,325</u>	<u>7,855,049</u>
Total Liabilities				
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues -				
Revolving loans	-	-	-	-
Grants/fees	371,420	-	-	-
Taxes levied for a subsequent period	-	-	-	-
	<u>371,420</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Inflows of Resources				
<b>Fund Balances:</b>				
Nonspendable	438,520	61,399	30,417	-
Restricted	2,761,019	148,728	950,822	-
Committed	1,455,588	2,149,420	-	-
Assigned - 2021 operations	500,000	-	-	-
Unassigned	3,991,337	-	-	-
	<u>9,146,464</u>	<u>2,359,547</u>	<u>981,239</u>	<u>-</u>
Total Fund Balances				
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 14,003,932</u>	<u>\$ 6,369,885</u>	<u>\$ 4,762,564</u>	<u>\$ 7,855,049</u>

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

Other Governmental Funds	Total Governmental Funds
\$ 6,391,010	\$ 25,724,579
-	10,118,976
1,246,624	2,282,434
656,547	1,374,290
1,260,109	2,357,292
3,749,325	3,750,910
183,267	490,897
-	32,500
-	90,000
2,763	110,469
-	148,728
<u>\$ 13,489,645</u>	<u>\$ 46,481,075</u>
\$ 264,450	\$ 2,218,196
166,021	572,947
873,086	3,638,639
-	345,511
36,570	3,801,752
374,716	3,414,942
32,500	32,500
888,822	8,744,438
<u>2,636,165</u>	<u>22,768,925</u>
530,446	530,446
221,105	592,525
1,413,401	1,413,401
<u>2,164,952</u>	<u>2,536,372</u>
2,763	533,099
6,838,689	10,699,258
1,847,076	5,452,084
-	500,000
-	3,991,337
<u>8,688,528</u>	<u>21,175,778</u>
<u>\$ 13,489,645</u>	<u>\$ 46,481,075</u>

# LAPEER COUNTY, MICHIGAN

## RECONCILIATION OF THE BALANCE SHEET FOR GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION DECEMBER 31, 2021

Fund Balances - total governmental funds	\$ 21,175,778
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the governmental funds.	
Capital assets	51,524,650
Accumulated depreciation	( 35,024,775)
Certain pension contributions and changes in pension plan liabilities are reported as deferred outflows/inflows of resources in the statement of net position.	
Deferred outflows of resources	4,401,054
Deferred inflows of resources	( 7,694,190)
Other long-term assets are not available to pay for current period expenditures, and therefore, are a deferred inflow of resources in the governmental funds.	
Revolving loans	530,446
Grants/fees	592,525
Internal service funds are used by management to charge the cost of health, unemployment, and workers' compensation expenses and claims, retirement contributions, post-employment health care, and capital acquisition and replacement. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	8,082,661
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore, are not reported in the governmental funds.	
Accrued vacation and sick	( 648,513)
Net pension liability	( 2,927,417)
Accrued claims liability	( 417,666)
Net Position of governmental activities	<u>\$ 39,594,553</u>

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

# LAPEER COUNTY, MICHIGAN

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	General	Community Mental Health	E-911	American Rescue Plan
<b>Revenues:</b>				
Taxes	\$ 11,703,386	\$ -	\$ -	\$ -
Licenses and permits	2,567	-	-	-
Intergovernmental	2,773,144	22,097,253	-	700,380
Charges for services	2,402,204	485,261	2,098,872	-
Fines and forfeits	149,897	-	-	-
Rents	238,455	-	14,868	-
Interest	21,932	732	804	-
Other	2,923,773	118,927	-	-
Total Revenues	<u>20,215,358</u>	<u>22,702,173</u>	<u>2,114,544</u>	<u>700,380</u>
<b>Expenditures:</b>				
Current -				
Legislative	356,000	-	-	-
Judicial	3,470,361	-	-	-
General Government	5,657,547	-	-	243,618
Public Safety	6,922,486	-	1,861,682	54,022
Public Works	859,756	-	-	-
Health and Welfare	90,129	22,940,200	-	-
Recreation and Cultural	177,278	-	-	402,740
Other Activities	593,945	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>18,127,502</u>	<u>22,940,200</u>	<u>1,861,682</u>	<u>700,380</u>
Revenues over (under) expenditures	<u>2,087,856</u>	<u>( 238,027)</u>	<u>252,862</u>	<u>-</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	267,580	-	-
Transfers out	( 2,769,459)	-	-	-
Total Other Financing Sources (Uses)	<u>( 2,769,459)</u>	<u>267,580</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	( 681,603)	29,553	252,862	-
Fund Balances at beginning of year	<u>9,828,067</u>	<u>2,329,994</u>	<u>728,377</u>	<u>-</u>
Fund Balances at end of year	<u><u>\$ 9,146,464</u></u>	<u><u>\$ 2,359,547</u></u>	<u><u>\$ 981,239</u></u>	<u><u>\$ -</u></u>

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

Other Governmental Funds	Total Governmental Funds
\$ 1,401,064	\$ 13,104,450
735,256	737,823
6,208,538	31,779,315
3,271,341	8,257,678
119,133	269,030
-	253,323
1,535	25,003
244,804	3,287,504
<u>11,981,671</u>	<u>57,714,126</u>

-	356,000
1,943,079	5,413,440
189,762	6,090,927
3,580,812	12,419,002
-	859,756
7,284,432	30,314,761
146,016	726,034
-	593,945
128,232	128,232
<u>13,272,333</u>	<u>56,902,097</u>

<u>( 1,290,662)</u>	<u>812,029</u>
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6,955,853	7,223,433
<u>( 4,594,692)</u>	<u>( 7,364,151)</u>
<u>2,361,161</u>	<u>( 140,718)</u>

1,070,499	671,311
<u>7,618,029</u>	<u>20,504,467</u>
<u>\$ 8,688,528</u>	<u>\$ 21,175,778</u>

## LAPEER COUNTY, MICHIGAN

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2021

Net change in fund balances - total governmental funds	\$ 671,311
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay	854,708
Depreciation expense	( 1,771,241)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	( 153,591)
Internal Service Funds used by management to charge costs of healthcare, unemployment, and workers' compensation expenses and claims, retirement contributions, post-employment health care, and capital acquisition and replacement. The net revenues (expenses) attributable to those funds is reported with governmental activities.	886,586
Changes in deferred outflows/inflows of resources related to pension plan	( 2,026,267)
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 governmental funds.	
Increase in compensated absences	( 47,868)
Decrease in net pension liability	1,732,793
Increase in accrued claims liability	( 191,275)
Change in net position of governmental activities	<u><u>\$( 44,844)</u></u>

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

# LAPEER COUNTY, MICHIGAN

## STATEMENT OF NET POSITION PROPRIETARY FUNDS DECEMBER 31, 2021

	Business-type Activities - Enterprise Funds				Governmental Activities
	Medical Care Facility	Delinquent Tax	Nonmajor Tele- Comm	Total	Internal Service Fund
<b>Assets:</b>					
Current Assets -					
Cash and cash equivalents	\$ 4,837,919	\$ 13,035,459	\$ 50,000	\$ 17,923,378	\$ 6,030,772
Investments	-	17	-	17	-
Receivables (net of allowance)-					
Current and delinquent taxes	938,997	2,284,157	-	3,223,154	-
Accounts	2,827,117	-	-	2,827,117	-
Accrued interest	-	365,043	-	365,043	-
Due from other governmental units	6,161,311	-	-	6,161,311	-
Interfund receivables	-	3,414,942	-	3,414,942	-
Due from other funds	-	-	-	-	41,325
Deposit with agent	-	-	-	-	17,592
Prepays	24,645	-	-	24,645	52,902
Restricted assets - Cash	69,538	-	-	69,538	-
Total Current Assets	<u>14,859,527</u>	<u>19,099,618</u>	<u>50,000</u>	<u>34,009,145</u>	<u>6,142,591</u>
Noncurrent Assets -					
Capital assets, net	<u>16,984,790</u>	<u>19,211</u>	<u>-</u>	<u>17,004,001</u>	<u>2,437,165</u>
Total Assets	<u>31,844,317</u>	<u>19,118,829</u>	<u>50,000</u>	<u>51,013,146</u>	<u>8,579,756</u>
<b>Deferred Outflows of Resources:</b>					
Related to pensions	<u>2,827,775</u>	<u>-</u>	<u>-</u>	<u>2,827,775</u>	<u>-</u>

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



**LAPEER COUNTY, MICHIGAN**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2021**

	Business-type Activities - Enterprise Funds				Governmental Activities
	Medical Care Facility	Delinquent Tax	Nonmajor Tele-Comm	Total	Internal Service Fund
<b>Liabilities:</b>					
Current Liabilities -					
Accounts payable	\$ 1,328,080	\$ 59	\$ -	\$ 1,328,139	\$ 401,592
Accrued liabilities	908,243	770	-	909,013	-
Due to other governmental units	202,552	158,838	-	361,390	-
Due to other funds	-	122	-	122	-
Current portion of:					
Accrued vacation and sick	343,505	-	-	343,505	-
Accrued claims	146,290	-	-	146,290	95,503
Liabilities payable from restricted assets-					
Patient deposits	69,538	-	-	69,538	-
Total Current Liabilities	2,998,208	159,789	-	3,157,997	497,095
Long-term Liabilities -					
Net pension liability	10,443,004	-	-	10,443,004	-
Total Liabilities	13,441,212	159,789	-	13,601,001	497,095
<b>Deferred Inflows of Resources:</b>					
Related to pensions	2,928,481	-	-	2,928,481	-
<b>Net Position:</b>					
Investment in capital assets	16,984,790	19,211	-	17,004,001	2,437,165
Restricted -					
Foreclosure sales	-	3,585,246	-	3,585,246	-
Treasurer's office administration	-	195,746	-	195,746	-
Unrestricted (deficit) -					
Designated -					
Estimated 2022 tax settlement	-	5,000,000	-	5,000,000	-
Undesignated	1,317,609	10,158,837	50,000	11,526,446	5,645,496
Total Net Position	\$ 18,302,399	\$ 18,959,040	\$ 50,000	\$ 37,311,439	\$ 8,082,661

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

# LAPEER COUNTY, MICHIGAN

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-type Activities - Enterprise Funds				Governmental Activities
	Medical Care Facility	Delinquent Tax	Nonmajor Tele-Comm	Total	Internal Service Funds
<b>Operating Revenues:</b>					
Charges for services	\$ 22,742,167	\$ 422,579	\$ 20,800	\$ 23,185,546	\$ 9,460,941
Interest on taxes	-	581,019	-	581,019	-
Fees and penalties on delinquent taxes	-	214,163	-	214,163	-
Other	530,677	-	-	530,677	-
Total Operating Revenues	<u>23,272,844</u>	<u>1,217,761</u>	<u>20,800</u>	<u>24,511,405</u>	<u>9,460,941</u>
<b>Operating Expenses:</b>					
Salaries and wages	13,755,813	39,418	-	13,795,231	-
Fringe benefits	5,705,908	22,782	-	5,728,690	7,653,411
Operating supplies and expenses	1,966,479	30,731	-	1,997,210	-
Professional services	2,337,138	104,897	-	2,442,035	-
Repairs and maintenance	327,879	-	-	327,879	-
Utilities	657,863	-	-	657,863	-
Maintenance of effort	416,747	-	-	416,747	-
Provider tax expense	1,235,698	-	-	1,235,698	-
Other	569,127	27,143	-	596,270	485,856
Depreciation	1,008,493	7,746	-	1,016,239	620,691
Total Operating Expenses	<u>27,981,145</u>	<u>232,717</u>	<u>-</u>	<u>28,213,862</u>	<u>8,759,958</u>
Operating Income (Loss)	<u>( 4,708,301)</u>	<u>985,044</u>	<u>20,800</u>	<u>( 3,702,457)</u>	<u>700,983</u>
<b>Non-Operating Revenues (Expenses):</b>					
CARES Act Funding	2,511,092	-	-	2,511,092	-
Employee Retention Credit	5,982,095	-	-	5,982,095	-
PPP loan forgiveness	3,397,606	-	-	3,397,606	-
Property taxes	1,092,182	-	-	1,092,182	-
Interest	7,199	1,529	-	8,728	-
Interest expense	( 25,569)	-	-	( 25,569)	-
Gain on disposal of assets	-	-	-	-	44,885
Total Non-Operating Revenues (Expenses)	<u>12,964,605</u>	<u>1,529</u>	<u>-</u>	<u>12,966,134</u>	<u>44,885</u>
Net Income Before Transfers	<u>8,256,304</u>	<u>986,573</u>	<u>20,800</u>	<u>9,263,677</u>	<u>745,868</u>
<b>Transfers:</b>					
Transfers in	-	-	-	-	172,718
Transfers out	-	-	-	-	( 32,000)
Total Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>140,718</u>
Change in Net Position	<u>8,256,304</u>	<u>986,573</u>	<u>20,800</u>	<u>9,263,677</u>	<u>886,586</u>
Net Position at beginning of year	<u>10,046,095</u>	<u>17,972,467</u>	<u>29,200</u>	<u>28,047,762</u>	<u>7,196,075</u>
Net Position end of year	<u>\$ 18,302,399</u>	<u>\$ 18,959,040</u>	<u>\$ 50,000</u>	<u>\$ 37,311,439</u>	<u>\$ 8,082,661</u>

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

# LAPEER COUNTY, MICHIGAN

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-type Activities - Enterprise Funds				Governmental Activities
	Medical Care Facility	Delinquent Tax	Nonmajor Tele-Comm	Total	Internal Service Funds
<b>Cash Flows From Operating Activities:</b>					
Cash receipts from customers and governmental units	\$22,379,663	\$ 6,246,914	\$ 20,800	\$28,647,377	\$ -
Cash receipts from interfund services	-	-	-	-	9,447,914
Cash payments to employees and suppliers	( 25,945,750)	( 5,071,257)	-	(31,017,007)	( 7,695,707)
Other cash receipts	530,677	-	-	530,677	-
Net Cash Provided by (Used in) Operating Activities	( 3,035,410)	1,175,657	20,800	( 1,838,953)	1,752,207
<b>Cash Flows From Noncapital Financing Activities:</b>					
CARES Act Funding	2,840,971	-	-	2,840,971	-
Patient trust deposits	30,086	-	-	30,086	-
Net cash payments to other funds	-	( 2,854,308)	-	( 2,854,308)	-
Property taxes	1,100,005	-	-	1,100,005	-
Net Cash Provided by (Used in) Noncapital Financing Activities	3,971,062	( 2,854,308)	-	1,116,754	-
<b>Cash Flows From Capital and Related Financing Activities:</b>					
Interfund transfers	-	-	-	-	140,718
Acquisition of capital assets	( 320,143)	-	-	( 320,143)	( 388,973)
Proceeds from sale of capital assets	-	-	-	-	50,792
Payments on advance	( 926,460)	-	-	( 926,460)	-
Interest paid on long-term debt	( 25,569)	-	-	( 25,569)	-
Net Cash Used in Capital and Related Financing Activities	( 1,272,172)	-	-	( 1,272,172)	( 197,463)
<b>Cash Flows From Investing Activities:</b>					
Promissory note payments received	-	926,460	-	926,460	-
Interest received	7,199	1,529	-	8,728	-
Net Cash Provided by Investing Activities	7,199	927,989	-	935,188	-
Net Increase (decrease) in cash and cash equivalents	( 329,321)	( 750,662)	20,800	( 1,059,183)	1,554,744
Cash and cash equivalents at beginning of year	5,236,778	13,786,121	29,200	19,052,099	4,476,028
Cash and cash equivalents at end of year	<u>\$ 4,907,457</u>	<u>\$13,035,459</u>	<u>\$ 50,000</u>	<u>\$17,992,916</u>	<u>\$ 6,030,772</u>
<b>Statement of Net Position:</b>					
Cash and Cash Equivalents -					
Cash and cash equivalents	\$ 4,837,919	\$13,035,459	\$ 50,000	\$17,923,378	\$ 6,030,772
Restricted assets - cash	69,538	-	-	69,538	-
Cash and cash equivalents at end of year	<u>\$ 4,907,457</u>	<u>\$13,035,459</u>	<u>\$ 50,000</u>	<u>\$17,992,916</u>	<u>\$ 6,030,772</u>

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

	Business-type Activities - Enterprise Funds				Governmental Activities
	Medical Care Facility	Delinquent Tax	Nonmajor Tele-Comm	Total	Internal Service Funds
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:</b>					
Operating income (loss) for the year	\$( 4,708,301)	\$ 985,044	\$ 20,800	\$( 3,702,457)	\$ 700,983
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities -					
Depreciation	1,008,493	7,746	-	1,016,239	620,691
Provision for uncollectible accounts	32,804	-	-	32,804	-
Change in assets and liabilities:					
(Increase) decrease in -					
Receivables	( 346,771)	243,473	-	( 103,298)	-
Due from other governmental units	( 15,733)	-	-	( 15,733)	-
Due from other funds	-	-	-	-	( 13,027)
Prepaid items	302,462	-	-	302,462	371,263
Inventories	97,165	-	-	97,165	-
Deferred outflows related to pensions	( 1,503,735)	-	-	( 1,503,735)	-
Increase (decrease) in -					
Accounts payable	444,087	( 2,514)	-	441,573	80,670
Accrued liabilities	( 660,162)	222	-	( 659,940)	( 8,373)
Due to other funds	-	39	-	39	-
Net pension liability	1,061,009	-	-	1,061,009	-
Deferred inflows related to pensions	1,159,417	-	-	1,159,417	-
Due to other governmental units	93,855	( 58,353)	-	35,502	-
Net Cash Provided by (Used in) Operating Activities	<u>\$( 3,035,410)</u>	<u>\$ 1,175,657</u>	<u>\$ 20,800</u>	<u>\$( 1,838,953)</u>	<u>\$ 1,752,207</u>

**LAPEER COUNTY, MICHIGAN**

**STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2021**

	<u>Custodial Funds</u>
<b>Assets:</b>	
Cash and cash equivalents	\$ 1,177,595
Due from other governmental units	<u>1,308</u>
Total Assets	<u>1,178,903</u>
<b>Liabilities:</b>	
Due to individuals and agencies	214,873
Due to other governmental units	<u>964,030</u>
Total Liabilities	<u>1,178,903</u>
<b>Net Position:</b>	
Unrestricted	<u><u>\$ -</u></u>

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

**LAPEER COUNTY, MICHIGAN**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Custodial Funds
<b>Additions:</b>	
Property taxes and PILT	\$ 21,784,230
Fees and assessments	418,400
Permits	107,613
Court fees	352,190
Transfer tax	3,927,480
Penal fines	239,274
Other collections	8,875
Inmate revenues	22,972
	<hr/>
Total Additions	26,861,034
	<hr/>
<b>Deductions:</b>	
Distribution of property taxes and PILT	21,784,230
Distribution of fees and assessments	418,400
Distribution of permit fees	107,613
Distribution of court fees	352,190
Distribution of transfer tax	3,927,480
Distribution of penal fines	239,274
Other distributions	8,875
Inmate expenses	22,972
	<hr/>
Total Deductions	26,861,034
	<hr/>
Change in net position	-
Net Position -	
Beginning of year	<hr/> -
End of year	<hr/> \$ - <hr/>

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

## **COMPONENT UNITS**

# LAPEER COUNTY, MICHIGAN

## COMBINING STATEMENT OF NET POSITION DISCRETELY PRESENTED COMPONENT UNITS DECEMBER 31, 2021

	Road Commission	Board of Public Works	Drainage Districts	Land Bank Authority	Totals
<b>Assets:</b>					
Cash and cash equivalents	\$ 4,749,555	\$ -	\$ 4,103,485	\$ 288,161	\$ 9,141,201
Investments	-	-	1,277,185	-	1,277,185
Receivables	837,008	-	8,714,997	-	9,552,005
Due from other governmental units	2,776,585	-	98,129	4,486	2,879,200
Inventory	1,244,898	-	-	-	1,244,898
Prepaid items/deposits	174,712	-	-	-	174,712
Restricted assets -					
Cash	-	16,890	-	-	16,890
Contracts receivable	-	1,197,562	-	-	1,197,562
Capital Assets (net of accumulated depreciation) -					
Assets not being depreciated	32,125,470	-	6,687,643	-	38,813,113
Assets being depreciated	68,752,848	-	13,137,007	-	81,889,855
Total Assets	<u>110,661,076</u>	<u>1,214,452</u>	<u>34,018,446</u>	<u>292,647</u>	<u>146,186,621</u>
<b>Deferred Outflows of Resources:</b>					
Related to OPEB plan	864,529	-	-	-	864,529
Related to pension	2,123,942	-	-	-	2,123,942
Total Deferred Outflows of Resources	<u>2,988,471</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,988,471</u>
<b>Liabilities:</b>					
Payables and accrued liabilities	2,610,210	-	630,200	-	3,240,410
Accrued interest	-	-	17,218	-	17,218
Advances and deposits	449,979	-	417,000	-	866,979
Due to other governmental units	47,880	-	-	-	47,880
Advance from primary government	-	-	90,000	-	90,000
Liabilities payable from restricted assets -					
Accrued liabilities	-	6,051	-	-	6,051
Due to other governmental units	-	10,839	-	-	10,839
Non-current liabilities -					
Due within one year	-	280,000	856,668	-	1,136,668
Due in more than one year	508,062	917,562	6,625,152	-	8,050,776
Net pension liability	3,990,704	-	-	-	3,990,704
Net OPEB liability	5,446,127	-	-	-	5,446,127
Total Liabilities	<u>13,052,962</u>	<u>1,214,452</u>	<u>8,636,238</u>	<u>-</u>	<u>22,903,652</u>
<b>Deferred Inflows of Resources:</b>					
Related to OPEB plan	7,523,116	-	-	-	7,523,116
Related to pension	665,079	-	-	-	665,079
Total Deferred Inflows of Resources	<u>8,188,195</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,188,195</u>

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

Continued



	Road Commission	Board of Public Works	Drainage Districts	Land Bank Authority	Totals
<b>Net Position:</b>					
Net investment in capital assets	\$ 100,878,318	\$ -	\$ 14,418,553	\$ -	\$ 115,296,871
Restricted -					
Debt service	-	-	9,385,618	-	9,385,618
Unrestricted (deficit)	( 8,469,928)	-	1,578,037	292,647	( 6,599,244)
Total Net Position	<u>\$ 92,408,390</u>	<u>\$ -</u>	<u>\$ 25,382,208</u>	<u>\$ 292,647</u>	<u>\$ 118,083,245</u>

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

Concluded

# LAPEER COUNTY, MICHIGAN

## COMBINING STATEMENT OF ACTIVITIES DISCRETELY PRESENTED COMPONENT UNITS FOR THE YEAR ENDED DECEMBER 31, 2021

	Road Commission	Board of Public Works	Drainage Districts	Land Bank Authority	Total
<b>Expenses:</b>					
Community and Economic Development	\$ -	\$ -	\$ -	\$ 23,861	\$ 23,861
Public Works	-	-	1,756,378	-	1,756,378
Highways and Streets	12,804,596	-	-	-	12,804,596
Interest on Long-term Debt	-	34,085	-	-	34,085
Total Expenses	<u>12,804,596</u>	<u>34,085</u>	<u>1,756,378</u>	<u>23,861</u>	<u>14,618,920</u>
<b>Program Revenues:</b>					
Charges for services	3,875,238	34,085	5,410,153	140,000	9,459,476
Operating grants and contributions	15,955,554	-	-	19,587	15,975,141
Capital grants and contributions	2,423,770	-	-	-	2,423,770
Total Program Revenues	<u>22,254,562</u>	<u>34,085</u>	<u>5,410,153</u>	<u>159,587</u>	<u>27,858,387</u>
Net program revenue (expense)	<u>9,449,966</u>	<u>-</u>	<u>3,653,775</u>	<u>135,726</u>	<u>13,239,467</u>
<b>General Revenues:</b>					
Unrestricted investment income	4,876	-	1,207	-	6,083
Gain on sale of capital assets	264,884	-	-	-	264,884
Total General Revenues	<u>269,760</u>	<u>-</u>	<u>1,207</u>	<u>-</u>	<u>270,967</u>
Change in Net Position	9,719,726	-	3,654,982	135,726	13,510,434
Net Position at the beginning of year	<u>82,688,664</u>	<u>-</u>	<u>21,727,226</u>	<u>156,921</u>	<u>104,572,811</u>
Net Position at the end of year	<u>\$92,408,390</u>	<u>\$ -</u>	<u>\$ 25,382,208</u>	<u>\$ 292,647</u>	<u>\$ 118,083,245</u>

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

# **LAPEER COUNTY, MICHIGAN**

## **NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021**

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The financial statements of Lapeer County, Michigan (the “County”) have been prepared in conformity with generally accepted accounting principles (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County’s accounting policies are described below.

#### **A. Reporting Entity -**

The County was organized in 1835 and covers an area of approximately 670 square miles with the County seat located in the City of Lapeer, Michigan. The County operates under an elected seven-member Board of Commissioners (the “County Board”) and provides services to approximately 88,000 residents in many areas, including law enforcement, administration of justice, community enrichment and development, public works, health and welfare, and recreation and culture.

These financial statements present the County and its component units, entities for which the government is considered to be financially accountable. Blended component units although legally separate entities, are, in substance, part of the government’s operation. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the County.

#### **BLENDED COMPONENT UNIT -**

**LAPEER COUNTY BUILDING AUTHORITY** is governed by a three (3) member Board appointed by the County Board. Although it is legally separate from the County, the Lapeer County Building Authority is reported as if it were part of the primary government because its sole purpose is to finance and construct the County’s public buildings. The Lapeer County Building Authority’s activity is reported as a capital project fund captioned “Capital Construction/Improvement.” Separate financial statements for the Lapeer County Building Authority are not published.

#### **DISCRETELY PRESENTED COMPONENT UNITS -**

**LAPEER COUNTY ROAD COMMISSION** is responsible for the maintenance and construction of the County road system in the County. The Lapeer County Road Commission (the “Road Commission”) operations are financed primarily from the State distribution of gas and weight taxes, federal financial assistance and contributions from other local governmental units within the County. The three (3) member Board of Road Commissioners (the “Road Commission Board”) are elected by County residents through a general election. The Road Commission is financially accountable to the County for the following reasons: All general long-term debt issuances, excluding capital lease purchase agreements, require County authorization. In addition, the County must approve the annual budget appropriating the salaries and fringe benefits of the members of the Road Commission Board.

## **LAPEER COUNTY, MICHIGAN**

### **NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021**

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (cont'd):**

**LAPEER COUNTY BOARD OF PUBLIC WORKS (BPW)** is administrated by the Drain Commissioner as appointed by the County Board. The BPW Board establishes policy and reviews operations of the BPW for the County Board. The BPW has the responsibility of administering the various public works construction projects and the associated debt service funds under the provision of Act 185 Public Act 1957, as amended. The BPW is financially accountable to the County because any general obligation bond issuances require County authorization and the County is secondarily responsible for all operations and obligations.

**LAPEER COUNTY DRAINAGE DISTRICTS** established pursuant to Act 40, P.A. 1956, as amended, of the Michigan Drain Code and are under the administration of the County Drain Commissioner. The statutory Inter-County Drainage Boards consist of the State Director of Agriculture and the Drain Commissioners of each County involved in the projects. Each of the drainage districts are separate legal entities. The Drainage Board or Drain Commissioner, on behalf of the drainage district, may issue debt and levy special assessments authorized by the Drain Code without the prior approval of the County Board. The full faith and credit of the County may be given for the debt of the drainage district upon authorization of the County Board. The Drain Commission and all operations for the Drain Commission office are budgeted and reported as part of the County General Fund, except for maintenance and construction of individual drains, which is accounted for through the various drain funds. Maintenance and construction of individual drains are assessed to the benefited property owners.

**LAPEER COUNTY LAND BANK AUTHORITY** established pursuant to the Michigan Land Bank Fast Track Public Act 258 of 2003 and an Intergovernmental Agreement entered into between the Michigan Land Bank Fast Track Authority and the Lapeer County Treasurer. The Lapeer County Land Bank Authority (the "Authority") is governed by a five-member board including the Lapeer County Treasurer, who is, by law, its Chairperson, and four other members appointed by the County Board. The Authority was created to acquire, hold, manage, and develop tax-foreclosed properties, as well as other vacant and abandoned properties. The Authority is primarily funded through contributions from the County.

**COMPONENT UNIT FINANCIAL STATEMENTS** - Complete financial statements of the Road Commission and the Authority, which are audited separately, may be obtained from the entities' administration offices at the following locations:

Lapeer County Road Commission  
820 Davis Lake Road  
Lapeer, Michigan 48446

Lapeer County Land Bank Authority  
255 Clay Street 3<sup>rd</sup> Floor Room 302  
Lapeer, Michigan 48446

## LAPEER COUNTY, MICHIGAN

### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (cont'd):

The component units associated with the activities of the public works projects administered by the BPW and the Drainage Districts administered by the County Drain Commissioner are included within the scope of the audit of the basic financial statements. Separate audited financial statements for these component units were not issued.

**FISCAL YEAR-ENDS** - All of the County funds and component units operate and are reported on a December 31 year-end, with the exception of the Road Commission component unit, Community Mental Health, Health Department, Personal Care Aide Program, Community Grants, Law Enforcement, Thumb Narcotics Unit, Department of Human Services, Multi-Purpose Collaborative Body, Child Care, Mental Health Court, and Indigent Defense funds which operate and are reported as of September 30.

#### B. Government-wide and Fund Financial Statements -

The government-wide financial statements (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. *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 and enterprise funds are reported as separate columns in the fund financial statements.

#### C. 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. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue 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.

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (cont'd):

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 collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are normally collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due.

State shared revenues, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and therefore have been recognized as revenues of the current fiscal period. Property taxes are recognized as revenue in the year for which they are levied. Also, only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The County reports the following major governmental funds:

**General Fund** - is the County's primary operating fund. It accounts for all financial resources of the primary government not accounted for and reported in another fund.

**Community Mental Health** - is used to account for the operations of providing specialized mental health services to residents. Financing is provided by State Public Act 258, federal grants, charges for services, and General Fund appropriations.

**E-911** - is used to account for telephone surcharges and is used to account for the County-wide E-911 system.

**American Rescue Plan** - is used to account for activities funded by the federal American Rescue Plan Act of 2021 (ARPA).

The County reports the following major proprietary funds:

**Medical Care Facility** - is used to account for the operations of the County-owned long-term care facility.

**Delinquent Tax** - is used to account for the County's annual purchase of delinquent real property taxes from each of the local taxing units within the County and the collection from the property owners of the delinquent taxes with penalties and interest. Also, the fund accounts for the activity related to property foreclosures.

Additionally, the County reports the following fund types:

#### **Governmental Fund Types -**

**Special Revenue Funds** - are used to account for the proceeds that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (cont'd):

**Capital Project Funds** - are used to account for all financial resources that are restricted to expenditures for capital outlays, including the acquisition or construction of capital facilities or other capital assets.

**Debt Service Fund** - is used to account for the accumulation of resources for, and the payment of, principal and interest on long-term debt of governmental funds.

#### **Proprietary Fund Types -**

**Enterprise Fund** - is used to report operations for services provided to external users financed primarily by user charges intended to recover the cost of services provided. The Telecommunications Fund is the only non-major enterprise fund currently in use by the County.

**Internal Service Funds** - are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County on a cost-reimbursement basis for health care, unemployment, workers' compensation, retirement and supplemental health care benefit programs, and equipment acquisition and replacement, and to account for the payment of related insurance claims, retirement and supplemental health care contributions, and expenses.

#### **Fiduciary Fund Type -**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The County's fiduciary fund includes:

**Custodial Funds** - are used to account for assets held by the County as an agent for individuals, private organizations, and other governmental units, including tax collections, court costs, library collections of penal fines, and inmate monies.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenue 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 on-going operations. The principal operating revenues of the enterprise and internal services funds are charges to customers for sales and services and intergovernmental operating grants. Operating expenses for enterprise and internal service funds include costs of sales and services, administrative expenses, retirement and supplemental health care contributions, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first and then unrestricted resources as they are needed.

# **LAPEER COUNTY, MICHIGAN**

## **NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021**

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (cont'd):**

#### **D. Assets, Liabilities, Deferred Inflows/Outflows of Resources, and Net Position or Fund Balance -**

##### **Deposits and Investments -**

The County maintains a pooled common cash account (common cash) for its funds in the pool and several of its component units. Each participating fund or entity reports its share separately. To the extent that some funds have negative balances as their share of common cash, such negative balances represent temporary interfund borrowings and, at December 31, have been recorded as interfund payables to funds with positive balances.

The County's cash and cash equivalents are considered to be cash on hand, demand and time deposits, money markets, investment trust funds and certificates of deposit with original maturities of three months or less from the date of acquisition. The investment trust funds have the general characteristics of demand deposit accounts in that the County may deposit additional cash at any time and effectively may withdraw cash at any time without prior notice or penalty and are reported as cash and cash equivalents.

Investments are stated at fair value, which is determined as follows: (a) short-term investments are reported at cost, which approximates fair value; (b) securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates; (c) investments that do not have established market values are reported at estimated fair value; and (d) cash deposits are reported at their carrying amount which reasonably approximates fair value.

State statutes authorize the County to deposit in the accounts of federally insured banks, credit unions, and savings and loan associations, and to invest in obligations of the U.S. Treasury, certain commercial paper, repurchase agreements, bankers' acceptances, and mutual funds composed of otherwise legal investments (except those with a fluctuating per share value).

The Michigan Public Employee Retirement System Investment Act, Public Act 314 of 1965, as amended, authorizes pension and other employee benefit plans to invest in stocks, government and corporate securities, mortgages, real estate, and various other investment instruments, subject to certain limitations.

##### **Receivables and Payables -**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances by the General Fund to other funds and component units, as reported in the fund financial statements, have fund balance in the amount of the outstanding advances classified as nonspendable to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectible accounts.



## **LAPEER COUNTY, MICHIGAN**

### **NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021**

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (cont'd):**

##### **Inventories and Prepaid Items -**

Inventories of governmental funds are recorded as expenditures when purchased. The Road Commission's (component unit) inventory consists of road materials and equipment parts and is valued at average cost, which is recognized using the consumption method (recorded as an expense when used).

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items, using the consumption method, in both government-wide and fund financial statements.

##### **Property Tax Calendar -**

The property taxes for the County's General Fund are levied on July 1 (the lien date), with all special purpose taxes (extra voted levies) levied on December 1 (the lien date), based on the taxable value of property located in the County as of the preceding December 31, by the various municipalities within the County. The July 1 taxes are due on or before September 15 and the December 1 taxes are due on or before February 15. The General Fund and Medical Care Facility levies are recognized in the year of the levy. The special purpose taxes levied on December 1, except for the Medical Care Facility levy, are recorded as a receivable and a deferred inflow of resources since they are levied for the subsequent year operations. For the 2021 year, the County levied 3.6654 mills for the General Fund operations and extra voted levies of 0.3231 mills for the Medical Care Facility, 0.2457 mills for senior citizens programs, 0.1833 mills for veterans' programs, and 0.8911 mills for EMS.

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable columns in the government-wide financial statements. For the County, infrastructure exists in the Road Commission and Drainage Districts component units. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year, except for the Road Commission, which capitalizes assets except road equipment with an individual cost of more than \$2,000. The Road Commission capitalizes road equipment without consideration of a minimum cost. Assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (cont'd):

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives, with the exception of depreciation for road equipment which is computed on the sum-of-the-years' digits method:

	Years		
	Primary Government	Road Commission	Drainage Districts
Buildings/Improvements	5-50	50	-
Drainage Systems	-	-	50
Road Systems/Other Infrastructure	-	8-50	-
Machinery/Equipment/Vehicles	4-15	5-8	5-15

#### Compensated Absences -

In accordance with contracts negotiated with the various employee groups of the County, individual employees have vested rights upon termination of employment to receive payment for unused vacation leave under formulas and conditions specified in the contracts. All vested vacation is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for this amount is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

#### Long-term Obligations -

In the government-wide financial statements and proprietary fund types in the fund financial statements, 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. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual proceeds received, are reported as debt service expenditures.

#### Deferred Outflows/Inflows of Resources -

In addition to assets, the statement of net position reports 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 (expenses/expenditures) until then. The items reported as deferred outflows of resources by the County are related to the pension plans and other postemployment benefits (OPEB) plan and are reported on the government-wide statement of net position and in the enterprise fund financial statements. These deferrals are amortized over the expected remaining service lives of the participants, with the exception of the net difference between projected and actual plan investment earnings, which is amortized over five (5) years.

## LAPEER COUNTY, MICHIGAN

### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (cont'd):

In addition to liabilities, the statement of net position/balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The County had several items that qualified for reporting under this category, including taxes levied for a subsequent period, unavailable revenues that did not meet the availability criteria, and pension and OPEB related items. The County had unavailable revenues from long-term loans paid by individuals and expense reimbursement grants. These amounts are recognized as an inflow of resources in the period that the amounts become available. The taxes levied are deferred and are recognized as an inflow of resources in the period for which the tax is levied. The pension and OPEB items are amortized over the expected remaining service lives of the participants, with the exception of the net difference between projected and actual plan investment earnings, which is amortized over five (5) years.

#### **Fund Balance -**

In the fund financial statements, governmental funds reported fund balances in one or more of the following classifications:

*Nonspendable fund balance* – the portion of fund balance that is not in a spendable form.

*Restricted fund balance* – the portion of fund balance that is mandated for a specific purpose by external parties, constitutional provisions or enabling legislation.

*Committed fund balance* – the portion of fund balance that is set aside for a specific purpose by the County itself, using the highest level of decision-making authority (County Board) by the passage of a resolution.

*Assigned fund balance* – the portion of fund balance that reflects the County's intended use of resources. Currently the Controller/Administrator has authority to set aside funds pursuant to County Board resolution. Amounts in excess of nonspendable, restricted and committed fund balance in funds other than the General Fund is reported as assigned.

*Unassigned fund balance* – the portion of fund balance in the General Fund that cannot be classified into one of the four categories previously explained.

When different classifications of fund balance are present, it is the County's policy that expenditures are to be spent from restricted fund balance first, if appropriate, followed in order by committed, assigned, and lastly, unassigned fund balance.

# **LAPEER COUNTY, MICHIGAN**

## **NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021**

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (cont'd):**

#### **Budget Stabilization Arrangement -**

The Budget Stabilization Fund was established in accordance with Michigan Compiled Laws 141.442, which required the County Board to adopt a resolution passed by 2/3 vote of the County Board members. Subsequent additions to the fund are subject to the same 2/3 voting approval by the County Board with the total accumulation in the fund not to exceed 15% of the County's most recent General Fund budget or 15% of the County's five most recent General Fund budgets, as amended, whichever is less. Any interest earned on the fund's accumulated balances must be returned to the General Fund. The County Board has passed a resolution to retain interest in the fund until maximum balance is achieved. The Budget Stabilization Fund accumulated fund balance may be appropriated only by a 2/3 vote on a resolution passed by the County Board and only for the following purposes:

- To cover a General Fund deficit.
- To prevent reduction in the level of public services or in the number of employees at any time in a fiscal year when the budgeted revenue is insufficient to cover budgeted expenses or when preparing the budget for the next year the estimated revenues are insufficient to cover estimated expenses.
- To cover expenses arising from a natural disaster with the stipulation that if Federal or State funding is provided to reimburse for cost the amount reimbursed is to be replenished back to the Budget Stabilization Fund.

At December 31, 2021, the accumulation within the Budget Stabilization Fund was \$2,761,019 and is reported within the General Fund as restricted fund balance for the stabilization arrangement.

#### **Estimates -**

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### **Federal Programs -**

Federal programs are accounted for in the General Fund and specific Special Revenue Funds. The County has not integrated its Single Audit Reports and Schedule of Expenditures of Federal Awards as part of the Annual Financial Report. The Single Audit Financial Report will be issued under a separate cover as supplementary information to the Annual Financial Report. A separate audit of the Medical Care Facility financial activities and federal awards will be performed.

#### **Upcoming Accounting Pronouncement -**

GASB issued the following statement that will have an impact on the County's financial statements when adopted. The County is currently evaluating the implications of the pronouncement.

# **LAPEER COUNTY, MICHIGAN**

## **NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021**

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (cont'd):**

GASB Statement No. 87, *Leases*, was issued in June 2017 and will become effective for the County's December 31, 2022 fiscal year. The objective of the statement is to improve accounting and financial reporting for leases by governments by requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use of an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the government's leasing activities.

### **NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:**

#### **Budgetary Information -**

The budgets of General and Special Revenue Funds reported in schedules of budgetary comparison presented with the financial statements as required supplementary information for the major funds and supplementary information for the nonmajor funds are prepared on a basis consistent with accounting principles generally accepted in the United States of America and on the same modified accrual basis used to reflect actual results.

The County departments, in conjunction with the Finance Department, prepare budgets for the following fiscal year. The budgets include proposed expenditures and resources to finance them.

Prior to the commencement of the fiscal year, the proposed budgets are presented to the County Board. The County Board holds a public hearing and may add to, subtract from, or change appropriations. The budget is then legally enacted through passage of a County Board Resolution.

The approved budgets of the County were adopted for the General Fund at the activity level except for transfers out, which are at the account level, and the Special Revenue Funds at the function level. These are the enacted levels under the State of Michigan (the "State") Uniform Budgeting and Accounting Act and the legally adopted levels of the budget. State statutes do not require legally adopted budgets for debt service or capital projects funds.

Budgets are maintained throughout the year at the account level, to provide additional control in preventing over-expenditures at the legally adopted levels. Amendments at the activity level for the General Fund and function level for the Special Revenue Funds must be approved by the County Board. The Controller/Administrator is given authorization by the County Board to make the final amendments to the legally adopted budget to allow for efficiency of the budget process.

The County does not employ encumbrance accounting as an extension of formal budgetary integration. All unexpended appropriations lapse at year-end.

Budget amounts are reported as originally adopted, or as amended by the County Board, during the year.

Similar procedures are followed in the case of the component units included in the Reporting Entity of the County, except that the respective Administrator/Director of each performs the function described above rather than the County Controller/Administrator. Budgetary comparisons have not been provided for the component unit financial statements in the Annual Financial Report but for the Road Commission comparisons are available in the Road Commission's separately issued financial statements.

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY - (cont'd):

Michigan Public Act 621 of 1978 Section 18, as amended, provides that local governmental units shall not incur expenditures in excess of the amount appropriated at the legally enacted level. The Michigan Department of Treasury requires the reporting of any significant overages at the legal level of budgetary control level (any overages at the legal level of budgetary control greater than 10% of the total expenditure and the overage itself is larger than 10%). During the year ended December 31, 2021, the County had the following overage that exceeded this threshold:

#### Excess of Expenditures Over Appropriations -

##### Primary Government

<u>Fund Type/Account/Function</u>	<u>Appropriation</u>	<u>Expended</u>	<u>Variance</u>
General Fund -			
Transfer Out - Emergency Management	\$ 49,000	\$ 136,000	\$ 87,000

The County did not adopt a budget for the CARES Act Fund and expended \$99,685.

### NOTE 3 - DEPOSITS AND INVESTMENTS:

#### Authorized Deposits and Investments -

Investments are carried at cost or fair value as explained in Note 1 and are deposited in the name of the County Treasurer. Act 217 PA 1982 as amended authorizes the County to deposit in certificates of deposit, savings accounts, depository accounts or depository receipts of a state or nationally chartered bank or a state or federally chartered savings and loan association, savings bank or credit union whose deposits are insured by an agency of the United States government and which maintains a principal office or branch office located in this State under the laws of this State or the United States, but only if the bank, savings and loan association, savings bank or credit union is eligible to be a depository of surplus funds belonging to the State under Section 5 or 6 of Act 105 of the Public Acts of 1855, as amended, by section 21.145 and 21.146 of the Michigan Compiled Laws.

Act 20 PA 1943 as amended by Act 1997 PA 1999 authorizes the County to invest surplus funds in bonds, securities and other direct obligations of the United States government or an agency or instrumentality of the United States; certificates of deposit, savings accounts, deposit accounts or depository receipts of a financial institution only if the financial institution is eligible to be a depository of funds belonging to the State; repurchase agreements consisting of bonds, securities and other direct obligations of the United States government or an agency or instrumentality of the United States; bankers' acceptances of United States banks; commercial paper rated at the time of purchase within the highest classification established by not less than two standard rating services, which mature not more than 270 days after the date of purchase; 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; investment pools through an interlocal agreement under the Urban Cooperation Act of 1967; and investment pools organized under the Surplus Funds Investment Pool Act, 1982 PA 367, 129.111 to 129.118.

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 3 - DEPOSITS AND INVESTMENTS - (cont'd):

#### Carrying Amount -

At year-end, the carrying amount of the County Reporting Entity's deposits and investments is as follows:

	Primary Government	Component Units	Fiduciary Funds	Reporting Entity
Cash on Hand	\$ 15,640	\$ 350	\$ 300	\$ 16,290
Deposits with Financial Institutions	47,568,338	9,157,741	1,177,295	57,903,374
Investments -				
Cash with Broker	36,573	7,323	-	43,896
Municipal Bonds	383,281	267,002	-	650,283
U.S. Government Securities	9,155,454	1,002,860	-	10,158,314
Marketable CD's	543,685	-	-	543,685
Investment Trust Funds	2,313,017	-	-	2,313,017
Total Investments	12,432,010	1,277,185	-	13,709,195
Grand Total	\$ 60,015,988	\$ 10,435,276	\$ 1,177,595	\$ 71,628,859

#### Reconciliation to Statements of Net Position -

##### Reported as Cash and Cash Equivalents -

Cash on Hand	\$ 15,640	\$ 350	\$ 300	\$ 16,290
Cash in Checking/Savings	47,568,338	9,157,741	1,177,295	57,903,374
Investment Trust Funds	2,313,017	-	-	2,313,017
Total Cash and Cash Equivalents Reported on Statements of Net Position	49,896,995	9,158,091	1,177,595	60,232,681

##### Reported as Investments -

Cash with Broker	36,573	7,323	-	43,896
Municipal Bonds	383,281	267,002	-	650,283
U.S. Government Securities	9,155,454	1,002,860	-	10,158,314
Marketable CD's	543,685	-	-	543,685
Total Investments Reported on Statements of Net Position	10,118,993	1,277,185	-	11,396,178

##### Grand Total - Statements of Net Position

	\$ 60,015,988	\$ 10,435,276	\$ 1,177,595	\$ 71,628,859
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#### Deposits with Financial Institutions -

The County has deposits and investments, which are maintained for its primary government, component units, and fiduciary fund types.

Michigan Public Acts authorize the units of local government in the State to deposit in the accounts of federally insured banks, insured credit unions, and savings and loan associations. All deposits of the County are at federally insured banks in the State in the name of the County.

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 3 - DEPOSITS AND INVESTMENTS - (cont'd):

**Custodial Credit Risk - Deposits** - Custodial credit risk for deposits is the risk that in the event of a bank failure, the County's deposits may not be returned. As of December 31, 2021, the County has \$59,109,344 of bank deposits, of which \$19,694,897 is insured with the remaining \$39,414,447 uninsured and uncollateralized.

The County's investment policy does not address custodial credit risk for deposits.

Common cash is utilized by most of the funds of the primary government and component units within the reporting entity. Common cash consists of checking and savings accounts. Segregation of the bank balance of common cash between the primary government and component units for the determination of deposit insurance was not practical. The bank balance of common cash was included as part of the primary government's demand deposits for this determination.

The County believes that due to the dollar amounts of cash deposits and the limits of deposit insurance, it is impractical to insure all bank deposits. As a result, the County evaluates each financial institution and assesses the level of risk. The County uses only those financial institutions with an acceptable estimated risk level as depositories.

### Investments -

As of December 31, 2021, the County had the following investment types:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percentage</u>
Cash with Broker	\$ 43,896	0.32 %
Municipal Bonds	650,283	4.74
U.S. Government Securities	10,158,314	74.10
Marketable CD's	543,685	3.97
Investment Trust Funds	<u>2,313,017</u>	<u>16.87</u>
Total	<u>\$ 13,709,195</u>	<u>100.00 %</u>

**Credit Risk - Investments** - The Michigan CLASS investment trust fund is invested primarily in U.S. Treasuries, U.S. Agencies, repurchase agreements, and commercial paper.

	<u>Amount</u>	<u>Rating</u>	<u>Rating Agency</u>	<u>Average Days to Maturity</u>
Primary Government - Michigan CLASS	\$ 2,313,017	AAAm	Standard & Poors	65

Michigan Cooperative Liquid Assets Security System ("Michigan CLASS") is a participant-controlled trust created in accordance with Section 5 of Act 7 of the Urban Cooperation Act of 1967 and the Local Government Investment Pool Act, 1985 PA 121, MCL 129.141 to 129.150. Michigan CLASS is not subject to regulatory oversight and is not registered with the SEC, however issues a separate audited financial statement. Michigan CLASS operates like a money market mutual fund, with each share valued at \$1.00. Fair value of the County's position in the pool is the same as the value of the Michigan CLASS pool shares.

This investment pool has been reported in the financial statements as cash equivalents because it has the general characteristics of demand deposit accounts in that the County may deposit additional cash at any time and effectively may withdraw cash at any time without prior notice or penalty.



# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 3 - DEPOSITS AND INVESTMENTS - (cont'd):

As of December 31, 2021, the County investments, excluding the investment trust fund previously reported, cash held with brokers, U.S. government securities, and marketable CD's, had the following ratings:

<u>Fair Value</u>	<u>Ratings</u>	<u>Rating Agency</u>
\$ 159,402	AA	Standard & Poors
265,791	A	Standard & Poors
113,902	A+	Standard & Poors
<u>111,188</u>	AA-	Standard & Poors
<u>\$ 650,283</u>		

The County's investment policy stipulates a recommendation that investments be made only in institutions that meet the median rating or above. In deciding which institutions to invest, the County Treasurer and the County Investment Committee will weigh information gained from rating services, asset size, and historical information gained such as profitability, past ratings, asset growth, etc.

The County's investment policy establishes the following criteria relative to diversifying the investment portfolio. With the exception of U.S. Treasury Securities, the primary depository institution, and authorized pools, no more than 25 percent of the total investment portfolio will be invested in a single security type or with a single financial institution.

***Custodial Credit Risk - Investments*** - 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 that are in the possession of another party. The County's policy requires securities to be diversified by institution and may be held by a third-party custodian designated by the County Treasurer and evidenced by safekeeping receipts. As of December 31, 2021, \$11,352,282 of investments was held in third-party safekeeping not in the County's name, however, evidenced by safekeeping receipts.

***Concentration of Credit Risk - Investments*** - is the risk of loss attributed to the magnitude of the County's investment in a single issuer. The County's investment policy attempts to minimize risk by diversifying its investments by maturity dates, individual financial institutions, and/or security type, so that potential loss on individual securities should not exceed the income generated from the remainder of the portfolio.

***Interest Rate Risk - Investment*** - Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The County investment policy does not address interest rate risk. At year-end, the County's investments have the following range of maturity dates:

<u>Investment Type</u>	<u>Maturity (Years)</u>		
	<u>Fair Value</u>	<u>&lt;1</u>	<u>1-5</u>
Municipal Bonds	\$ 650,283	\$ 223,879	\$ 426,404
U.S. Government Securities	10,158,314	1,892,295	8,266,019
Marketable CD's	<u>543,685</u>	<u>-</u>	<u>543,685</u>
	<u>\$ 11,352,282</u>	<u>\$ 2,116,174</u>	<u>\$ 9,236,108</u>

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 3 - DEPOSITS AND INVESTMENTS - (cont'd):

The County categorized its fair value measurements 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 quoted prices for similar assets in active markets, quoted prices for identical or similar assets in inactive markets, inputs other than quoted prices that are observable, or market-corroborated inputs; and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, the fair value measurements are categorized based on the lowest level input that is significant to valuation. The County's assessment of the significance of particular inputs used requires judgement and consideration of factors specific to each asset.

The County has the following recurring fair value measurements as of December 31, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Municipal Bonds	\$ -	\$ 650,283	\$ -	\$ 650,283
U.S. Governmental Securities	<u>-</u>	<u>10,158,314</u>	<u>-</u>	<u>10,158,314</u>
	<u>\$ -</u>	<u>\$ 10,808,597</u>	<u>\$ -</u>	<u>10,808,597</u>
Cash Held with Broker				43,896
Marketable CD's				543,685
Investment Trust Funds				<u>2,313,017</u>
				<u>\$ 13,709,195</u>

The fair value of municipal bonds and U.S. government securities are based on inputs (pricing) of similar assets at or near December 31, 2021.

Michigan CLASS (Investment Trust Funds) are considered money market funds, as defined by GASB, and as such are recorded at amortized cost, which approximates fair value. The funds require no notification of redemption to avoid penalties. The funds are not subject to the fair value disclosures under GASB Statement No. 72.

### NOTE 4 - RECEIVABLES:

Receivables as of December 31, 2021 in the governmental and business-type activities are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Property taxes	\$ 2,282,434	\$ 3,223,154
Interest and accounts	1,891,208	3,726,942
Intergovernmental	<u>2,357,292</u>	<u>6,161,311</u>
	6,530,934	13,111,407
Less: Allowance for uncollectible	( <u>526,557</u> )	( <u>534,782</u> )
	<u>\$ 6,004,377</u>	<u>\$ 12,576,625</u>

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 5 - CAPITAL ASSETS:

#### Primary Government

Capital asset activity of the primary government for the year ended December 31, 2021 was as follows:

	Balance January 1, 2021	Additions	Adjustments/ Disposals	Balance December 31, 2021
<b>Governmental Activities:</b>				
Capital Assets, not being depreciated -				
Land	\$ 1,040,890	\$ -	\$ -	\$ 1,040,890
Construction in Progress	-	112,130	-	112,130
Total Capital Assets, not being depreciated	<u>1,040,890</u>	<u>112,130</u>	<u>-</u>	<u>1,153,020</u>
Capital Assets, being depreciated -				
Buildings	29,570,666	253,647	-	29,824,313
Improvements other than Buildings	2,671,170	-	-	2,671,170
Machinery and Equipment	23,655,086	436,518	-	24,091,604
Vehicles	<u>2,849,873</u>	<u>441,386</u>	<u>350,782</u>	<u>2,940,477</u>
Total Capital Assets being depreciated	<u>58,746,795</u>	<u>1,131,551</u>	<u>350,782</u>	<u>59,527,564</u>
Less: Accumulated Depreciation for -				
Buildings	19,274,179	767,643	-	20,041,822
Improvements other than Buildings	1,830,414	66,462	-	1,896,876
Machinery and Equipment	16,226,781	1,228,572	-	17,455,353
Vehicles	<u>2,365,113</u>	<u>329,255</u>	<u>344,875</u>	<u>2,349,493</u>
Total Accumulated Depreciation	<u>39,696,487</u>	<u>2,391,932</u>	<u>344,875</u>	<u>41,743,544</u>
Total Capital Assets Being Depreciated, net	<u>19,050,308</u>	<u>( 1,260,381)</u>	<u>5,907</u>	<u>17,784,020</u>
Governmental Activities Capital Assets, net	<u>20,091,198</u>	<u>( 1,148,251)</u>	<u>5,907</u>	<u>18,937,040</u>
<b>Business-type Activities:</b>				
Capital Assets, being depreciated -				
Buildings	31,971,049	254,773	-	32,225,822
Improvements other than Buildings	6,750	-	-	6,750
Machinery and Equipment	<u>4,575,850</u>	<u>65,370</u>	<u>-</u>	<u>4,641,220</u>
Total Capital Assets, being depreciated	<u>36,553,649</u>	<u>320,143</u>	<u>-</u>	<u>36,873,792</u>
Less: Accumulated Depreciation for -				
Buildings	14,922,410	823,154	-	15,745,564
Improvements other than Buildings	6,750	-	-	6,750
Machinery and Equipment	<u>3,924,392</u>	<u>193,085</u>	<u>-</u>	<u>4,117,477</u>
Total Accumulated Depreciation	<u>18,853,552</u>	<u>1,016,239</u>	<u>-</u>	<u>19,869,791</u>
Total Capital Assets, being depreciated, net	<u>17,700,097</u>	<u>( 696,096)</u>	<u>-</u>	<u>17,004,001</u>
Total Primary Government Capital Assets, net	<u>\$ 37,791,295</u>	<u>\$( 1,844,347)</u>	<u>\$ 5,907</u>	<u>\$ 35,941,041</u>

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 5 - CAPITAL ASSETS - (cont'd):

Depreciation expense for 2021 was charged to functions/programs of the primary government as follows:

Governmental Activities -	
General Government	\$ 344,485
Public Safety	1,240,864
Public Works	600
Health and Welfare	118,065
Recreation and Cultural	<u>67,227</u>
Depreciation Expense - Governmental Activities	1,771,241
Depreciation Expense in the Internal Service Funds	<u>620,691</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 2,391,932</u></u>
Business-type Activities -	
Medical Care Facility	\$ 1,008,493
Delinquent Tax Revolving	<u>7,746</u>
Total Depreciation Expense - Business-type Activities	<u><u>\$ 1,016,239</u></u>

### Component Units

**Drainage Districts:** Capital asset activity for the Drainage Districts for the year ended December 31, 2021 was as follows:

	Balance January 1, 2021	Additions	Adjustments/ Disposals	Balance December 31, 2021
Capital Assets, not being depreciated:				
Land Improvements	\$ 3,311,812	\$ 233,547	\$ -	\$ 3,545,359
Construction in Progress	<u>1,173,109</u>	<u>4,304,647</u>	<u>2,335,472</u>	<u>3,142,284</u>
Total Capital Assets, not being depreciated	<u>4,484,921</u>	<u>4,538,194</u>	<u>2,335,472</u>	<u>6,687,643</u>
Capital Assets, being depreciated:				
Equipment	355,473	-	-	355,473
Infrastructure	<u>29,566,163</u>	<u>2,101,925</u>	<u>-</u>	<u>31,668,088</u>
Total Capital Assets, being depreciated	<u>29,921,636</u>	<u>2,101,925</u>	<u>-</u>	<u>32,023,561</u>
Less: Accumulated Depreciation for:				
Equipment	111,468	-	-	111,468
Infrastructure	<u>18,203,503</u>	<u>571,583</u>	<u>-</u>	<u>18,775,086</u>
Total Accumulated Depreciation	<u>18,314,971</u>	<u>571,583</u>	<u>-</u>	<u>18,886,554</u>
Total Capital Assets, being depreciated, net	<u>11,606,665</u>	<u>1,530,342</u>	<u>-</u>	<u>13,137,007</u>
Drainage Districts Capital Assets, net	<u><u>\$ 16,091,586</u></u>	<u><u>\$ 6,068,536</u></u>	<u><u>\$ 2,335,472</u></u>	<u><u>\$ 19,824,650</u></u>

Depreciation expense was \$571,583 for 2021.

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 5 - CAPITAL ASSETS - (cont'd):

**Road Commission:** Capital asset activity for the Road Commission for the year ended September 30, 2021 was as follows:

	Balance October 1, 2020	Additions	Deletions/ Adjustments	Balance September 30, 2021
Capital Assets, not being depreciated -				
Land	\$ 159,507	\$ -	\$ -	\$ 159,507
Land Improvements	31,785,917	-	-	31,785,917
Right of Ways	180,046	-	-	180,046
Total Capital Assets, not being depreciated	32,125,470	-	-	32,125,470
Capital Assets, being depreciated -				
Building and Improvements	2,481,096	16,853	-	2,497,949
Road Equipment	9,466,314	1,198,356	1,001,209	9,663,461
Shop Equipment	119,665	-	-	119,665
Infrastructure -				
Roads	87,284,025	7,639,448	4,370,552	90,552,951
Bridges	19,172,459	2,494,846	-	21,667,305
Traffic Signals	83,723	-	-	83,723
Depletable Assets	205,130	-	-	205,130
	118,812,412	11,349,503	5,371,731	124,790,184
Less: Accumulated depreciation for -				
Buildings and Improvements	2,010,128	61,367	-	2,071,495
Road Equipment	7,519,138	679,798	973,341	7,225,595
Shop Equipment	49,897	11,967	-	61,864
Infrastructure -				
Roads	37,056,024	5,484,318	4,370,522	38,169,820
Bridges	7,866,746	423,810	-	8,290,556
Traffic Signals	83,723	-	-	83,723
Depletable Assets	134,283	-	-	134,283
	54,719,939	6,661,260	5,343,863	56,037,336
Total Capital Assets, being depreciated, net	64,092,473	4,688,243	27,868	68,752,848
Capital Assets, net	\$ 96,217,943	\$ 4,688,243	\$ 27,868	\$ 100,878,318

Depreciation expense was \$6,661,260 for 2021.

### NOTE 6 - PAYABLES:

Payables as of December 31, 2021 in the governmental and business-type activities are as follows:

	Governmental Activities	Business-type Activities
Accounts Payable	\$ 2,619,788	\$ 1,328,139
Accrued Liabilities	572,947	909,013
Intergovernmental	3,638,639	361,390
Individuals and Agencies	345,511	-
	\$ 7,176,885	\$ 2,598,542

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 7 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS:

The composition of interfund balances as of December 31, 2021 is as follows:

#### Due To/From Other Funds

	Receivable	Payable
<b>Governmental Funds -</b>		
General Fund	\$ 1,585	\$ 27,480
E-911	-	3,737,702
	<u>1,585</u>	<u>3,765,182</u>
Nonmajor Special Revenue Funds -		
E-911 Debt	-	766
Friend of the Court	160	2,707
Family Marriage Counseling	-	45
Health Department	14,187	7,745
Personal Care Aid Program	-	1,587
Animal Control	-	597
Emergency Management	-	188
Community Grants	-	14,492
Police Service Contracts	-	5,851
Law Enforcement	-	655
Child Care	-	1,110
Soldiers' Relief	-	551
Soil and Sedimentation	-	54
Mental Health Court	-	222
Concealed Pistol Licensing	284	-
Indigent Defense	<u>2</u>	<u>-</u>
	<u>14,633</u>	<u>36,570</u>
Nonmajor Capital Project Fund -		
E-911 Construction	<u>3,734,692</u>	<u>-</u>
<b>Internal Service Funds -</b>		
Retirement	<u>41,325</u>	<u>-</u>
<b>Proprietary Funds -</b>		
Delinquent Tax	<u>-</u>	<u>122</u>
Reconciling item for September 30 year-end funds	<u>9,639</u>	<u>-</u>
Total	<u>\$ 3,801,874</u>	<u>\$ 3,801,874</u>

The outstanding balances between funds result mainly from the time lag between the dates that: (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Total due to primary government funds, as shown on the accompanying financial statements, reported more than due from primary government funds by \$9,639 due to transactions with funds reported on a September 30 year-end.

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 7 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS - (cont'd):

#### Advances From/To Other Funds

	<u>Receivable</u>	<u>Payable</u>
<b>Governmental Funds -</b>		
General Fund	\$ 25,000	\$ - (1)
Community Mental Health	7,500	- (1)
Lapeer Family Continuation Coordinator	-	7,500 (1)
Parks Department	<u>-</u>	<u>25,000</u> (1)
Total	<u>\$ 32,500</u>	<u>\$ 32,500</u>

(1) The advances were executed to assist with cash flows.

#### Advances From/To Primary Government and Component Units

	<u>Receivable</u>	<u>Payable</u>
Primary Government - General Fund	\$ 90,000	\$ -
Component Unit - Drainage Districts	<u>-</u>	<u>90,000</u>
	<u>\$ 90,000</u>	<u>\$ 90,000</u>

The advance was executed in order to assist providing cash flow for various drain projects prior to the levy of special assessments.

#### Interfund Receivable/Payable

	<u>Receivable</u>	<u>Payable</u>
<b>Proprietary Fund -</b>		
Delinquent Tax	\$ 3,414,942	\$ -
<b>Governmental Funds -</b>		
General Fund	-	3,040,226
Mental Health Court	-	6,085
Indigent Defense	-	15
Friend of the Court	-	93,985
County Surveyor	-	19,314
Emergency Management	-	46,917
Police Service Contracts	-	202,959
CARES Act	<u>-</u>	<u>5,441</u>
Total	<u>\$ 3,414,942</u>	<u>\$ 3,414,942</u>

The interfund receivable/payable balances at December 31, 2021 represent short-term borrowing between funds to cover negative cash balances in the common checking account in accordance with County Board policy.

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 7 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS - (cont'd):

#### Transfers In and Out

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Parks Department	General Fund	\$ 43,000 (5)
Friend of the Court		413,475 (1)
Health Department		340,630 (1)
Community Mental Health		267,580 (1)
Animal Control		156,000 (1)
Emergency Management		136,000 (1)
Indigent Defense		108,396 (1)
Community Grants		69,000 (1)
Police Service Contracts		488,693 (1)
Law Enforcement Programs		2,967 (1)
Law Enforcement		80,000 (1)
Law Library		4,500 (1)
Child Care		500,000 (1)
Multi-Purpose Collaborative Body		18,500 (1)
Equipment Acquisition and Replacement		<u>140,718 (3)</u>
		<u>2,769,459</u>
Unemployment Insurance	Health Insurance	<u>32,000 (4)</u>
Personal Care Aide Program	Senior Millage	<u>860,000 (2)</u>
E-911 Construction	E-911 Debt	<u>3,734,692 (6)</u>
Total Transfers		<u>\$ 7,396,151</u>

Transfers represent:

- (1) The movement of unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations (annual appropriations)
- (2) The movement of tax revenue from the collecting fund to the fund that is budgeted to expend the tax collections
- (3) The transfer of funds to finance capital acquisition
- (4) The transfer of resources
- (5) The transfer of funds to provide an operating subsidy
- (6) The transfer of funds closing the E-911 Debt Fund



# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 8 - LEASES:

#### Component Unit - Lapeer County Board of Public Works

**Lessor Leases** - The BPW has entered into a number of capital lease agreements with various municipalities within the County. Under the agreements, the County issued bonds or obtained loans that were used for the construction of water and/or sewage disposal systems. The municipalities agreed to pay the BPW the amount necessary to pay the principal, interest, and paying agent fees as they come due. Upon final payment of the respective bonds or loans, ownership of the system will revert to the respective municipality. Therefore, the County has recorded no assets relating to these projects.

On this basis, on the BPW statement of net position, the aggregate future lease payments necessary for retirement of outstanding bond principal has been recorded as a receivable and deferred inflow of resources.

The future minimum lease payments to be received are as follows:

	<u>Principal</u>	<u>Interest</u>
2022	\$ 280,000	\$ 27,237
2023	155,000	19,498
2024	155,000	16,204
2025	160,000	12,911
2026	160,000	9,511
2027-2028	<u>287,562</u>	<u>8,719</u>
	<u>\$ 1,197,562</u>	<u>\$ 94,080</u>

### NOTE 9 - LONG-TERM LIABILITIES:

#### Primary Government

The following is a summary of changes in the long-term liabilities (including current portions) of the Primary Government for the year ended December 31, 2021:

	<u>Balance January 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31, 2021</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Governmental Funds -					
Other Liabilities:					
Accrued Claims Liability	\$ 226,391	\$ 328,136	\$ 136,861	\$ 417,666	\$ 25,000
Accrued Vacation	<u>600,645</u>	<u>648,513</u>	<u>600,645</u>	<u>648,513</u>	<u>648,513</u>
Total Governmental Funds	827,036	976,649	737,506	1,066,179	673,513
Internal Service Funds -					
Other Liabilities:					
Workers' Compensation					
Claims Liabilities	<u>103,876</u>	<u>48,730</u>	<u>57,103</u>	<u>95,503</u>	<u>95,503</u>
Total Governmental Activities	<u>930,912</u>	<u>1,025,379</u>	<u>794,609</u>	<u>1,161,682</u>	<u>769,016</u>

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 9 - LONG-TERM LIABILITIES - (cont'd):

	Balance January 1, 2021	Additions	Reductions	Balance December 31, 2021	Due Within One Year
<b>Business-type Activities:</b>					
Direct Borrowings and Direct Placements -					
Medical Care Facility:					
Paycheck Protection Program Loan	\$ 3,397,606	\$ -	\$ 3,397,606	\$ -	\$ -
Other Liabilities -					
Medical Care Facility:					
Workers' Compensation					
Claims Liabilities	45,968	145,263	44,941	146,290	146,290
Accrued Vacation and Sick	545,822	343,505	545,822	343,505	343,505
Accrued Liabilities	<u>304,060</u>	<u>-</u>	<u>304,060</u>	<u>-</u>	<u>-</u>
Total Business-type Activities	<u>4,293,456</u>	<u>488,768</u>	<u>4,292,429</u>	<u>489,795</u>	<u>489,795</u>
Total Primary Government	<u>\$ 5,224,368</u>	<u>\$ 1,514,147</u>	<u>\$ 5,087,038</u>	<u>\$ 1,651,477</u>	<u>\$ 1,258,811</u>

Significant details regarding outstanding long-term liabilities (including current portions) are presented as follows:

#### **Paycheck Protection Program Loan -**

During the year ended December 31, 2020, the County entered into a promissory note with a bank for \$3,397,606 under the Paycheck Protection Program (PPP). The PPP was established by Congress as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Under the terms of this program, the loan may be fully or partially forgiven if the loan proceeds are spent on qualifying expenses and if staffing level and salary maintenance requirements are met. The County may have used the funds on qualifying expenses over a covered period of up to 24 weeks. At the conclusion of the covered period, any balance that is not forgiven by the Small Business Association (SBA) would have been repaid over a period of five years with interest accruing at a rate of 1 percent. Based on the loan amount, irrespective of any potential forgiveness that may have been granted in the future, payments of principal and interest totaling \$77,921 would have been due monthly, beginning in December 2021. The loan would have matured in August 2025, at which point the remaining principal and interest would have been due.

A borrower may submit a loan forgiveness application any time on or before the maturity date of the loan, including before the end of the covered period, if the borrower has used all of the loan proceeds for which the borrower is requesting forgiveness than at least 60% of PPP funds must be spent on payroll costs, with the remaining 40% available to spend on other eligible expenses and payments are deferred until the date on which the amount of forgiveness determined is remitted to the lender.

As of December 31, 2020, the outstanding balance was \$3,397,606. During the year ended December 31, 2021, the loan was forgiven in full and is shown as forgiveness of PPP Loan currently shown in other non-operating income (expense) in the statements of revenues, expenses, and changes in net position of the Medical Care Facility Fund.

## **LAPEER COUNTY, MICHIGAN**

### **NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021**

#### **NOTE 9 - LONG-TERM LIABILITIES - (cont'd):**

According to the rules of the SBA, the County is required to retain PPP Loan documentation for six years after the date the loan is forgiven or repaid in full, and permit authorized representatives of the SBA, including representatives of its Office of Inspector General, to access such files upon request. Should the SBA conduct such a review and reject all or some of the County's judgements pertaining to satisfying PPP Loan eligibility or forgiveness conditions, the County may be required to adjust previously reported amounts and disclosures in the consolidated financial statements.

#### **Accrued Claims Liability -**

The County has estimated an accrued claims liability for its general and auto liability, vehicle physical damage, and property risk, including an estimate for claims incurred but not reported (IBNR), administered through a third-party service provider in the amount of \$417,666 at December 31, 2021.

The County has estimated accrued outstanding workers' compensation insurance claims, including an estimate for the claims incurred but not reported (IBNR). The dollar amount of these claims reported as a liability on the statements of net position of the Workers' Compensation Fund and Medical Care Facility Fund is \$95,503 and \$146,290, respectively, at December 31, 2021.

#### **Accrued Vacation and Sick -**

Accrued vacation and sick of \$343,505 has been recorded as a long-term liability in the Medical Care Facility (enterprise) Fund. The governmental funds' portion of \$648,513 has been recorded in the government-wide financial statements as a long-term liability and is generally liquidated by the General Fund or the fund where the employee salary is charged. The County's policy requires vacation earned to be used by the employee's anniversary date of hire each year and employees are not allowed to carryover. Therefore, all accrued vacation and sick is reported as due within one year.

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 9 - LONG-TERM LIABILITIES - (cont'd):

#### Component Units

The following is a summary of changes in long-term liabilities (including current portions) of the Road Commission for the year ended September 30, 2021 and the BPW and Drainage Districts for the year ended December 31, 2021:

	Balance October 1, 2020	Additions	Reductions	Balance September 30, 2021	Due Within One Year
<b>Road Commission -</b>					
Other Liability: Accrued Vacation	\$ 544,779	\$ 300,737	\$ 337,454	\$ 508,062	\$ -
	Balance January 1, 2021	Additions	Reductions	Balance December 31, 2021	Due Within One Year
<b>BPW -</b>					
General Obligation Bonds	255,000	-	125,000	130,000	130,000
Other Direct Borrowings:					
State of Michigan Revolving					
Loans	1,207,562	-	140,000	1,067,562	150,000
Total Board of Public Works	1,462,562	-	265,000	1,197,562	280,000
<b>Drainage Districts -</b>					
General Obligation Bonds:					
Drainage Bonds	7,015,000	125,000	465,000	6,675,000	650,000
Amount for Bond Premium	30,947	-	2,579	28,368	2,579
Other Direct Borrowing:					
Notes Payable	163,000	655,000	39,548	778,452	204,089
Total Drainage District	7,208,947	780,000	507,127	7,481,820	856,668
Total Component Units	\$ 9,216,288	\$ 1,080,737	\$ 1,109,581	\$ 9,187,444	\$ 1,136,668

#### Road Commission

##### Accrued Vacation -

In accordance with contracts negotiated with the various employee groups, individual employees have a vested right upon termination of employment to receive payment for unused vacation under formulas and conditions specified in the contracts. The dollar amount of these vested rights, which has been accrued on the financial statements amounts to \$508,062 at September 30, 2021.

#### BPW

##### General Obligation Bonds -

General Obligation Bonds have been issued by the County to construct several water supply and sewage disposal systems for various townships, villages and cities in the County. The County in turn is leasing the systems to the various municipalities who operate, maintain and manage the systems. The bonds were sold with the full faith and credit of the townships, villages, cities, and County pursuant to Act 185, Public Acts of Michigan, 1957, as amended.

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 9 - LONG-TERM LIABILITIES - (cont'd):

The principal and interest on the bonds are to be paid out of money received from the various municipalities by the BPW pursuant to the lease agreements. Upon final payment of the bond issues, ownership of the systems reverts to the municipalities.

On October 5, 2011, the County, through its BPW, issued 2011 (tax exempt) refunding bonds in the amount of \$1,180,000. The bond proceeds and other accumulated resources were used to redeem the remaining principal of \$1,490,000 of the 2002 Sewage Disposal System Improvement Bonds - Limited Tax General Obligation (Village of Almont). Principal payments are due in annual installments through December 1, 2022 in the amount of \$130,000, with interest due semi-annually on December 1 and June 1 at a rate of 3.50%. The remaining balance at December 31, 2021 is \$130,000.

#### State of Michigan Revolving Loans -

State of Michigan Revolving Loans have been obtained to construct Drinking Water Systems for villages in the County. The County in turn is leasing the systems to the villages that operate, maintain, and manage the systems. The loans are backed by the full faith and credit of the villages and County pursuant to Act 185, Public Act of Michigan 1957, as amended.

The principal and interest are to be paid out of money received from the villages by the BPW pursuant to the lease agreements. Upon final payment of the loans, ownership of the system reverts to the villages. State of Michigan Revolving Loans currently outstanding are as follows:

#### 2007 Village of Almont Drinking Water Revolving Loan Project #7192-01 -

On September 20, 2007, the loan was authorized to be drawn in amount of \$2,090,000. The BPW has drawn \$2,017,030 from the authorized amount. Principal payments are due in annual installments through October 1, 2028 in amounts ranging from \$105,000 to \$125,000 with interest of 2.125% payable semi-annually on April 1 and October 1.

#### 2007 Village of Dryden Drinking Water Revolving Loan Project #7191-01 -

On September 27, 2007, the loan was authorized to be drawn in an amount of \$695,000. The BPW has drawn \$664,868 from the authorized amount. Principal payments are due in annual installments through October 1, 2027 in amounts ranging from \$35,000 to \$40,000 with interest of 2.125% payable semi-annually on April 1 and October 1.

The State of Michigan Drinking Water Revolving Loans outstanding at December 31, 2021 are as follows:

	<u>Interest Rate</u>	
2007 Water System (Village of Almont)	2.125 %	\$ 827,694
2007 Water System (Village of Dryden)	2.125	<u>239,868</u>
		<u>\$ 1,067,562</u>

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 9 - LONG-TERM LIABILITIES - (cont'd):

Annual debt service requirements to maturity for the general obligation bonds and State of Michigan revolving loans are as follows:

Year Ending December 31,	General Obligation Bonds		State of Michigan Revolving Loans	
	Principal	Interest	Principal	Interest
2022	\$ 130,000	\$ 4,551	\$ 150,000	\$ 22,686
2023	-	-	155,000	19,498
2024	-	-	155,000	16,204
2025	-	-	160,000	12,911
2026	-	-	160,000	9,511
2027-2028	-	-	287,562	8,719
	<u>\$ 130,000</u>	<u>\$ 4,551</u>	<u>\$ 1,067,562</u>	<u>\$ 89,529</u>

### Drainage Districts

#### Drainage Bonds -

The County through the Drain Commissioner, administers the construction of drains, which are deemed to benefit properties against which special assessments are levied. To finance the construction, notes and bonds are issued in accordance with the provisions of Act No. 40 of the Michigan Public Acts of 1956, as amended by Act No. 71, Public Acts of 1976. Repayment of the notes and bonds are made from the special assessment revenues collected and are serviced from debt service funds. The full faith and credit of the Drainage Districts have been pledged for the making of said payments. Also, pursuant to a resolution adopted by the County Board, the County has pledged its full faith and credit as additional security for the payment of the principal of and interest on the bonds.

On November 1, 2001, the County issued \$525,000 in bonds in connection with the Winn Lake Drainage District. The final principal payment was paid in the amount of \$30,000 on May 1, 2021, with the final interest amount of 5.60% also due on May 1, 2021.

On March 29, 2005, the County issued \$2,830,000 in bonds in connection with the Imlay-Bigelow Branches Drainage Districts. Principal payments are due in annual installments through June 1, 2025 in the amount of \$125,000, with interest due semi-annually on June 1 and December 1 with rates ranging from 4.45-4.70%

In May 2017, the County issued \$2,520,000 in bonds in connection with the Indian Creek Intercounty Drainage District. Principal payments are due in annual installments through June 1, 2032 in amounts ranging from \$165,000 to \$170,000 with interest due semi-annually on June 1 and December 1 with rates ranging from 2.00-3.25%.

In September 2019, the County issued \$545,000 in bonds in connection with the Marshall Creek Drainage District. Principal payments are due in annual installments through June 1, 2031 in amounts ranging from \$45,000 to \$50,000, with interest of 2.13% due semi-annually on June 1 and December 1.

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 9 - LONG-TERM LIABILITIES - (cont'd):

On September 1, 2020, the County issued \$1,275,000 in bonds in connection with the Peasley Drainage District. Principal payments are due in annual installments through June 1, 2032 in amounts ranging from \$95,000 to \$110,000, with interest of 1.57% due semi-annually on June 1 and December 1.

On November 18, 2020, the County issued \$1,310,000 in bonds in connection with the Bottom Creek Drainage District. Principal payments are due in annual installments through June 1, 2033 in amounts ranging from \$105,000 to \$115,000, with interest of 1.66% due semi-annually on June 1 and December 1.

On November 18, 2020, the County issued \$1,255,000 in bonds in connection with the Stroup Drainage District. Principal payments are due in annual installments through June 1, 2036 in amounts ranging from \$65,000 to \$85,000, with interest of 1.79% due semi-annually on June 1 and December 1.

On March 11, 2021, the County issued \$125,000 in bonds in connection with the Burke Drainage District. Principal payments are due in annual installments through June 1, 2036 in amounts ranging from \$5,000 to \$10,000, with interest rates ranging from 0.50% - 1.83% due semi-annually on June 1 and December 1.

The balances of outstanding drainage bonds at December 31, 2021 are as follows:

	<u>Interest Rate</u>	
Imlay-Bigelow and Branches Drainage District	4.45 - 4.70 %	\$ 500,000
Indian Creek Intercounty Drainage District	2.00 - 3.25	1,840,000
Marshall Creek Drainage District	2.13	465,000
Peasley Drainage District	1.57	1,180,000
Bottom Creek Drainage District	1.66	1,310,000
Stroup Drainage District	1.79	1,255,000
Burke Drainage District	0.50 - 1.83	<u>125,000</u>
		<u>\$ 6,675,000</u>

### Notes Payable -

On October 29, 2020, the County executed a promissory note with the County Drain Commission, a component unit of the County, for the purpose of funding the Lake Nepessing Drainage District Project. Payments are due in annual installments ranging from \$39,548 to \$41,968 through 2024, with interest of 2.00% due on June 30 of each year. The outstanding balance at December 31, 2021 is \$123,452.

On October 8, 2021, the County executed a Series 2021 note with the Drainage Board of the Belle River Intercounty Drain Drainage District for the purpose of funding the Belle River Intercounty Drain Drainage District project. Payments are due in annual installments of \$163,750 through 2025, with interest of 1.40% due on July 1 of each year. The outstanding balance at December 31, 2021 is \$655,000.

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 9 - LONG-TERM LIABILITIES - (cont'd):

Annual debt service requirements to maturity for the drainage bonds and promissory note are as follows:

Year Ended Year Ended December 31,	Promissory Note		Drainage Bonds	
	Principal	Interest	Principal	Interest
2022	\$ 204,089	\$ 9,168	\$ 650,000	\$ 144,063
2023	204,895	8,540	650,000	128,094
2024	205,718	5,424	650,000	111,207
2025	163,750	2,293	645,000	94,263
2026	-	-	520,000	80,228
2027-2031	-	-	2,620,000	234,606
2032-2036	-	-	940,000	26,654
	<u>\$ 778,452</u>	<u>\$ 25,425</u>	<u>\$ 6,675,000</u>	<u>\$ 819,115</u>

### NOTE 10 - PENSION PLANS:

#### Primary Government

#### Plan Description -

The County participates in the Municipal Employees' Retirement System (MERS), an agent multiple-employer, State-wide public employee defined benefit pension plan (the "Plan") created under Public Act 135 of 1945 and now operates under Public Act 220 of 1996 and the MERS Plan Document, as revised. MERS was established to provide retirement, survivor, and disability benefits on a voluntary basis to the State's local government employees. Act No. 427 of the Public Acts of 1984, as amended, establishes and amends the benefits provisions of the participants in MERS. MERS issues a publicly available financial report that includes financial statements and required supplementary information for MERS. That report may be obtained by writing to MERS at 1134 Municipal Way, Lansing, Michigan 48917 or online at [www.mersofmich.com](http://www.mersofmich.com).

Contributions are recognized as revenue when due and payable. Benefits and refunds are recognized when due and are payable in accordance with the Plan. Plan investments are reported at fair value or estimated fair value.

The membership at December 31, 2021 was comprised of 685 active participants, 431 retirees and beneficiaries, and 155 other vested inactive participants. The membership at December 31, 2020 was comprised of 685 active participants, 431 retirees and beneficiaries, and 155 other vested inactive participants.

The net pension liabilities are primarily liquidated by the General Fund, the Community Mental Health, E-911, Health Department, and Police Service Contracts special revenue funds and the Medical Care Facility enterprise fund.



# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 10 - PENSION PLANS - (cont'd):

#### Benefits Provided -

Retirement benefits are calculated based on multiples of 2.0-2.5% with a maximum of 80%, except for one division that has no maximum, of the employee's final five-year average salary times the employee's years of service. Employees are vested after 10 years of service. Normal retirement age is 60. Early retirement with a reduced benefit is at 50 with 25 years of service or at 55 with 15 years of service for all divisions, excluding two divisions where the reduced benefit is at 55 with 15 years of service only. An unreduced benefit is available for four (4) divisions at 50 with 25 years of service or at 55 with 25 years of service. Employees are eligible for non-duty disability benefits after 10 years of service and for duty-related disability benefits upon hire. Disability benefits are determined in the same manner as retirement benefits but are payable immediately. An employee who leaves service may withdraw his or her contributions, plus accumulated interest.

Benefit terms, within the parameters established by MERS, are established and amended by authority of the County Board.

#### Contributions -

Participants of the Plan contribute 0.00-2.53% of compensation with the remaining amount contributed by the County based on actuarially determined amounts. The County pays the actuarially determined amount, which for the year ended December 31, 2021 was 8.00-21.00% of covered payroll. The County had \$838,480 payable to the Plan related to December 2021 contributions.

#### Net Pension Liability -

The net pension liability of the County has been measured as of December 31, 2021, which used updated procedures to roll forward the estimated liability determined by an actuarial valuation performed from December 31, 2020 to December 31, 2021, and is composed of the following:

	Total Pension Liability	Plan's Net Position	Net Pension Liability
Beginning balance	\$ 137,936,647	\$ 123,894,442	\$ 14,042,205
Service cost	2,705,035	-	2,705,035
Interest on total pension liability	10,304,084	-	10,304,084
Net investment income	-	17,365,621	( 17,365,621)
Difference between expected and actual experience	1,529,789	-	1,529,789
Change in assumptions	6,941,075	-	6,941,075
Contributions from employer	-	4,332,283	( 4,332,283)
Contributions from employees	-	241,129	( 241,129)
Benefit payments	( 7,418,211)	( 7,418,211)	-
Administrative costs	-	( 199,254)	199,254
Other changes	( 411,988)	-	( 411,988)
Ending balance	<u>\$ 151,586,431</u>	<u>\$ 138,216,010</u>	<u>\$ 13,370,421</u>

Plan fiduciary net position as a percentage of the total pension liability 91.18%

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 10 - PENSION PLANS - (cont'd):

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

For the year ended December 31, 2021, the County recognized pension expense of \$5,342,449 in the government-wide and proprietary fund financial statements of the primary government. At December 31, 2021, the County reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<b>Primary Government</b>		
Net difference between projected and actual earnings of Plan investments	\$ -	\$ 9,581,470
Difference between expected and actual experience	1,388,909	1,041,201
Change in assumptions	<u>5,839,920</u>	<u>-</u>
	<u>\$ 7,228,829</u>	<u>\$ 10,622,671</u>

The amounts of deferred outflows/inflows of resources related to pension will be recognized in pension expense as follows:

2022	\$ 2,744,610
2023	( 1,733,947)
2024	( 2,799,045)
2025	<u>( 1,605,460)</u>
	<u>\$( 3,393,842)</u>

#### Actuarial Assumptions -

The total pension liability was determined by an actuarial valuation as of December 31, 2020 that used updated procedures to roll forward the liability to December 31, 2021. The valuation used the following actuarial assumptions based on the most recent study of Plan experience covering the period from January 1, 2014 through December 31, 2018.

**Salary Increases** - 3.00%

**Inflation** - 2.50%

**Investment Rate of Return** - 7.35%

**Mortality Rates** - Pub-2010 Mortality Table fully generational mortality improvements projected with Scale MP-2019

**Discount Rate** - The discount rate used to measure the total pension liability was 7.60 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 10 - PENSION PLANS - (cont'd):

#### Projected Cash Flows -

Based on the assumptions above, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return as of December 31, 2020 for each major asset class included in the Plan's target asset allocation 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	60.00 %	3.15 %
Global Fixed Income	20.00	0.25
Private Investments	20.00	1.45

#### 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 7.60 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 (6.60 percent) or 1-percentage-point higher (8.60 percent) than the current rate.

	<u>1% Decrease (6.60%)</u>	<u>Current Discount Rate (7.60%)</u>	<u>1% Increase (8.60%)</u>
Net pension liability of the Primary Government	<u>\$ 31,952,338</u>	<u>\$ 13,370,421</u>	<u>\$( 2,152,853)</u>

#### Component Unit - Road Commission

##### Defined Benefit Plan:

##### Plan Description -

The Road Commission participates in MERS, an agent multiple employer, state-wide, public employee-defined benefit pension plan that covers all full-time, non-seasonal employees. The pension plan (the "Plan") description is the same as the County's primary government as noted previously in this Note.

The membership at December 31, 2020 was comprised of 43 active participants, 56 retirees and beneficiaries, and 11 other vested inactive participants.

## **LAPEER COUNTY, MICHIGAN**

### **NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021**

#### **NOTE 10 - PENSION PLANS - (cont'd):**

##### **Benefits Provided -**

Retirement benefits for active employees hired before April 1, 2014 are calculated as a percentage of final average compensation (FAC) multiplied by the employee's years of service. The percentages range from 2.25% to 2.50% dependent upon the employee's collective bargaining unit or administrative division and are applied to FAC (five-year average salary). Maximum benefits are 80% of FAC for the Local 1071 division. Employees are vested after 10 years of service. Normal retirement age is 60. Early retirement with a reduced benefit is at 50 years with 25 years of service or at 55 with 15 years of service. An unreduced benefit at age 55 with 25 years of service is available to all divisions. Employees are eligible for non-duty disability benefits after 10 years of service and for duty-related disability benefits upon hire. Disability benefits are determined in the same manner as retirement benefits but are payable immediately. An employee may withdraw his or her contributions, plus accumulated interest. These benefits are not available to new-hires after March 31, 2014.

Retirement benefits for active employees hired between April 1, 2014 and July 31, 2017 are via participation in the MERS hybrid plan. The hybrid plan provides a guaranteed pension element through a defined benefit component with a flexible and transferable retirement savings element through a defined contribution account. The defined benefit component provides a retirement benefit calculated at 1.25% of FAC based on three (3) years and a vesting period of six (6) years. This hybrid plan is not available to new-hires after July 31, 2017.

Benefit terms, within the parameters established by MERS, are established and amended by authority of the Road Commission Board and ratification by the collective bargaining units.

##### **Contributions -**

Participants of the Plan contribute 0.00%-7.10% of compensation, depending on division, with the remaining flat dollar amounts contributed by the Road Commission based on an actuarial valuation. During the year ended September 30, 2021, contributions totaling \$2,000,004 were made in accordance with contribution requirements determined by on actuarial valuation for the Plan. At September 30, 2021, \$172,224 was payable to the Plan relating to September 2021 contributions.

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 10 - PENSION PLANS - (cont'd):

#### Net Pension Liability -

The net pension liability of the Road Commission has been measured as of December 31, 2020 as determined by an actuarial valuation performed as of that date, and the changes in net pension liability are composed of the following:

	Total Pension Liability	Plan's Fiduciary Net Position	Net Pension Liability
Beginning balance	\$ 19,727,144	\$ 13,762,040	\$ 5,965,104
Service cost	205,815	-	205,815
Interest on total pension liability	1,459,650	-	1,459,650
Net investment income	-	1,919,273	( 1,919,273)
Difference between expected and actual experience	( 50,790)	-	( 50,790)
Changes in assumptions	399,496	-	399,496
Contributions from employer	-	2,000,004	( 2,000,004)
Contributions from members	-	97,913	( 97,913)
Benefit payments	( 1,248,253)	( 1,248,253)	-
Administrative costs	-	( 28,619)	28,619
Ending balance	<u>\$ 20,493,062</u>	<u>\$ 16,502,358</u>	<u>\$ 3,990,704</u>

Plan fiduciary net position as a percentage of the total pension liability 80.53%

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

For the year ended September 30, 2021, the Road Commission recognized pension expense of \$567,505. At September 30, 2021, the Road Commission reported deferred outflows/inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on Plan investments	\$ -	\$ 620,537
Change in assumptions	597,245	-
Difference between expected and actual experience	26,694	44,542
	623,939	665,079
Contributions made subsequent to the measurement date	1,500,003	-
	<u>\$ 2,123,942</u>	<u>\$ 665,079</u>

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 10 - PENSION PLANS - (cont'd):

The amounts of deferred outflows/inflows of resources related to pension, excluding contributions to the Plan subsequent to the measurement date which will be recognized by the Plan in the next measurement period, will be recognized in pension expense as follows:

2022	\$	112,885
2023		225,336
2024	(	210,929)
2025	(	168,432)
	<u>\$</u>	<u>(41,140)</u>

### Actuarial Assumptions and Projected Cash Flows -

Actuarial assumptions and projected cash flows are the same as the County's Primary Government, as noted previously in this Note.

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate** - The following presents the net pension liability of the Road Commission, calculated using the discount rate of 7.60 percent, as well as what the Road Commission's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.60 percent) or 1-percentage-point higher (8.60 percent) than the current rate.

	1% Decrease (6.60%)	Current Discount Rate (7.60%)	1% Increase (8.60%)
Net pension liability	\$ 6,365,239	\$ 3,990,704	\$ 1,995,460

The Road Commission issued a separate annual financial statement as of September 30, 2021. The defined benefit pension plan schedules required as supplementary information are provided in those financial statements.

### Defined Contribution Plan -

The Defined Contribution (the "DC Plan") portion of the hybrid plan for employees hired between April 1, 2014 and July 31, 2017 requires the Road Commission to contribute/match on behalf of each participant 6.00% of each participating employee's base salary, along with a required employee contribution of 6.00%. This plan was not available to new-hires after July 31, 2017. Employer contributions for the year ended September 30, 2021 were \$34,528.

Retirement benefits for all employees hired after August 1, 2017 is a DC Plan which consists of the Road Commission contributing 7.00% of each participating employee's base salary, along with a required employee contribution of 3.00%. Employer contributions are vested after six years. Employer contributions to the DC Plan for the year ended September 30, 2021 were \$42,479.

## **LAPEER COUNTY, MICHIGAN**

### **NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021**

#### **NOTE 11 - OTHER POST EMPLOYMENT BENEFITS:**

##### **Primary Government -**

The County sponsors a defined contribution plan known as the Lapeer County Retiree Health Care Plan (the "Retiree Health Care Plan") and is available to all full-time employees to provide resources for postemployment health care expenses. The County provides a basic contribution of \$30 per month per individual into an account in the employee's name. The Retiree Health Care Plan requires 10 years of continuous service in full-time capacity to vest. Forfeitures are used to reduce the County's contributions. The County Board has the authority to amend the Retiree Health Care Plan. Employer contributions to participant accounts of \$135,074 were made for the year ended December 31, 2021. The Medical Care Facility made a separate contribution to the Retiree Health Care Plan of \$81,240 for the year ended December 31, 2021. The County obligation is limited to the amount of employer contributions provided to the Retiree Health Care Plan.

##### **Component Unit - Road Commission**

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

The Road Commission provides other postemployment benefits (OPEB) through a single-employer defined benefit healthcare plan (the "OPEB Plan") for all employees hired prior to July 1, 2015 who retire from the Road Commission at age 55 with 25 years of service or at age 60 with 10 years of service. Employer contributions are vested after ten years. Management of the OPEB Plan is provided by the Road Commission Board, which consists of three members. A separate financial statement of the Road Commission's OPEB Plan is not issued.

Healthcare benefits for active employees hired after July 1, 2015 consist of a Health Care Savings Plan in which the Road Commission makes bi-weekly deposits into their accounts until retirement.

##### **Summary of Significant Accounting Policies -**

For purposes of measuring net OPEB liability, deferred outflows/inflows of resources, and OPEB expense, the fiduciary net position of the OPEB Plan and additions to/deductions from fiduciary net position have been determined as the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

##### **Benefits Provided -**

Benefits for employees hired prior to July 1, 2015 provided by the OPEB Plan consist of healthcare, vision allowance, and prescription drug coverage for retirees, spouses, and dependents up to age 26. Benefit eligibility is based on MERS full retirement. A system of Tiers 1-4, dependent upon the year of hire, designates the amount of benefits. The OPEB Plan was closed to all new-hires on July 1, 2015.

##### **OPEB Plan Membership -**

At September 30, 2021, OPEB plan membership consisted of 27 active members and 52 inactive members or beneficiaries receiving benefits.

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 11 - OTHER POST EMPLOYMENT BENEFITS - (cont'd):

#### Contributions -

During the year ended September 30, 2021, the actuarial determined contributions were \$1,997,995 and actual contributions of \$808,217 were made.

The OPEB Plan was established by, and is being funded under, the authority of the Road Commission and under agreements with unions representing various classes of employees. The OPEB Plans' funding policy is that the Road Commission will review the funded status and make contributions (in addition to the current retiree benefits) as deemed prudent, which is currently at \$250,000 per year (\$62,500 per quarter).

#### Investment Policy -

The OPEB Plan's policy in regard to the allocation of invested assets is established and may be amended by the Road Commission Board by a majority vote of its members.

The long-term expected rate of return on the OPEB Plan's investments was determined using a forward-looking estimate of capital market returns model for each investment's major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and investment expenses. The adopted asset allocation policy and the best estimates of arithmetic real rates of return for each asset class as of September 30, 2021 are as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return Before Inflation</u>
Global Equity	60.00 %	2.97 %
Global Fixed Income	20.00	0.48
Private Assets	20.00	1.40

#### Methods and Assumptions -

The total OPEB liability was determined by an actuarial valuation at September 30, 2021. The valuation used the following assumptions included in the measurement:

Retirement Age of Active Employees - Based on the required retirement age for the covered group, active plan members were assumed to retire at age 55 with 25 years of service or age 60 with 10 years of service.

Marital Status - Marital status of members at the calculation date was assumed to continue throughout retirement.

Mortality - Public General 2010 Employee and Healthy Retiree, headcount weighted, MP-2021 improvement scale.

Healthcare Cost Trend Rate - The expected rate of increase in healthcare insurance premiums was based on standards set by Michigan Public Act 202. Non-Medicare rates were estimated at 7.50%, graded down to 4.50% by 0.25% per year. Medicare rates were estimated at 5.75%, graded down to 4.50% by 0.25% per year.



# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 11 - OTHER POST EMPLOYMENT BENEFITS - (cont'd):

Health Insurance Premiums - Actual health insurance premiums for retirees as of the valuation date were used as the basis for calculation of the present value of total benefits to be paid.

Payroll Growth Rate - The expected long-term payroll growth rate assumption of 2.50% was based on historical trends.

Discount Rate - A discount rate of 7.35% was used. The projection of cash flows used to determine the discount rate assumes that the Road Commission will make annual contributions of \$250,000. Based on this assumption, the assets are projected to be sufficient to make projected future benefit payments of current OPEB Plan members through 2025 (the "crossover point"). For projected benefits that are covered by the projected assets, the long-term expected rate was used to discount the projected benefits. From the year that 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.

Assumption changes since the prior valuation are as follows:

- The discount rate changed from 2.39% to 7.35%
- Trend rates were updated
- Salary scale lowered from 3.50% to 2.50%
- Mortality improvement scale was updated from MP-2018 to MP-2021

### Net OPEB Liability of the Road Commission -

The net OPEB liability of the Road Commission has been measured as of September 30, 2021. The total OPEB liability used to calculate the net OPEB liability was determined by the alternative measurement method valuation as of that date and is composed of the following:

	Total OPEB Liability	OPEB Plan's Fiduciary Net Position	Net OPEB Liability
Beginning Balance	\$ 16,653,222	\$ 1,901,208	\$ 14,752,014
Service cost	153,184	-	153,184
Interest on net OPEB liability	395,002	-	395,002
Change in benefits	1,081,261	-	1,081,261
Change in assumptions	( 5,737,102)	-	( 5,737,102)
Net investment income	-	499,994	( 499,994)
Difference between expected and actual experience	( 3,890,021)	-	( 3,890,021)
Contributions from employer	-	808,217	( 808,217)
Benefit payments	( 558,217)	( 558,217)	-
Ending Balance	<u>\$ 8,097,329</u>	<u>\$ 2,651,202</u>	<u>\$ 5,446,127</u>

OPEB Plan fiduciary net position as a percentage of total OPEB liability 32.74%

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 11 - OTHER POST EMPLOYMENT BENEFITS - (cont'd):

#### **OPEB Expense and Deferred Inflows of Resources Related to OPEB -**

For the year ended September 30, 2021, the Road Commission recognized OPEB expense of \$(2,379,625) for the OPEB Plan. At September 30, 2021, the Road Commission reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB Plan investments	\$ -	\$ 365,444
Difference between expected and actual experience	-	3,462,243
Changes in assumptions	<u>864,529</u>	<u>3,695,429</u>
	<u>\$ 864,529</u>	<u>\$ 7,523,116</u>

The amounts of deferred inflows of resources related to OPEB (excluding contributions) will be recognized in OPEB expense as follows:

2022	\$( 3,684,844)
2023	( 2,786,360)
2024	( 97,069)
2025	<u>( 90,314)</u>
	<u>\$( 6,658,587)</u>

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

The following presents the net OPEB liability of the Road Commission, calculated using the discount rate of 7.35% as well as what the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.35%) or one-percentage-point higher (8.35%) than the current rate.

	1% Decrease (6.35%)	Current Discount Rate (7.35%)	1% Increase (8.35%)
Net OPEB Liability	<u>\$ 6,187,069</u>	<u>\$ 5,446,127</u>	<u>\$ 4,813,640</u>

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

The following presents the net OPEB liability of the Road Commission, calculated using the healthcare cost trend rate of 8.50/7.00%, graded down to 4.50% over six years, as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage-point lower (7.50/6.00%) or one percentage-point higher (9.50/8.00%) than the current rate.

	1% Decrease	Current Healthcare Rates	1% Increase
Net OPEB Liability	<u>\$ 4,829,564</u>	<u>\$ 5,446,127</u>	<u>\$ 6,167,244</u>

## **LAPEER COUNTY, MICHIGAN**

### **NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021**

#### **NOTE 12 - CONTINGENT LIABILITIES:**

##### **Primary Government**

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

The County and its Treasurer are part of a couple class actions with members of other counties and treasurers in the State that allege that, after the auction of a foreclosed property, the counties and their treasurers kept the excess proceeds after back taxes, penalties, and fees were paid. On July 17, 2020, the Michigan Supreme Court ruled in *Rafaeli, LLC v Oakland County* that counties cannot sell tax-foreclosed property at a profit without compensating the individual from whom the property was taken. The ruling stated that counties are required to refund excess proceeds on foreclosure tax sales. However, the retroactivity of providing refunds was not addressed in the ruling. In a recent opinion in the *Freed v Thomas* case in the Federal District Court for the Eastern District of Michigan, the judge ruled that surplus proceeds were the appropriate level of compensation for the *Rafaeli, LLC* taking. This ruling has been appealed and is awaiting a ruling. There is also no indication at this time whether any loss suffered due to refunding would be covered by insurance. Although the payback is expected to be material, the amount of the payback cannot be determined until the issues outlined above are determined by the courts.

The ultimate outcome (settlement or damages) and how it will be decided (facilitation or trial) of a wrongful death matter alleging negligence of the care of a patient at the Medical Care Facility is currently unknown. However, at this time, the possibility exists that a jury trial could determine the outcome and, under this scenario, damages could be awarded substantially in excess of the \$3 million in insurance coverage.

There are various other legal actions pending against the County. Due to the inconclusive nature of many of the actions, it is not possible for Corporate Counsel to determine the probable outcome or a reasonable estimate of the County's potential liability, if any. Those actions for which a reasonable estimate can be determined of the County's potential liability, if any, are covered by insurance, and risk of loss to the County would be limited to the deductibles on coverages.

##### **Component Unit - Road Commission**

In the normal course of its operations, the Road Commission often becomes a party to various claims and lawsuits. In the opinion of the Road Commission's legal counsel, if any of these claims should result in an unfavorable resolution to the Road Commission, the Road Commission's liability would be limited to its deductible under insurance policies. The insurer would pay the losses, and there should be no material effect on the financial position of the Road Commission.

Also, as a part of its trunkline maintenance agreement with the State, the Road Commission's costs charged to the State are subject to audit. The amounts, if any, which may have to be paid back to the State, cannot be determined at this time, although the Road Commission expects such amounts, if any, to be immaterial.

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 12 - CONTINGENT LIABILITIES - (cont'd):

#### Component Unit - Drainage District

In the normal course of its operations, the Drainage District often becomes a party to various claims and lawsuits. In the opinion of the Drainage District's legal counsel, if any of these claims should result in an unfavorable resolution to the Drainage District, the Drainage District's liability would be limited to its deductible under insurance policies. The insurer would pay the losses, and there should be no material effect on the financial position of the Drainage District.

### NOTE 13 - RISK MANAGEMENT:

#### Primary Government

The County maintains separate internal service funds to account for the costs of providing workers' compensation, unemployment, retirement, health insurance and health care savings and the resources to finance those costs. Each participating fund of the County makes payments to the respective internal service fund equal to an established percentage of gross salaries for that fund. These payments are accounted for as other services and charges in the paying fund and charges for services in the receiving fund. The settlements have not exceeded insurance coverage for each of the past three years for workers' compensation, health care and the risk covered through participation with the Michigan Municipal Risk Management Authority (MMRMA).

The County is completely self-insured for unemployment compensation and is self-insured for workers' compensation claims up to \$500,000 per occurrence. The County is insured for the amount of claims in excess of such limitation to a maximum of \$5,000,000. The County is then self-insured for annual aggregate claims in excess of insurance coverage.

In addition, the Primary Government and the Lapeer County Land Bank Authority (under County umbrella) are voluntary members of MMRMA, established pursuant to laws of the State which authorize local units of government to exercise jointly any power, privilege, or authority which each might exercise separately.

The administration of MMRMA is directed by a nine-member Board of Directors composed of municipal representatives from the membership elected by the membership. The Board of Directors establishes the general policy of MMRMA, creates and publishes rules to be followed, and is empowered with the authority to impose sanctions or terminate membership. The County, by resolution of the Board of Directors, has designated a representative to the MMRMA to be responsible for the execution of all loss control measures, to ensure the payment of all annual and supplementary or other payment requirements, and to ensure the filing of all required reports and to act as a liaison between the County and MMRMA.

MMRMA administers risk management funds providing the County with loss protection for general and auto liability, motor vehicle physical damage, and property. Under most circumstances the County's maximum loss is limited as follows:

Type of Risk	Self-insured Retention
General and Auto Liability	\$ 75,000 per occurrence
Vehicle Physical Damage	15,000 per vehicle
	30,000 per occurrence

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 13 - RISK MANAGEMENT - (cont'd):

The County has also elected to be a member of the Stop Loss Program, which limits the County's self-insurance retention. For 2021, the Stop Loss Program limited the retention for the County to \$500,000 in aggregate claims paid during the year.

MMRMA provides risk management, underwriting, reinsurance and claims services with member contributions allocated to meet these obligations.

MMRMA has established a reserve to pay losses which exceed individual retention levels and are not covered under existing reinsurance agreements incurred by members. Losses incurred within the established limits are general obligations of MMRMA. In the event that the County incurs a loss in excess of the resources available, the County is liable for the excess.

Changes in the balance of accrued claims liabilities during the past two years are as follows:

	General and Auto Liability		Workers' Compensation			
			Primary Government, excluding MCF		Medical Care Facility	
	2021	2020	2021	2020	2021	2020
Unpaid claims, beginning of year	\$ 226,391	\$ 313,474	\$ 103,876	\$ 83,060	\$ 45,968	\$ 8,331
Incurring claims (including IBNR's)	328,136	( 39,879)	48,730	47,569	145,263	47,637
Claims Paid	( 136,861)	( 47,204)	( 57,103)	( 26,753)	( 44,941)	( 10,000)
Unpaid claims, end of year	417,666	226,391	95,503	103,876	146,290	45,968
Less - current portion	( 25,000)	( 25,000)	( 95,503)	( 103,876)	( 146,290)	( 45,968)
Long-term Liabilities	\$ 392,666	\$ 201,391	\$ -	\$ -	\$ -	\$ -

### Component Unit - Road Commission

The Road Commission is exposed to various risks of loss related to property loss, torts, error and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Road Commission has acquired commercial insurance for health care claims. However, the Road Commission would be responsible for claims in excess of coverage limits. Settled claims relating to commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The Road Commission is partially self-funded for prescription drug and medical deductibles for pre-Medicare retirees. The Road Commission contracts with a separate third-party administrator to manage the partially self-funded prescription plan and the partially self-funded medical plan. Based on claims incurred, the Road Commission has determined an estimate at September 30, 2021 of unpaid incurred claims, including an estimate of claims incurred but not reported (IBNR), would not be significant and that an accrual was necessary.

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 13 - RISK MANAGEMENT - (cont'd):

Changes in the balance of the self-funded health claims provision for the years ended September 30 are as follows:

	<u>2021</u>	<u>2020</u>
Unpaid claims, beginning of year	\$ -	\$ -
Incurring claims (including IBNR's)	45,203	62,576
Claims paid	(45,203)	(62,576)
Unpaid claims, end of year	<u>\$ -</u>	<u>\$ -</u>

The Road Commission is a member of the Michigan County Road Commission Self-Insurance Pool for claims relating to property loss, torts, and errors and omissions and County Road Commission Self-Insurance Fund for workers' compensation coverage. The pools operate as common risk-sharing management programs for local units of government in Michigan; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts.

The Road Commission provides for its employee's dental/optical reimbursement programs for regular full-time employees, spouses, and dependent children under twenty-six (26) years of age. Based on their bargaining unit, employees may be reimbursed for dental and/or optical up to \$1,200 for bills or apply their reimbursement amount to the cost of the insurance premium.

### NOTE 14 - DEFERRED COMPENSATION:

The County, including its component units, offers its employees deferred compensation plans created in accordance with the Internal Revenue Code Section 457.

Trusts, custodial accounts, or annuity contract assets are owned or held by a trust, custodian, or insurer for the exclusive benefit of participants and beneficiaries and are not subject to the claims of public employer creditors nor can they be used by the public employer for any purpose other than the payment of benefits to those individuals participating in the plan or their designated beneficiaries. As a result, these deferred compensation plans are not reported as part of the County or its component units.

As part of its fiduciary role, the County, including its component units, has an obligation of due care in selecting the third-party administrator and believe they have acted in a prudent manner and are not liable for losses that may arise from the administration of the plan.

### NOTE 15 - NET POSITION/FUND BALANCE:

#### Net Investment in Capital Assets -

##### Governmental Activities:

Capital Assets	<u>\$ 18,937,040</u>
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##### Business-type Activities:

Capital Assets	<u>\$ 17,004,001</u>
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# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 15 - NET POSITION/FUND BALANCE - (cont'd):

#### Restricted Fund Balance/Net Position -

The fund balance and net position of the Primary Government have been restricted for the following purposes at December 31, 2021:

	<u>Enabling Legislation</u>	<u>Other</u>	<u>Total</u>
<b>Governmental Activities -</b>			
Acquisition/construction of capital assets:			
E-911 Construction	\$ -	\$ 3,929,701	\$ 3,929,701
Old Courthouse	-	42,763	<u>42,763</u>
			<u>3,972,464</u>
Health and Welfare:			
Community Mental Health	-	148,728	148,728
Health Department	128,161	-	128,161
Community Development	-	246,544	246,544
Veterans' Trust	-	192	192
Soldiers' Relief	-	223,462	223,462
Senior Millage	-	379,549	379,549
Soil and Sedimentation	-	52,351	52,351
Lapeer Family Continuation Coordinator	-	27,992	27,992
Mental Health Court	14	-	<u>14</u>
			<u>1,206,993</u>
Public Safety:			
E-911	950,822	-	950,822
Thumb Narcotics Unit	-	404,871	404,871
Law Enforcement - Other	-	221,163	<u>221,163</u>
			<u>1,576,856</u>
General Government:			
Budget Stabilization	2,761,019	-	2,761,019
Register of Deeds Automation	795,778	-	795,778
Concealed Pistol Licensing	119,581	-	<u>119,581</u>
			<u>3,676,378</u>
Other:			
Friend of Court	-	154,787	154,787
Family Marriage Counseling	98,876	-	98,876
County Surveyor	-	12,904	<u>12,904</u>
			<u>266,567</u>
Total Restricted Fund Balance - Governmental Funds			10,699,258
Unavailable Revenues - Health and Welfare - Community Development			<u>530,446</u>
Total Restricted Net Position - Governmental Activities			<u>\$ 11,229,704</u>

# LAPEER COUNTY, MICHIGAN

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

### NOTE 15 - NET POSITION/FUND BALANCE - (cont'd):

	Enabling Legislation	Other	Total
<b>Business-type Activities -</b>			
Foreclosure sales	\$ 3,585,246	\$ -	\$ 3,585,246
Treasurer's office administration	195,746	-	<u>195,746</u>
Total Restricted Net Position - Business-type Activities			<u>\$ 3,780,992</u>

### Committed Fund Balances -

At December 31, 2021, the County Controller/Administrator had committed the following fund balances:

#### Major Funds -

##### General Fund -

##### General Government -

Local Reserve	\$ 1,414,866
Emergency Disaster	34,100
Rental Property	<u>6,622</u>
	<u>1,455,588</u>

##### Community Mental Health -

Health and Welfare	<u>2,149,420</u>
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#### Nonmajor Funds -

##### Judicial -

Law Library	15,028
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##### Public Safety -

Animal Control	38,364
Emergency Management	27,407
Police Service Contracts	109,165
Law Enforcement Programs	77,084
Law Enforcement	136,275
Community Grants	741

##### Health and Welfare -

Health Department	1,077,102
Personal Care Aide Program	12,675
Environment/Recycling	388
Department of Human Services	30,692
Child Care	314,605

##### Recreation and Cultural -

Parks Department	2,073
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##### Acquisition/Construction of Capital Assets -

Capital Construction/Improvement	<u>5,477</u>
	<u>1,847,076</u>

Total Committed Fund Balance	<u>\$ 5,452,084</u>
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## **LAPEER COUNTY, MICHIGAN**

### **NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021**

#### **NOTE 16 - EMPLOYEE RETENTION CREDIT:**

The CARES Act created an Employee Retention Credit (“ERC”), which is available to eligible employers who retained employees during the COVID-19 pandemic. Employers who qualify may claim a tax credit against 70 percent of qualified 2021 wages paid to employees during a quarter, capped at \$10,000 of qualified wages per employee through September 30, 2021. The County qualified for the tax credit under the CARES Act for the first and second quarter of 2021 and has accounted for the fund as a governmental contribution. As a result, the County recorded a receivable of \$5,982,095 and recorded the Employee Retention Credit on the statements of net position and revenues, expenses, and changes in net position in the Medical Care Facility Fund.

#### **NOTE 17 - COVID-19:**

Towards the end of December 2019, an outbreak of a novel strain of coronavirus (COVID-19) emerged globally. During 2020, there have been mandates from federal, State, and local authorities requiring forced closures of large events, stay-at-home orders, required social distancing, and the suspension of elective procedures (Medical Care Facility).

Enacted on March 27, 2020 by the federal government, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was established, which authorizes \$100 billion to be administered through grants and other mechanisms to hospitals, public entities, not-for-profit entities, and Medicare and Medicaid-enrolled suppliers and institutional providers. The purpose of these funds is to reimburse providers for lost revenue attributable to the coronavirus pandemic, such as forgone revenue from canceled procedures, and to provide support for related healthcare expenses, such as constructing temporary structures or emergency operation centers, retrofitting facilities, purchasing medical supplies and equipment, including personal protective equipment and testing supplies, and increasing the workforce. Further, these relief funds ensure uninsured residents are receiving testing and treatment for COVID-19.

On April 10, 2020, the U.S. Department of Health and Human Services (HHS) began making payments to healthcare providers from the \$100 billion appropriation. These are payments to healthcare providers that will not need to be repaid as long as the Medical Care Facility complies with certain terms and conditions outlined by HHS. The Medical Care Facility relied upon guidance issued by HHS through June 30, 2021. The terms and conditions first require the healthcare provider to identify healthcare-related expenses attributed to COVID-19 that no other source has reimbursed or is obligated to reimburse. If those expenses do not exceed the funding received, the healthcare provider then applies the funds to patient care lost revenue. HHS’s June 11, 2021 notice, Post-Payment Notice of Reporting Requirements, provided healthcare providers three options to calculate patient care lost revenue. To determine the total distributions to be recognized as revenue as of December 31, 2020, the Medical Care Facility totaled unreimbursed related expenses attributed to COVID-19 and calculated patient care lost revenue based on an alternative method the Medical Care Facility has deemed reasonable under the guidance published by HHS.

The CARES Act authorized \$150 billion to be administered to state, local, and tribal governments to be used to cover the expenses which are necessary expenditures incurred due to COVID-19, were not accounted for in the most recently approved budgets as of March 27, 2020, and were incurred during the period which began on March 1, 2020 and ends on December 31, 2021. Effective July 1, 2020, the Michigan Department of Health and Human Services (MDHHS) approved appropriation of these funds.

## **LAPEER COUNTY, MICHIGAN**

### **NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021**

#### **NOTE 17 - COVID-19 - (cont'd):**

HHS's and MDHHS's requirements for the uses of the CARES Act funds are subject to change and are open to interpretation and clarification, and therefore, there may be changes in the amounts recognized as revenue during the year ended December 31, 2021. Any changes in amounts recognized as a result of the new guidance, interpretation, or clarification will be recognized in the period in which the change occurs.

#### **NOTE 18 - SUBSEQUENT EVENT:**

In March 2021, President Biden signed into law the American Rescue Plan Act (ARPA). The objectives include replacing lost revenue for eligible state, local, territorial, and tribal governments to strengthen support for vital public services and help retain jobs. ARPA also established the Coronavirus Local Fiscal Recovery Fund (CLFRF), which provides federal direct payments to counties in the State based on each county's relative population. The County was awarded approximately \$17 million. The first payment of \$8.5 million was received in May 2021, with the second payment to be received in 2022. The dollars are to cover eligible expenditures beginning March 3, 2021 and must be obligated by December 31, 2024.

## **REQUIRED SUPPLEMENTARY INFORMATION**

# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget			Variance with Amended Budget Positive (Negative)
	Original	Amended	Actual	
<b>Revenues:</b>				
Taxes	\$ 11,218,000	\$ 11,520,000	\$ 11,703,386	\$ 183,386
Licenses and permits	2,000	2,000	2,567	567
Intergovernmental	2,808,186	2,831,329	2,773,144	( 58,185)
Charges for services	1,832,850	2,428,350	2,402,204	( 26,146)
Fines and forfeits	138,000	144,000	149,897	5,897
Interest and rent	260,712	260,712	179,262	( 81,450)
Other	3,013,970	3,168,000	2,923,773	( 244,227)
Total Revenues	<u>19,273,718</u>	<u>20,354,391</u>	<u>20,134,233</u>	<u>( 220,158)</u>
<b>Expenditures:</b>				
Legislative -				
Board of Commissioners	<u>360,391</u>	<u>381,704</u>	<u>356,000</u>	<u>25,704</u>
Judicial -				
Circuit Court	1,615,276	1,663,304	1,579,512	83,792
District Court	1,760,424	1,816,804	1,738,113	78,691
Jury Board	5,592	11,344	7,858	3,486
Indigent Counsel	160,000	160,000	112,985	47,015
Adult Probation	31,162	31,962	31,893	69
	<u>3,572,454</u>	<u>3,683,414</u>	<u>3,470,361</u>	<u>213,053</u>
General Government -				
Administrative	292,425	309,607	294,739	14,868
Elections	38,868	74,545	25,255	49,290
Professional Services	387,000	334,555	148,240	186,315
County Clerk	731,113	742,142	679,341	62,801
Tax Equalization	265,903	313,477	297,129	16,348
Prosecuting Attorney	1,333,762	1,361,016	1,226,701	134,315
Register of Deeds	343,908	354,284	315,586	38,698
County Treasurer	396,116	410,726	372,268	38,458
Computer Operations	450,000	450,100	338,193	111,907
Accounting	432,611	453,991	407,188	46,803
Building Operations	461,460	461,460	388,070	73,390
Building and Grounds	813,333	963,281	898,818	64,463
Drain Commissioner	252,930	262,797	253,653	9,144
Boundary Commission	400	400	-	400
	<u>6,199,829</u>	<u>6,492,381</u>	<u>5,645,181</u>	<u>847,200</u>

Continued

# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget		Actual	Variance with Amended Budget Positive (Negative)
	Original	Amended		
<b>Expenditures (cont'd):</b>				
Public Safety -				
Sheriff	\$ 3,364,508	\$ 3,469,278	\$ 3,366,383	\$ 102,895
Criminal Justice Training	9,500	9,500	5,748	3,752
Emergency Services	-	4,800	4,480	320
Jail/Feeding Prisoners	3,678,574	3,751,794	3,545,875	205,919
Livestock Claims	1,000	1,000	-	1,000
PLAT Board	597	597	-	597
	<u>7,054,179</u>	<u>7,236,969</u>	<u>6,922,486</u>	<u>314,483</u>
Public Works -				
Road Commission	305,000	293,000	272,496	20,504
Drains - County at Large	200,000	600,000	587,260	12,740
	<u>505,000</u>	<u>893,000</u>	<u>859,756</u>	<u>33,244</u>
Health and Welfare -				
Medical Examiner	98,000	98,000	72,000	26,000
Lapeer Development Corporation	10,000	10,000	10,000	-
	<u>108,000</u>	<u>108,000</u>	<u>82,000</u>	<u>26,000</u>
Recreation and Cultural -				
Conservation Activities	2,500	2,500	-	2,500
Cooperative Extension	174,957	179,343	177,278	2,065
	<u>177,457</u>	<u>181,843</u>	<u>177,278</u>	<u>4,565</u>
Other -				
Bonds and Insurance	530,000	563,000	561,274	1,726
Memberships and Dues	14,800	14,800	14,269	531
Contingency	683,765	579,210	-	579,210
	<u>1,228,565</u>	<u>1,157,010</u>	<u>575,543</u>	<u>581,467</u>
Total Expenditures	<u>19,205,875</u>	<u>20,134,321</u>	<u>18,088,605</u>	<u>2,045,716</u>
Revenues over expenditures	<u>67,843</u>	<u>220,070</u>	<u>2,045,628</u>	<u>1,825,558</u>

Continued

# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget		Actual	Variance with Amended Budget Positive (Negative)
	Original	Amended		
<b>Other Financing Sources (Uses):</b>				
Transfer In	\$ 2,000,000	\$ 2,000,000	\$ -	\$( 2,000,000)
Transfers Out:				
Special Revenue Funds -				
Parks Department	\$ -	\$( 43,000)	\$( 43,000)	\$ -
Friend of the Court	( 499,376)	( 499,376)	( 413,475)	85,901
Health Department	( 370,000)	( 340,630)	( 340,630)	-
Community Mental Health	( 172,370)	( 202,900)	( 202,900)	-
Animal Control	( 90,000)	( 156,000)	( 156,000)	-
Environment/Recycling	( 10,000)	( 10,000)	-	10,000
Emergency Management	( 49,000)	( 49,000)	( 136,000)	( 87,000)
Indigent Defense	( 114,300)	( 112,000)	( 108,396)	3,604
Community Grants	( 25,000)	( 69,640)	( 69,000)	640
Police Service Contracts	( 490,000)	( 490,000)	( 488,693)	1,307
Law Enforcement Programs	( 4,797)	( 3,372)	( 2,967)	405
Law Enforcement	( 80,000)	( 80,000)	( 80,000)	-
Law Library	( 4,500)	( 4,500)	( 4,500)	-
Child Care	( 500,000)	( 500,000)	( 500,000)	-
Multi Purpose Collaborative Body	( 18,500)	( 18,500)	( 18,500)	-
	( 2,427,843)	( 2,578,918)	( 2,564,061)	14,857
Internal Service Funds -				
Equipment Acquisition & Replacement	( 140,000)	( 141,152)	( 140,718)	434
Total Transfers Out	( 2,567,843)	( 2,720,070)	( 2,704,779)	15,291
Total Other Financing Sources (Uses)	( 567,843)	( 720,070)	( 2,704,779)	( 1,984,709)
Net Change in Fund Balance	( 500,000)	( 500,000)	( 659,151)	( 159,151)
Fund Balance at beginning of year	5,589,008	5,589,008	5,589,008	-
Fund Balance at end of year	\$ 5,089,008	\$ 5,089,008	\$ 4,929,857	\$( 159,151)
<b>Reconciliation of Budget-Basis to GAAP-Basis Reporting:</b>				
Net Change in General Fund Fund Balance - Budgetary Basis			\$( 659,151)	
Perspective Difference -				
Other Budgeted Funds Net Change Allocated to the General Fund for GAAP-Basis General Fund:				
Local Reserve			( 6,747)	
Budget Stabilization			( 13,354)	
Rental Property			( 2,351)	
Net Change in General Fund Fund Balance - GAAP-Basis			\$( 681,603)	

Concluded

# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - COMMUNITY MENTAL HEALTH FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget		Actual	Variance with Amended Budget Positive (Negative)
	Original	Amended		
<b>Revenues:</b>				
Intergovernmental	\$ 23,668,810	\$ 23,700,107	\$ 22,097,253	\$( 1,602,854)
Charges for services	302,746	334,746	485,261	150,515
Interest	1,500	1,500	732	( 768)
Other	240,782	123,066	118,927	( 4,139)
Total Revenues	24,213,838	24,159,419	22,702,173	( 1,457,246)
<b>Expenditures:</b>				
Health and welfare	24,531,156	24,426,999	22,940,200	1,486,799
Revenues under expenditures	( 317,318)	( 267,580)	( 238,027)	29,553
<b>Other Financing Sources:</b>				
Transfers in	317,318	267,580	267,580	-
Net Change in Fund Balance	-	-	29,553	29,553
Fund Balance at beginning of year	2,329,994	2,329,994	2,329,994	-
Fund Balance at end of year	<u>\$ 2,329,994</u>	<u>\$ 2,329,994</u>	<u>\$ 2,359,547</u>	<u>\$ 29,553</u>

# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - E-911 FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget			Variance with Amended Budget Positive (Negative)
	Original	Amended	Actual	
<b>Revenues:</b>				
Charges for services	\$ 1,901,638	\$ 1,698,000	\$ 2,098,872	\$ 400,872
Rents	16,000	16,000	14,868	( 1,132)
Interest	400	400	804	404
Total Revenues	<u>1,918,038</u>	<u>1,714,400</u>	<u>2,114,544</u>	<u>400,144</u>
<b>Expenditures:</b>				
Public safety	<u>1,918,038</u>	<u>2,006,224</u>	<u>1,861,682</u>	<u>144,542</u>
Net Change in Fund Balance	-	( 291,824)	252,862	544,686
Fund Balance at beginning of year	<u>728,377</u>	<u>728,377</u>	<u>728,377</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 728,377</u></u>	<u><u>\$ 436,553</u></u>	<u><u>\$ 981,239</u></u>	<u><u>\$ 544,686</u></u>



# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - AMERICAN RESCUE PLAN FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget		Actual	Variance with Amended Budget Positive (Negative)
	Original	Amended		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 806,500	\$ 700,380	\$( 106,120)
<b>Expenditures:</b>				
General Government	-	250,000	243,618	6,382
Public Safety	-	55,000	54,022	978
Recreation and Cultural	-	501,500	402,740	98,760
Total Expenditures	-	806,500	700,380	106,120
Net Change in Fund Balance	-	-	-	-
Fund Balance at beginning of year	-	-	-	-
Fund Balance at end of year	\$ -	\$ -	\$ -	\$ -

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

1. The General Fund budgetary comparison schedule (non-GAAP budgetary basis) on pages 80-82 is presented on the same basis of accounting as that used in preparing the adopted budget. The County budgets the activities of the Local Reserve Fund, Budget Stabilization Fund, Emergency Disaster Fund and Rental Property Fund separately from the General Fund. However, the activities of the above mentioned funds are combined with the General Fund non-GAAP budgetary basis presentation to establish for financial reporting purposes the GAAP basis General Fund basic financial statement as required by GASB Statement No. 54.
2. The budgets for the Community Mental Health Fund, E-911 Fund and American Rescue Plan Fund (major special revenue funds) shown on pages 83-85 as required supplementary information was prepared on a basis consistent with accounting principles generally accepted in the United States of America and on the same modified accrual basis used to reflect actual results.

# LAPEER COUNTY, MICHIGAN

## MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS FISCAL YEARS

	2021	2020	2019	2018
<b>Total Pension Liability</b>				
Service Cost	\$ 2,705,035	\$ 2,715,927	\$ 2,537,563	\$ 2,474,800
Interest	10,304,084	9,659,690	9,770,323	9,438,989
Differences between expected and actual experience	1,529,789	( 546,018)	( 431,728)	( 1,532,225)
Changes in assumptions	6,941,075	3,637,609	-	-
Benefit payments, including refunds	( 7,418,211)	( 6,698,310)	( 6,243,668)	( 5,827,825)
Other	( 411,988)	75,377	( 522,212)	( 235,517)
	<u>13,649,784</u>	<u>8,844,275</u>	<u>5,110,278</u>	<u>4,318,222</u>
Change in total pension liability				
Total pension liability, beginning of year	<u>137,936,647</u>	<u>129,092,372</u>	<u>123,982,094</u>	<u>119,663,872</u>
Total pension liability, end of year	<u><u>\$ 151,586,431</u></u>	<u><u>\$ 137,936,647</u></u>	<u><u>\$ 129,092,372</u></u>	<u><u>\$ 123,982,094</u></u>
<b>Plan Fiduciary Net Position</b>				
Contributions - Employer	\$ 4,332,283	\$ 4,214,710	\$ 5,962,671	\$ 5,317,378
Contributions - Member	241,129	258,813	248,848	236,838
Net investment income (loss)	17,365,621	14,313,145	13,398,428	( 4,056,159)
Benefit payments, including refunds	( 7,418,211)	( 6,698,310)	( 6,243,668)	( 5,827,825)
Administrative expenses	( 199,254)	( 224,195)	( 230,899)	( 200,366)
	<u>14,321,568</u>	<u>11,864,163</u>	<u>13,135,380</u>	<u>( 4,530,134)</u>
Net change in plan fiduciary net position				
Plan fiduciary net position, beginning of year	<u>123,894,442</u>	<u>112,030,279</u>	<u>98,894,899</u>	<u>103,425,033</u>
Plan fiduciary net position, end of year	<u><u>\$ 138,216,010</u></u>	<u><u>\$ 123,894,442</u></u>	<u><u>\$ 112,030,279</u></u>	<u><u>\$ 98,894,899</u></u>
<b>Lapeer County Net Pension Liability - Ending</b>	<u><u>\$ 13,370,421</u></u>	<u><u>\$ 14,042,205</u></u>	<u><u>\$ 17,062,093</u></u>	<u><u>\$ 25,087,195</u></u>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	91.18%	89.82%	86.78%	79.77%
<b>Covered Payroll</b>	\$ 31,712,640	\$ 31,661,130	\$ 31,377,727	\$ 29,624,749
<b>Lapeer County's Net Pension Liability as a Percentage of Covered Payroll</b>	42.2%	44.4%	54.4%	84.7%

\* GASB Statement No. 68 was implemented for fiscal year December 31, 2015. This schedule is being built prospectively. Ultimately, ten years of data will be presented.

2017	2016	2015*
\$ 2,343,842	\$ 2,366,432	\$ 2,222,044
9,085,570	8,239,642	8,069,877
( 1,053,532)	952,237	-
-	4,501,823	-
( 5,499,092)	( 5,149,683)	( 4,718,473)
( 360,167)	( 150,347)	( 251,209)
4,516,621	10,760,104	5,322,239
115,147,251	104,387,147	99,064,908
<u>\$ 119,663,872</u>	<u>\$ 115,147,251</u>	<u>\$ 104,387,147</u>
\$ 4,101,123	\$ 5,606,378	\$ 3,567,407
299,588	222,971	224,328
12,177,411	9,434,600	( 1,271,123)
( 5,499,092)	( 5,149,683)	( 4,718,473)
( 192,484)	( 185,747)	( 185,343)
10,886,546	9,928,519	( 2,383,204)
92,538,487	82,609,968	84,993,172
<u>\$ 103,425,033</u>	<u>\$ 92,538,487</u>	<u>\$ 82,609,968</u>
<u>\$ 16,238,839</u>	<u>\$ 22,608,764</u>	<u>\$ 21,777,179</u>
86.43%	80.37%	79.14%
\$ 29,081,885	\$ 26,625,465	\$ 26,625,465
55.84%	84.91%	81.79%

# LAPEER COUNTY, MICHIGAN

## MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN SCHEDULE OF CONTRIBUTIONS FISCAL YEARS

For the year ended December 31,	Actuarially Determined Contributions (ADC)	Contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2021	\$ 4,533,576	\$ 4,332,283	\$ 201,293	\$ 31,681,242	13.67%
2020	3,990,480	4,214,710	( 224,230)	31,661,130	13.31%
2019	3,882,511	5,962,671	( 2,080,160)	29,766,267	20.03%
2018	3,717,378	5,317,378	( 1,600,000)	28,965,529	18.36%
2017	3,601,123	4,101,123	( 500,000)	27,580,728	14.87%
2016	2,822,340	5,606,378	( 2,784,038)	28,034,436	20.00%
2015	3,089,610	3,567,407	( 477,797)	28,184,024	12.66%

**Valuation Date:** December 31 two years prior to the end of the fiscal year

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial cost method	Entry age normal cost method
Amortization method	Level percent of payroll, open
Remaining amortization period	18 years
Asset valuation method	5-year smoothed market value
Salary increases	3.00%
Investment rate of return	7.35%
Retirement age	Replacement Index up to age 70, then 100%
Mortality	Pub-2010 Mortality Table fully generational mortality improvements projected with Scale MP-2019

GASB Statement No. 68 was implemented for fiscal year ended December 31, 2015. This schedule is being built prospectively. Ultimately, ten years of data will be presented.

## **SUPPLEMENTARY INFORMATION**

**LAPEER COUNTY, MICHIGAN**  
**COMBINING BALANCE SHEET SCHEDULE**  
**GENERAL FUND**  
**DECEMBER 31, 2021**

	General Fund (Budgetary Basis)	Local Reserve	Budget Stabilization	Emergency Disaster
<b>Assets:</b>				
Cash and cash equivalents	\$ -	\$ 863,168	\$ 835,797	\$ 34,100
Investments	7,648,486	550,316	1,920,174	-
Receivables -				
Property taxes	1,035,810	-	-	-
Accounts and interest	25,928	1,382	5,048	-
Due from other governmental units	636,976	-	-	-
Due from other funds	1,585	-	-	-
Deposits with agent	307,630	-	-	-
Advances to other funds	25,000	-	-	-
Advances to component units	90,000	-	-	-
Prepays	15,890	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Assets	<u>\$ 9,787,305</u>	<u>\$ 1,414,866</u>	<u>\$ 2,761,019</u>	<u>\$ 34,100</u>
<b>Liabilities:</b>				
Accounts payable	\$ 147,669	\$ -	\$ -	\$ -
Accrued liabilities	156,791	-	-	-
Due to other governmental units	768,351	-	-	-
Due to individuals and agencies	345,511	-	-	-
Due to other funds	27,480	-	-	-
Interfund payables	3,040,226	-	-	-
Total Liabilities	<u>4,486,028</u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues - grants	371,420	-	-	-
<b>Fund Balance:</b>				
Nonspendable - advances/prepays	438,520	-	-	-
Restricted	-	-	2,761,019	-
Committed	-	1,414,866	-	34,100
Assigned	500,000	-	-	-
Unassigned	3,991,337	-	-	-
Total Fund Balance	<u>4,929,857</u>	<u>1,414,866</u>	<u>2,761,019</u>	<u>34,100</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 9,787,305</u>	<u>\$ 1,414,866</u>	<u>\$ 2,761,019</u>	<u>\$ 34,100</u>

<u>Rental Property</u>	<u>General Fund (GAAP-Basis)</u>
\$ 6,642	\$ 1,739,707
-	10,118,976
-	1,035,810
-	32,358
-	636,976
-	1,585
-	307,630
-	25,000
-	90,000
-	15,890
<u>\$ 6,642</u>	<u>\$ 14,003,932</u>
\$ 20	\$ 147,689
-	156,791
-	768,351
-	345,511
-	27,480
-	3,040,226
<u>20</u>	<u>4,486,048</u>
-	371,420
-	438,520
-	2,761,019
6,622	1,455,588
-	500,000
-	3,991,337
<u>6,622</u>	<u>9,146,464</u>
<u>\$ 6,642</u>	<u>\$ 14,003,932</u>

# LAPEER COUNTY, MICHIGAN

## COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

### GENERAL FUND

**FOR THE YEAR ENDED DECEMBER 31, 2021**

	General Fund (Budgetary Basis)	Local Reserve	Budget Stabilization	Emergency Disaster
<b>Revenues:</b>				
Taxes	\$ 11,703,386	\$ -	\$ -	\$ -
Licenses and permits	2,567	-	-	-
Intergovernmental	2,773,144	-	-	-
Charges for services	2,402,204	-	-	-
Fines and forfeits	149,897	-	-	-
Rents	163,760	-	-	-
Interest	15,502	1,382	5,048	-
Other	2,923,773	-	-	-
Total Revenues	<u>20,134,233</u>	<u>1,382</u>	<u>5,048</u>	<u>-</u>
<b>Expenditures:</b>				
Current -				
Legislative	356,000	-	-	-
Judicial	3,470,361	-	-	-
General government	5,645,181	-	-	-
Public safety	6,922,486	-	-	-
Public works	859,756	-	-	-
Health and welfare	82,000	8,129	-	-
Recreation and cultural	177,278	-	-	-
Other	575,543	-	18,402	-
Total Expenditures	<u>18,088,605</u>	<u>8,129</u>	<u>18,402</u>	<u>-</u>
Revenues over (under) expenditures	<u>2,045,628</u>	<u>( 6,747)</u>	<u>( 13,354)</u>	<u>-</u>
<b>Other Financing Sources (Uses):</b>				
Transfers out	<u>( 2,704,779)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>( 659,151)</u>	<u>( 6,747)</u>	<u>( 13,354)</u>	<u>-</u>
Fund Balances at beginning of year	<u>5,589,008</u>	<u>1,421,613</u>	<u>2,774,373</u>	<u>34,100</u>
Fund Balances at end of year	<u><u>\$ 4,929,857</u></u>	<u><u>\$ 1,414,866</u></u>	<u><u>\$ 2,761,019</u></u>	<u><u>\$ 34,100</u></u>



Rental Property	General Fund (GAAP-Basis)
\$ -	\$ 11,703,386
-	2,567
-	2,773,144
-	2,402,204
-	149,897
74,695	238,455
-	21,932
-	2,923,773
<u>74,695</u>	<u>20,215,358</u>
-	356,000
-	3,470,361
12,366	5,657,547
-	6,922,486
-	859,756
-	90,129
-	177,278
-	593,945
<u>12,366</u>	<u>18,127,502</u>
<u>62,329</u>	<u>2,087,856</u>
( 64,680)	( 2,769,459)
( 2,351)	( 681,603)
<u>8,973</u>	<u>9,828,067</u>
<u>\$ 6,622</u>	<u>\$ 9,146,464</u>

# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GAAP BASIS COMPONENTS OF THE GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2021

	Amended Budget	Actual	Variance Positive (Negative)
<b>LOCAL RESERVE</b>			
<b>Revenues:</b>			
Interest	\$ 5,000	\$ 1,382	\$( 3,618)
<b>Expenditures:</b>			
Health and welfare	<u>386</u>	<u>8,129</u>	<u>( 7,743)</u>
Revenues over (under) expenditures	4,614	( 6,747)	( 11,361)
<b>Other Financing Uses:</b>			
Transfers out	<u>( 9,614)</u>	<u>-</u>	<u>9,614</u>
Net Change in Fund Balance	( 5,000)	( 6,747)	( 1,747)
Fund Balance at beginning of year	<u>1,421,613</u>	<u>1,421,613</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 1,416,613</u></u>	<u><u>\$ 1,414,866</u></u>	<u><u>\$( 1,747)</u></u>

### BUDGET STABILIZATION

<b>Revenues:</b>			
Interest	\$ 20,000	\$ 5,048	\$( 14,952)
<b>Expenditures:</b>			
Other activities	<u>20,000</u>	<u>18,402</u>	<u>1,598</u>
Revenues over (under) expenditures	-	( 13,354)	( 13,354)
<b>Other Financing Uses:</b>			
Transfers Out	<u>( 100,000)</u>	<u>-</u>	<u>100,000</u>
Net Change in Fund Balance	( 100,000)	( 13,354)	86,646
Fund Balance at beginning of year	<u>2,774,373</u>	<u>2,774,373</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 2,674,373</u></u>	<u><u>\$ 2,761,019</u></u>	<u><u>\$ 86,646</u></u>

### EMERGENCY DISASTER

Net Change in Fund Balance	\$ -	\$ -	\$ -
Fund Balance at beginning of year	<u>34,100</u>	<u>34,100</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 34,100</u></u>	<u><u>\$ 34,100</u></u>	<u><u>\$ -</u></u>

# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GAAP BASIS COMPONENTS OF THE GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2021

	Amended Budget	Actual	Variance Positive (Negative)
<b>RENTAL PROPERTY</b>			
<b>Revenues:</b>			
Rent	\$ 83,830	\$ 74,695	\$( 9,135)
<b>Expenditures:</b>			
General Government	25,000	12,366	12,634
Revenues over expenditures	58,830	62,329	3,499
<b>Other Financing Uses:</b>			
Transfers out	( 58,830)	( 64,680)	( 5,850)
Net Change in Fund Balance	-	( 2,351)	( 2,351)
Fund Balance at beginning of year	8,973	8,973	-
Fund Balance at end of year	<u>\$ 8,973</u>	<u>\$ 6,622</u>	<u>\$( 2,351)</u>

Note: The schedules presented above provide the budgetary comparisons for the special revenue funds that are combined with the General Fund for the financial statement presentation required by GASB Statement No. 54.

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

The Special Revenue Funds of the County are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service and capital projects.

The Nonmajor Special Revenue Funds of the County are as follows:

**Parks Department** - is used to account for the operations of the County Park System financed primarily with charges for services. Other sources of support are provided by a General Fund appropriation.

**Polly Ann Trail** - is used to account for grants to develop old railroad right-of-ways into walking and hiking trails.

**Friend of the Court** - is used to account for the revenues and expenditures of the Friend of the Court office required in 1982 under Public Acts 294 through 298. A significant amount of the financing of operations is from federal and state sources in the form of grant funding. Other sources of revenue include fees and General Fund appropriations.

**Family Marriage Counseling** - is used to account for the portion of marriage license fees set aside for providing family counseling to individuals who have domestic-related actions pending before the Circuit Court.

**Health Department** - is used to account for the operations of providing health protection and preventive health services. Financing is provided by state and federal grants, charges for services, licenses and permits, and General Fund appropriations.

**Personal Care Aide Program** - is used to account for the federal and state funded grant program to provide in-home services to eligible recipients. Other sources of support are provided by a transfer from the Senior Millage Fund.

**Animal Control** - is used to account for the operations of providing public safety services associated with the control of domestic and wild animals within the County and is funded primarily by licenses and fees.

**Environment/Recycling** - is used to account for the operations of providing services associated with the control of environment recycling of solid waste, clean sweep, and waste management within the County.

**County Surveyor** - is used to account for funds received from Michigan Department of Labor & Economic Growth, Bureau of Construction Codes & Fire Safety Office of Land Survey and Remonumentation.

**Register of Deeds Automation** - is used to account for the charges for services set aside for the updating and streamlining of the records system in the Register of Deeds office.

**Emergency Management** - is used to account for the costs of assuring that the County is ready and prepared for any emergency disasters and is primarily funded through federal and state grants.

**Law Enforcement - Other** - is used to account for seized drug forfeitures and confiscated property earmarked for drug law enforcement under the provision of Public Act 135 of 1985.

**Law Library** - is used to account for penal fines earmarked for maintaining a law library. The County also supplements the operations with General Fund appropriations.

**Community Development** - is used to account for programs which benefit the members of the community. The funding is primarily federal grants for qualified housing renovations and charges for services.

**Department of Human Services** - is used to maintain the operations of the County Family Independence Agency. The Agency administers programs financed primarily with federal and state funds to provide assistance to enable eligible recipients to gain self-sufficiency.

**Child Care** - is used to account for court-ordered services for the health and welfare of minor children. Financing is provided by state matching of certain eligible costs. Other sources of support are provided by a General Fund appropriation and charges for services.

**Veterans' Trust** - is used to account for the operations of providing aid to veterans. This fund is required by state law and financed by state grants.

**Soldiers' Relief** - is used to account for an ad valorem voted property tax millage to provide programs for veterans.

**Senior Millage** - is used to account for an ad valorem voted property tax millage and the distribution to various funds and agencies that provide programs for seniors.

**Soil and Sedimentation** - is used to account for operations of providing soil and sedimentation enforcement and inspection services. Financing is provided by permits, fines, and General Fund appropriations.

**CARES ACT** - is used to account for activities funded by the federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

**Concealed Pistol Licensing** - is used to account for pistol license fees under the provision of Public Act 3 of 2015.

**Indigent Defense** - is used, as required by State statute, to develop and implement minimum standards for those providing indigent defense services and to collect data, support compliance, administer grants, and encourage best practices to accomplish their mission.

The remaining special revenue funds are Community Grants, Thumb Narcotics Unit, Police Service Contracts, Law Enforcement Programs, Law Enforcement, Multi Purpose Collaborative Body, Lapeer Family Continuation Coordinator, Mental Health Court, and Prosecuting Attorney. These funds are utilized to maintain various programs and activities financed primarily with federal and state grants, charges for services, and fines and forfeits.

## **CAPITAL PROJECTS FUNDS**

Capital Projects Funds of the County are used to account for restricted resources to be used for the acquisition or construction of capital assets. The Capital Projects Funds of the County are as follows:

**E-911 Construction** - is used to account for the accumulation of bond proceeds and earnings to finance the cost of acquiring and updating facilities and equipment associated with the E-911 Central Dispatch System.

**Capital Construction/Improvement** - is used to account for the construction costs associated with the development and furnishing of the County Complex.

**Old Courthouse** - is used to account for other revenue sources provided to fund the ongoing renovation project of the Historic County Courthouse.

## **DEBT SERVICE FUND**

**E-911 Debt** - is used to account for the accumulation of property taxes and earnings and the payment of principal, interest and related cost of bonded debt associated with the construction of E-911 Central Dispatch System.

**LAPEER COUNTY, MICHIGAN**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2021**

	Special Revenue Funds				
	Parks Department	Polly Ann Trail	Friend of the Court	Family Marriage Counseling	Health Department
<b>Assets:</b>					
Cash and cash equivalents	\$ 27,343	\$ -	\$ -	\$ 98,839	\$ 1,948,230
Receivables (net of allowance) -					
Property taxes	-	-	-	-	-
Accounts and interest	-	-	-	82	129,908
Due from other governmental units	-	-	269,265	-	197,537
Due from other funds	-	-	160	-	14,187
Deposits with agent	-	-	-	-	-
Prepays	-	-	-	-	2,658
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,658</u>
Total Assets	<u>\$ 27,343</u>	<u>\$ -</u>	<u>\$ 269,425</u>	<u>\$ 98,921</u>	<u>\$ 2,292,520</u>
<b>Liabilities:</b>					
Accounts payable	\$ 270	\$ -	\$ 572	\$ -	\$ 90,024
Accrued liabilities	-	-	17,374	-	71,451
Due to other governmental units	-	-	-	-	784,895
Due to other funds	-	-	2,707	45	7,745
Interfund payables	-	-	93,985	-	-
Advances from other funds	25,000	-	-	-	-
Unearned revenues	-	-	-	-	-
Total Liabilities	<u>25,270</u>	<u>-</u>	<u>114,638</u>	<u>45</u>	<u>954,115</u>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue	-	-	-	-	130,484
Taxes levied for subsequent period	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>130,484</u>
<b>Fund Balance:</b>					
Nonspendable - prepaids	-	-	-	-	2,658
Restricted	-	-	154,787	98,876	128,161
Committed	2,073	-	-	-	1,077,102
Total Fund Balance	<u>2,073</u>	<u>-</u>	<u>154,787</u>	<u>98,876</u>	<u>1,207,921</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 27,343</u>	<u>\$ -</u>	<u>\$ 269,425</u>	<u>\$ 98,921</u>	<u>\$ 2,292,520</u>

Special Revenue Funds

Personal Care Aide Program	Animal Control	Environment/ Recycling	County Surveyor	Register of Deeds Automation	Emergency Management	Community Grants
\$ 7,399	\$ 46,685	\$ 388	\$ -	\$ 798,914	\$ -	\$ 2,089
-	-	-	-	-	-	-
-	-	-	-	-	-	-
49,505	-	-	32,218	-	162,490	35,329
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	105	-	-	-	-	-
<u>\$ 56,904</u>	<u>\$ 46,790</u>	<u>\$ 388</u>	<u>\$ 32,218</u>	<u>\$ 798,914</u>	<u>\$ 162,490</u>	<u>\$ 37,418</u>
\$ 21,503	\$ 4,032	\$ -	\$ -	\$ 3,136	\$ -	\$ 18,539
21,139	3,692	-	-	-	1,115	3,646
-	-	-	-	-	-	-
1,587	597	-	-	-	188	14,492
-	-	-	19,314	-	46,917	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>44,229</u>	<u>8,321</u>	<u>-</u>	<u>19,314</u>	<u>3,136</u>	<u>48,220</u>	<u>36,677</u>
-	-	-	-	-	86,863	-
-	-	-	-	-	-	-
-	-	-	-	-	86,863	-
-	105	-	-	-	-	-
-	-	-	12,904	795,778	-	-
12,675	38,364	388	-	-	27,407	741
<u>12,675</u>	<u>38,469</u>	<u>388</u>	<u>12,904</u>	<u>795,778</u>	<u>27,407</u>	<u>741</u>
<u>\$ 56,904</u>	<u>\$ 46,790</u>	<u>\$ 388</u>	<u>\$ 32,218</u>	<u>\$ 798,914</u>	<u>\$ 162,490</u>	<u>\$ 37,418</u>

Continued

**LAPEER COUNTY, MICHIGAN**

**COMBINING BALANCE SHEET**

**NONMAJOR GOVERNMENTAL FUNDS**

**DECEMBER 31, 2021**

	Special Revenue Funds				
	Thumb Narcotics Unit	Police Service Contracts	Law Enforcement Programs	Law Enforcement	Law Enforcement - Other
<b>Assets:</b>					
Cash and cash equivalents	\$ 394,796	\$ -	\$ 79,165	\$ 117,280	\$ 221,478
Receivables (net of allowance) -					
Property taxes	-	-	-	-	-
Accounts and interest	-	-	-	-	-
Due from other governmental units	13,947	345,333	3,758	29,587	-
Due from other funds	-	-	-	-	-
Deposits with agent	-	-	-	-	-
Prepays	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 408,743</u>	<u>\$ 345,333</u>	<u>\$ 82,923</u>	<u>\$ 146,867</u>	<u>\$ 221,478</u>
<b>Liabilities:</b>					
Accounts payable	\$ 3,872	\$ -	\$ 2,081	\$ 5,276	\$ 315
Accrued liabilities	-	27,358	-	4,661	-
Due to other governmental units	-	-	-	-	-
Due to other funds	-	5,851	-	655	-
Interfund payables	-	202,959	-	-	-
Advances from other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total Liabilities	<u>3,872</u>	<u>236,168</u>	<u>2,081</u>	<u>10,592</u>	<u>315</u>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue	-	-	3,758	-	-
Taxes levied for subsequent period	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>3,758</u>	<u>-</u>	<u>-</u>
<b>Fund Balance:</b>					
Nonspendable - prepaids	-	-	-	-	-
Restricted	404,871	-	-	-	221,163
Committed	-	109,165	77,084	136,275	-
Total Fund Balance	<u>404,871</u>	<u>109,165</u>	<u>77,084</u>	<u>136,275</u>	<u>221,163</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 408,743</u>	<u>\$ 345,333</u>	<u>\$ 82,923</u>	<u>\$ 146,867</u>	<u>\$ 221,478</u>



Special Revenue Funds

Law Library	Community Development	Department of Human Services	Child Care	Veterans' Trust	Soldiers' Relief	Multi-Purpose Collaborative Body
\$ 16,278	\$ 238,436	\$ 30,692	\$ 250,656	\$ 192	\$ 325,330	\$ -
-	-	-	-	-	532,618	-
-	526,557	-	-	-	-	-
-	-	-	86,009	-	5,590	-
-	-	-	-	-	-	-
-	183,267	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 16,278</u>	<u>\$ 948,260</u>	<u>\$ 30,692</u>	<u>\$ 336,665</u>	<u>\$ 192</u>	<u>\$ 863,538</u>	<u>\$ -</u>
\$ 1,250	\$ 19,561	\$ -	\$ 10,564	\$ -	\$ 31,838	\$ -
-	-	-	10,386	-	3,811	-
-	85,180	-	-	-	-	-
-	-	-	1,110	-	551	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	66,529	-	-	-	-	-
<u>1,250</u>	<u>171,270</u>	<u>-</u>	<u>22,060</u>	<u>-</u>	<u>36,200</u>	<u>-</u>
-	530,446	-	-	-	-	-
-	-	-	-	-	603,876	-
-	530,446	-	-	-	603,876	-
-	-	-	-	-	-	-
-	246,544	-	-	192	223,462	-
15,028	-	30,692	314,605	-	-	-
<u>15,028</u>	<u>246,544</u>	<u>30,692</u>	<u>314,605</u>	<u>192</u>	<u>223,462</u>	<u>-</u>
<u>\$ 16,278</u>	<u>\$ 948,260</u>	<u>\$ 30,692</u>	<u>\$ 336,665</u>	<u>\$ 192</u>	<u>\$ 863,538</u>	<u>\$ -</u>

Continued

**LAPEER COUNTY, MICHIGAN**

**COMBINING BALANCE SHEET**

**NONMAJOR GOVERNMENTAL FUNDS**

**DECEMBER 31, 2021**

	Special Revenue Funds				
	Senior Millage	Soil and Sedimentation	Lapeer Family Continuation Coordinator	Mental Health Court	CARES Act
<b>Assets:</b>					
Cash and cash equivalents	\$ 467,575	\$ 52,462	\$ 31,742	\$ -	\$ -
Receivables (net of allowance) -					
Property taxes	714,006	-	-	-	-
Accounts and interest	-	-	-	-	-
Due from other governmental units	7,493	-	3,750	12,857	5,441
Due from other funds	-	-	-	-	-
Deposits with agent	-	-	-	-	-
Prepays	-	-	-	-	-
Total Assets	<u>\$ 1,189,074</u>	<u>\$ 52,462</u>	<u>\$ 35,492</u>	<u>\$ 12,857</u>	<u>\$ 5,441</u>
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ 6,050	\$ -
Accrued liabilities	-	57	-	486	-
Due to other governmental units	-	-	-	-	-
Due to other funds	-	54	-	222	-
Interfund payables	-	-	-	6,085	5,441
Advances from other funds	-	-	7,500	-	-
Unearned revenues	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>111</u>	<u>7,500</u>	<u>12,843</u>	<u>5,441</u>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue	-	-	-	-	-
Taxes levied for subsequent period	809,525	-	-	-	-
Total Deferred Inflows of Resources	<u>809,525</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance:</b>					
Nonspendable - prepaids	-	-	-	-	-
Restricted	379,549	52,351	27,992	14	-
Committed	-	-	-	-	-
Total Fund Balance	<u>379,549</u>	<u>52,351</u>	<u>27,992</u>	<u>14</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 1,189,074</u>	<u>\$ 52,462</u>	<u>\$ 35,492</u>	<u>\$ 12,857</u>	<u>\$ 5,441</u>

Special Revenue Funds		Capital Project Funds			Debt Service Fund	Total
Concealed Pistol Licensing	Indigent Defense	E-911 Construction	Capital Construction/ Improvement	Old Courthouse	E-911 Debt	
\$ 120,192	\$ 870,734	\$ 195,009	\$ 5,477	\$ 42,863	\$ 766	\$ 6,391,010
-	-	-	-	-	-	1,246,624
-	-	-	-	-	-	656,547
-	-	-	-	-	-	1,260,109
284	2	3,734,692	-	-	-	3,749,325
-	-	-	-	-	-	183,267
-	-	-	-	-	-	2,763
<u>\$ 120,476</u>	<u>\$ 870,736</u>	<u>\$ 3,929,701</u>	<u>\$ 5,477</u>	<u>\$ 42,863</u>	<u>\$ 766</u>	<u>\$ 13,489,645</u>
\$ 50	\$ 45,417	\$ -	\$ -	\$ 100	\$ -	\$ 264,450
845	-	-	-	-	-	166,021
-	3,011	-	-	-	-	873,086
-	-	-	-	-	766	36,570
-	15	-	-	-	-	374,716
-	-	-	-	-	-	32,500
-	822,293	-	-	-	-	888,822
<u>895</u>	<u>870,736</u>	<u>-</u>	<u>-</u>	<u>100</u>	<u>766</u>	<u>2,636,165</u>
-	-	-	-	-	-	751,551
-	-	-	-	-	-	1,413,401
-	-	-	-	-	-	2,164,952
-	-	-	-	-	-	2,763
119,581	-	3,929,701	-	42,763	-	6,838,689
-	-	-	5,477	-	-	1,847,076
<u>119,581</u>	<u>-</u>	<u>3,929,701</u>	<u>5,477</u>	<u>42,763</u>	<u>-</u>	<u>8,688,528</u>
<u>\$ 120,476</u>	<u>\$ 870,736</u>	<u>\$ 3,929,701</u>	<u>\$ 5,477</u>	<u>\$ 42,863</u>	<u>\$ 766</u>	<u>\$ 13,489,645</u>

Concluded

**LAPEER COUNTY, MICHIGAN**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Special Revenue Funds				
	Parks Department	Polly Ann Trail	Friend of the Court	Family Marriage Counseling	Health Department
<b>Revenues:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	7,327	386,047
Intergovernmental	-	9,057	986,386	-	2,945,809
Charges for services	93,461	-	132,704	-	1,051,925
Fines and forfeits	-	-	-	-	-
Interest	10	-	-	-	-
Other	610	-	30	-	61,310
Total Revenues	<u>94,081</u>	<u>9,057</u>	<u>1,119,120</u>	<u>7,327</u>	<u>4,445,091</u>
<b>Expenditures:</b>					
Current -					
Judicial	-	-	1,532,476	2,495	-
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Health and Welfare	-	-	-	-	4,116,548
Recreation and Cultural	136,959	9,057	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>136,959</u>	<u>9,057</u>	<u>1,532,476</u>	<u>2,495</u>	<u>4,116,548</u>
Revenues over (under) expenditures	<u>( 42,878)</u>	<u>-</u>	<u>( 413,356)</u>	<u>4,832</u>	<u>328,543</u>
<b>Other Financing Sources (Uses):</b>					
Transfer In	43,000	-	413,475	-	340,630
Transfer Out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>43,000</u>	<u>-</u>	<u>413,475</u>	<u>-</u>	<u>340,630</u>
Net Change in Fund Balances	122	-	119	4,832	669,173
Fund Balances at beginning of year	<u>1,951</u>	<u>-</u>	<u>154,668</u>	<u>94,044</u>	<u>538,748</u>
Fund Balances at end of year	<u>\$ 2,073</u>	<u>\$ -</u>	<u>\$ 154,787</u>	<u>\$ 98,876</u>	<u>\$ 1,207,921</u>

Special Revenue Funds

Personal Care Aide Program	Animal Control	Environment/ Recycling	County Surveyor	Register of Deeds Automation	Emergency Management	Community Grants
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	167,796	-	-	-	-	19,355
612,082	-	-	53,888	-	114,039	129,438
-	20,585	-	-	105,015	485	135,024
-	10,075	-	-	-	-	-
-	-	-	-	306	-	-
10,188	16,439	-	-	-	6,500	-
<u>622,270</u>	<u>214,895</u>	<u>-</u>	<u>53,888</u>	<u>105,321</u>	<u>121,024</u>	<u>283,817</u>
-	-	-	-	-	-	-
-	-	-	53,908	52,013	-	-
-	369,504	-	-	-	244,290	352,076
1,482,811	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,482,811</u>	<u>369,504</u>	<u>-</u>	<u>53,908</u>	<u>52,013</u>	<u>244,290</u>	<u>352,076</u>
( 860,541)	( 154,609)	-	( 20)	53,308	( 123,266)	( 68,259)
860,000	156,000	-	-	-	136,000	69,000
-	-	-	-	-	-	-
<u>860,000</u>	<u>156,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>136,000</u>	<u>69,000</u>
( 541)	1,391	-	( 20)	53,308	12,734	741
<u>13,216</u>	<u>37,078</u>	<u>388</u>	<u>12,924</u>	<u>742,470</u>	<u>14,673</u>	<u>-</u>
<u>\$ 12,675</u>	<u>\$ 38,469</u>	<u>\$ 388</u>	<u>\$ 12,904</u>	<u>\$ 795,778</u>	<u>\$ 27,407</u>	<u>\$ 741</u>

Continued

**LAPEER COUNTY, MICHIGAN**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Special Revenue Funds				
	Thumb Narcotics Unit	Police Service Contracts	Law Enforcement Programs	Law Enforcement	Law Enforcement - Other
<b>Revenues:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	37,665	-	11,170	100,503	-
Charges for services	-	1,573,752	8,711	23,752	3,685
Fines and forfeits	49,112	-	-	-	22,815
Interest	196	-	-	-	-
Other	14,441	-	1,942	62,985	-
Total Revenues	<u>101,414</u>	<u>1,573,752</u>	<u>21,823</u>	<u>187,240</u>	<u>26,500</u>
<b>Expenditures:</b>					
Current -					
Judicial	-	-	-	-	-
General Government	-	-	-	-	-
Public Safety	106,704	2,062,494	65,597	282,194	44,953
Health and Welfare	-	-	-	-	-
Recreation and Cultural	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>106,704</u>	<u>2,062,494</u>	<u>65,597</u>	<u>282,194</u>	<u>44,953</u>
Revenues over (under) expenditures	<u>( 5,290)</u>	<u>( 488,742)</u>	<u>( 43,774)</u>	<u>( 94,954)</u>	<u>( 18,453)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers In	-	488,693	2,967	80,000	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>488,693</u>	<u>2,967</u>	<u>80,000</u>	<u>-</u>
Net Change in Fund Balances	( 5,290)	( 49)	( 40,807)	( 14,954)	( 18,453)
Fund Balances at beginning of year	<u>410,161</u>	<u>109,214</u>	<u>117,891</u>	<u>151,229</u>	<u>239,616</u>
Fund Balances at end of year	<u>\$ 404,871</u>	<u>\$ 109,165</u>	<u>\$ 77,084</u>	<u>\$ 136,275</u>	<u>\$ 221,163</u>

Special Revenue Funds

Law Library	Community Development	Department of Human Services	Child Care	Veterans' Trust	Soldiers' Relief	Multi-Purpose Collaborative Body
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 599,942	\$ -
-	-	-	-	-	-	-
-	-	-	381,602	-	58,182	-
-	59	-	89,351	-	1,415	-
6,500	-	-	30,631	-	-	-
-	-	-	-	-	339	-
-	-	-	39,253	-	-	-
<u>6,500</u>	<u>59</u>	<u>-</u>	<u>540,837</u>	<u>-</u>	<u>659,878</u>	<u>-</u>
10,991	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	959	-	1,043,794	-	472,686	18,500
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>10,991</u>	<u>959</u>	<u>-</u>	<u>1,043,794</u>	<u>-</u>	<u>472,686</u>	<u>18,500</u>
<u>( 4,491)</u>	<u>( 900)</u>	<u>-</u>	<u>( 502,957)</u>	<u>-</u>	<u>187,192</u>	<u>( 18,500)</u>
4,500	-	-	500,000	-	-	18,500
-	-	-	-	-	-	-
<u>4,500</u>	<u>-</u>	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>18,500</u>
9	( 900)	-	( 2,957)	-	187,192	-
<u>15,019</u>	<u>247,444</u>	<u>30,692</u>	<u>317,562</u>	<u>192</u>	<u>36,270</u>	<u>-</u>
<u>\$ 15,028</u>	<u>\$ 246,544</u>	<u>\$ 30,692</u>	<u>\$ 314,605</u>	<u>\$ 192</u>	<u>\$ 223,462</u>	<u>\$ -</u>

Continued

**LAPEER COUNTY, MICHIGAN**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Special Revenue Funds				
	Senior Millage	Soil and Sedimentation	Lapeer Family Continuation Coordinator	Mental Health Court	CARES Act
<b>Revenues:</b>					
Taxes	\$ 801,122	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	71,180	-	-	-
Intergovernmental	7,493	-	-	56,581	431,438
Charges for services	-	-	17,000	-	-
Fines and forfeits	-	-	-	-	-
Interest	-	-	-	-	-
Other	-	-	14,925	-	-
Total Revenues	<u>808,615</u>	<u>71,180</u>	<u>31,925</u>	<u>56,581</u>	<u>431,438</u>
<b>Expenditures:</b>					
Current -					
Judicial	-	-	-	-	28,162
General Government	-	-	-	-	18,523
Public Safety	-	-	-	-	53,000
Health and Welfare	12,112	54,092	26,349	56,581	-
Recreation and Cultural	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>12,112</u>	<u>54,092</u>	<u>26,349</u>	<u>56,581</u>	<u>99,685</u>
Revenues over (under) expenditures	<u>796,503</u>	<u>17,088</u>	<u>5,576</u>	<u>-</u>	<u>331,753</u>
<b>Other Financing Sources (Uses):</b>					
Transfer In	-	-	-	-	-
Transfer Out	( 860,000)	-	-	-	-
Total Other Financing Sources (Uses)	<u>( 860,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	( 63,497)	17,088	5,576	-	331,753
Fund Balances at beginning of year	<u>443,046</u>	<u>35,263</u>	<u>22,416</u>	<u>14</u>	<u>( 331,753)</u>
Fund Balances at end of year	<u>\$ 379,549</u>	<u>\$ 52,351</u>	<u>\$ 27,992</u>	<u>\$ 14</u>	<u>\$ -</u>



Special Revenue Funds		Capital Projects Funds			Debt Service Fund	
Concealed Pistol Licensing	Indigent Defense	E-911 Construction	Capital Construction/ Improvement	Old Courthouse	E-911 Debt	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,401,064
83,551	-	-	-	-	-	735,256
-	246,142	-	-	-	27,063	6,208,538
-	14,417	-	-	-	-	3,271,341
-	-	-	-	-	-	119,133
-	-	156	-	-	528	1,535
-	-	-	-	16,181	-	244,804
<u>83,551</u>	<u>260,559</u>	<u>156</u>	<u>-</u>	<u>16,181</u>	<u>27,591</u>	<u>11,981,671</u>
-	368,955	-	-	-	-	1,943,079
65,318	-	-	-	-	-	189,762
-	-	-	-	-	-	3,580,812
-	-	-	-	-	-	7,284,432
-	-	-	-	-	-	146,016
-	-	127,526	-	706	-	128,232
<u>65,318</u>	<u>368,955</u>	<u>127,526</u>	<u>-</u>	<u>706</u>	<u>-</u>	<u>13,272,333</u>
<u>18,233</u>	<u>( 108,396)</u>	<u>( 127,370)</u>	<u>-</u>	<u>15,475</u>	<u>27,591</u>	<u>( 1,290,662)</u>
-	108,396	3,734,692	-	-	-	6,955,853
-	-	-	-	-	( 3,734,692)	( 4,594,692)
<u>-</u>	<u>108,396</u>	<u>3,734,692</u>	<u>-</u>	<u>-</u>	<u>( 3,734,692)</u>	<u>2,361,161</u>
18,233	-	3,607,322	-	15,475	( 3,707,101)	1,070,499
<u>101,348</u>	<u>-</u>	<u>322,379</u>	<u>5,477</u>	<u>27,288</u>	<u>3,707,101</u>	<u>7,618,029</u>
<u>\$ 119,581</u>	<u>\$ -</u>	<u>\$ 3,929,701</u>	<u>\$ 5,477</u>	<u>\$ 42,763</u>	<u>\$ -</u>	<u>\$ 8,688,528</u>

Concluded

# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Amended Budget	Actual	Variance Positive (Negative)
<b>PARKS DEPARTMENT</b>			
<b>Revenues:</b>			
Charges for services	\$ 177,140	\$ 93,461	\$( 83,679)
Interest	-	10	10
Other	-	610	610
Total Revenues	<u>177,140</u>	<u>94,081</u>	<u>( 83,059)</u>
<b>Expenditures:</b>			
Recreation and cultural	<u>177,140</u>	<u>136,959</u>	<u>40,181</u>
Revenues under expenditures	-	( 42,878)	( 42,878)
<b>Other Financing Sources:</b>			
Transfers in	<u>-</u>	<u>43,000</u>	<u>43,000</u>
Net Change in Fund Balance	-	122	122
Fund Balance at beginning of year	<u>1,951</u>	<u>1,951</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 1,951</u></u>	<u><u>\$ 2,073</u></u>	<u><u>\$ 122</u></u>
<b>POLLY ANN TRAIL</b>			
<b>Revenues:</b>			
Intergovernmental	\$ 10,000	\$ 9,057	\$( 943)
<b>Expenditures:</b>			
Recreation and cultural	<u>10,000</u>	<u>9,057</u>	<u>943</u>
Net Change in Fund Balance	-	-	-
Fund Balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Continued

# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Amended Budget	Actual	Variance Positive (Negative)
<b>FRIEND OF THE COURT</b>			
<b>Revenues:</b>			
Intergovernmental	\$ 1,025,479	\$ 986,386	\$( 39,093)
Charges for services	105,800	132,704	26,904
Other	100	30	( 70)
Total Revenues	<u>1,131,379</u>	<u>1,119,120</u>	<u>( 12,259)</u>
<b>Expenditures:</b>			
Judicial	<u>1,633,851</u>	<u>1,532,476</u>	<u>101,375</u>
Revenues under expenditures	( 502,472)	( 413,356)	89,116
<b>Other Financing Sources:</b>			
Transfers in	<u>499,376</u>	<u>413,475</u>	<u>( 85,901)</u>
Net Change in Fund Balance	( 3,096)	119	3,215
Fund Balance at beginning of year	<u>154,668</u>	<u>154,668</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 151,572</u></u>	<u><u>\$ 154,787</u></u>	<u><u>\$ 3,215</u></u>

### FAMILY MARRIAGE COUNSELING

<b>Revenues:</b>			
Licenses and permits	\$ 7,500	\$ 7,327	\$( 173)
<b>Expenditures:</b>			
Judicial	<u>7,500</u>	<u>2,495</u>	<u>5,005</u>
Net Change in Fund Balance	-	4,832	4,832
Fund Balance at beginning of year	<u>94,044</u>	<u>94,044</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 94,044</u></u>	<u><u>\$ 98,876</u></u>	<u><u>\$ 4,832</u></u>

Continued

**LAPEER COUNTY, MICHIGAN**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>HEALTH DEPARTMENT</b>			
<b>Revenues:</b>			
Licenses and permits	\$ 295,375	\$ 386,047	\$ 90,672
Intergovernmental	2,363,300	2,945,809	582,509
Charges for services	1,137,668	1,051,925	( 85,743)
Other	210,000	61,310	( 148,690)
Total Revenues	<u>4,006,343</u>	<u>4,445,091</u>	<u>438,748</u>
<b>Expenditures:</b>			
Health and welfare	<u>4,346,973</u>	<u>4,116,548</u>	<u>230,425</u>
Revenues over (under) expenditures	( 340,630)	328,543	669,173
<b>Other Financing Sources:</b>			
Transfers in	<u>340,630</u>	<u>340,630</u>	<u>-</u>
Net Change in Fund Balance	-	669,173	669,173
Fund Balance at beginning of year	<u>538,748</u>	<u>538,748</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 538,748</u></u>	<u><u>\$ 1,207,921</u></u>	<u><u>\$ 669,173</u></u>
<b>PERSONAL CARE AIDE PROGRAM</b>			
<b>Revenues:</b>			
Intergovernmental	\$ 611,374	\$ 612,082	\$ 708
Other	28,100	10,188	( 17,912)
Total Revenues	<u>639,474</u>	<u>622,270</u>	<u>( 17,204)</u>
<b>Expenditures:</b>			
Health and welfare	<u>1,537,458</u>	<u>1,482,811</u>	<u>54,647</u>
Revenues under expenditures	( 897,984)	( 860,541)	37,443
<b>Other Financing Sources:</b>			
Transfers in	<u>897,984</u>	<u>860,000</u>	<u>( 37,984)</u>
Net Change in Fund Balance	-	( 541)	( 541)
Fund Balance at beginning of year	<u>13,216</u>	<u>13,216</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 13,216</u></u>	<u><u>\$ 12,675</u></u>	<u><u>\$( 541)</u></u>

Continued

# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Amended Budget	Actual	Variance Positive (Negative)
<b>ANIMAL CONTROL</b>			
<b>Revenues:</b>			
Licenses and permits	\$ 205,000	\$ 167,796	\$( 37,204)
Charges for services	32,740	20,585	( 12,155)
Fines and forfeits	20,000	10,075	( 9,925)
Other	17,000	16,439	( 561)
Total Revenues	<u>274,740</u>	<u>214,895</u>	<u>( 59,845)</u>
<b>Expenditures:</b>			
Public safety	<u>386,729</u>	<u>369,504</u>	<u>17,225</u>
Revenues under expenditures	( 111,989)	( 154,609)	( 42,620)
<b>Other Financing Sources:</b>			
Transfers in	<u>100,464</u>	<u>156,000</u>	<u>55,536</u>
Net Change in Fund Balance	( 11,525)	1,391	12,916
Fund Balance at beginning of year	<u>37,078</u>	<u>37,078</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 25,553</u></u>	<u><u>\$ 38,469</u></u>	<u><u>\$ 12,916</u></u>
<b>ENVIRONMENT/RECYCLING</b>			
<b>Expenditures:</b>			
Health and welfare	\$ 10,000	\$ -	\$ 10,000
<b>Other Financing Sources:</b>			
Transfers in	<u>10,000</u>	<u>-</u>	<u>( 10,000)</u>
Net Change in Fund Balance	-	-	-
Fund Balance at beginning of year	<u>388</u>	<u>388</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 388</u></u>	<u><u>\$ 388</u></u>	<u><u>\$ -</u></u>

Continued

# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Amended Budget	Actual	Variance Positive (Negative)
<b>COUNTY SURVEYOR</b>			
<b>Revenues:</b>			
Intergovernmental	\$ 54,172	\$ 53,888	\$( 284)
<b>Expenditures:</b>			
General government	<u>54,172</u>	<u>53,908</u>	<u>264</u>
Net Change in Fund Balance	-	( 20)	( 20)
Fund Balance at beginning of year	<u>12,924</u>	<u>12,924</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 12,924</u></u>	<u><u>\$ 12,904</u></u>	<u><u>\$( 20)</u></u>

### REGISTER OF DEEDS AUTOMATION

<b>Revenues:</b>			
Charges for services	\$ 66,456	\$ 105,015	\$ 38,559
Interest	<u>1,000</u>	<u>306</u>	<u>( 694)</u>
Total Revenues	67,456	105,321	37,865
<b>Expenditures:</b>			
General government	<u>103,144</u>	<u>52,013</u>	<u>51,131</u>
Net Change in Fund Balance	( 35,688)	53,308	88,996
Fund Balance at beginning of year	<u>742,470</u>	<u>742,470</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 706,782</u></u>	<u><u>\$ 795,778</u></u>	<u><u>\$ 88,996</u></u>

Continued

# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Amended Budget	Actual	Variance Positive (Negative)
<b>EMERGENCY MANAGEMENT</b>			
<b>Revenues:</b>			
Intergovernmental	\$ 174,500	\$ 114,039	\$( 60,461)
Charges for services	195	485	290
Other	10,100	6,500	( 3,600)
Total Revenues	<u>184,795</u>	<u>121,024</u>	<u>( 63,771)</u>
<b>Expenditures:</b>			
Public safety	<u>250,395</u>	<u>244,290</u>	<u>6,105</u>
Revenues under expenditures	( 65,600)	( 123,266)	( 57,666)
<b>Other Financing Sources:</b>			
Transfers in	<u>49,000</u>	<u>136,000</u>	<u>87,000</u>
Net Change in Fund Balance	( 16,600)	12,734	29,334
Fund Balance at beginning of year	<u>14,673</u>	<u>14,673</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$( 1,927)</u></u>	<u><u>\$ 27,407</u></u>	<u><u>\$ 29,334</u></u>
<b>COMMUNITY GRANTS</b>			
<b>Revenues:</b>			
Licenses and permits	\$ 15,000	\$ 19,355	\$ 4,355
Intergovernmental	354,521	129,438	( 225,083)
Charges for services	220,049	135,024	( 85,025)
Total Revenues	<u>589,570</u>	<u>283,817</u>	<u>( 305,753)</u>
<b>Expenditures:</b>			
Public safety	<u>589,570</u>	<u>352,076</u>	<u>237,494</u>
Revenues under expenditures	-	( 68,259)	( 68,259)
<b>Other Financing Sources:</b>			
Transfers in	<u>-</u>	<u>69,000</u>	<u>69,000</u>
Net Change in Fund Balance	-	741	741
Fund Balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ 741</u></u>	<u><u>\$ 741</u></u>

Continued

# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Amended Budget	Actual	Variance Positive (Negative)
<b>THUMB NARCOTICS UNIT</b>			
<b>Revenues:</b>			
Intergovernmental	\$ 35,000	\$ 37,665	\$ 2,665
Fines and forfeits	90,000	49,112	( 40,888)
Interest	-	196	196
Other	10,000	14,441	4,441
Total Revenues	<u>135,000</u>	<u>101,414</u>	<u>( 33,586)</u>
<b>Expenditures:</b>			
Public safety	<u>135,000</u>	<u>106,704</u>	<u>28,296</u>
Net Change in Fund Balance	-	( 5,290)	( 5,290)
Fund Balance at beginning of year	<u>410,161</u>	<u>410,161</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 410,161</u></u>	<u><u>\$ 404,871</u></u>	<u><u>\$( 5,290)</u></u>
<b>POLICE SERVICE CONTRACTS</b>			
<b>Revenues:</b>			
Charges for services	\$ 1,614,391	\$ 1,573,752	\$( 40,639)
<b>Expenditures:</b>			
Public safety	<u>2,099,328</u>	<u>2,062,494</u>	<u>36,834</u>
Revenues under expenditures	( 484,937)	( 488,742)	( 3,805)
<b>Other Financing Sources:</b>			
Transfers in	<u>484,937</u>	<u>488,693</u>	<u>3,756</u>
Net Change in Fund Balance	-	( 49)	( 49)
Fund Balance at beginning of year	<u>109,214</u>	<u>109,214</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 109,214</u></u>	<u><u>\$ 109,165</u></u>	<u><u>\$( 49)</u></u>

Continued



# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Amended Budget	Actual	Variance Positive (Negative)
<b>LAW ENFORCEMENT PROGRAMS</b>			
<b>Revenues:</b>			
Intergovernmental	\$ 12,328	\$ 11,170	\$( 1,158)
Charges for services	20,600	8,711	( 11,889)
Other	10,560	1,942	( 8,618)
Total Revenues	<u>43,488</u>	<u>21,823</u>	<u>( 21,665)</u>
<b>Expenditures:</b>			
Public safety	<u>75,537</u>	<u>65,597</u>	<u>9,940</u>
Revenues under expenditures	( 32,049)	( 43,774)	( 11,725)
<b>Other Financing Sources:</b>			
Transfers in	<u>1,872</u>	<u>2,967</u>	<u>1,095</u>
Net Change in Fund Balance	( 30,177)	( 40,807)	( 10,630)
Fund Balance at beginning of year	<u>117,891</u>	<u>117,891</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 87,714</u></u>	<u><u>\$ 77,084</u></u>	<u><u>\$( 10,630)</u></u>

### LAW ENFORCEMENT

<b>Revenues:</b>			
Intergovernmental	\$ 137,872	\$ 100,503	\$( 37,369)
Charges for services	21,112	23,752	2,640
Other	49,733	62,985	13,252
Total Revenues	<u>208,717</u>	<u>187,240</u>	<u>( 21,477)</u>
<b>Expenditures:</b>			
Public safety	<u>307,234</u>	<u>282,194</u>	<u>25,040</u>
Revenues under expenditures	( 98,517)	( 94,954)	3,563
<b>Other Financing Sources:</b>			
Transfers in	<u>89,870</u>	<u>80,000</u>	<u>( 9,870)</u>
Net Change in Fund Balance	( 8,647)	( 14,954)	( 6,307)
Fund Balance at beginning of year	<u>151,229</u>	<u>151,229</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 142,582</u></u>	<u><u>\$ 136,275</u></u>	<u><u>\$( 6,307)</u></u>

Continued

# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Amended Budget	Actual	Variance Positive (Negative)
<b>LAW ENFORCEMENT - OTHER</b>			
<b>Revenues:</b>			
Charges for services	\$ -	\$ 3,685	\$ 3,685
Fines and forfeits	37,400	22,815	( 14,585)
Rent	60	-	( 60)
Total Revenues	<u>37,460</u>	<u>26,500</u>	<u>( 10,960)</u>
<b>Expenditures:</b>			
Public Safety	<u>58,360</u>	<u>44,953</u>	<u>13,407</u>
Net Change in Fund Balance	( 20,900)	( 18,453)	2,447
Fund Balance at beginning of year	<u>239,616</u>	<u>239,616</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 218,716</u></u>	<u><u>\$ 221,163</u></u>	<u><u>\$ 2,447</u></u>
<b>LAW LIBRARY</b>			
<b>Revenues:</b>			
Fines and forfeits	\$ 6,500	\$ 6,500	\$ -
<b>Expenditures:</b>			
Judicial	<u>11,000</u>	<u>10,991</u>	<u>9</u>
Revenues under expenditures	( 4,500)	( 4,491)	9
<b>Other Financing Sources:</b>			
Transfers in	<u>4,500</u>	<u>4,500</u>	<u>-</u>
Net Change in Fund Balance	-	9	9
Fund Balance at beginning of year	<u>15,019</u>	<u>15,019</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 15,019</u></u>	<u><u>\$ 15,028</u></u>	<u><u>\$ 9</u></u>

Continued

# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Amended Budget	Actual	Variance Positive (Negative)
<b>COMMUNITY DEVELOPMENT</b>			
<b>Revenues:</b>			
Intergovernmental	\$ 250,000	\$ -	\$( 250,000)
Charges for services	50,000	59	( 49,941)
Total Revenues	<u>300,000</u>	<u>59</u>	<u>( 299,941)</u>
<b>Expenditures:</b>			
Health and welfare	<u>300,000</u>	<u>959</u>	<u>299,041</u>
Net Change in Fund Balance	-	( 900)	( 900)
Fund Balance at beginning of year	<u>247,444</u>	<u>247,444</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 247,444</u></u>	<u><u>\$ 246,544</u></u>	<u><u>\$( 900)</u></u>
<b>DEPARTMENT OF HUMAN SERVICES</b>			
<b>Expenditures:</b>			
Health and welfare	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ 20,000</u>
Net Change in Fund Balance	( 20,000)	-	20,000
Fund Balance at beginning of year	<u>30,692</u>	<u>30,692</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 10,692</u></u>	<u><u>\$ 30,692</u></u>	<u><u>\$ 20,000</u></u>

Continued

# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Amended Budget	Actual	Variance Positive (Negative)
<b>CHILD CARE</b>			
<b>Revenues:</b>			
Intergovernmental	\$ 586,418	\$ 381,602	\$( 204,816)
Charges for services	100,000	89,351	( 10,649)
Fines and forfeitures	25,000	30,631	5,631
Other	63,604	39,253	( 24,351)
Total Revenues	<u>775,022</u>	<u>540,837</u>	<u>( 234,185)</u>
<b>Expenditures:</b>			
Health and welfare	<u>1,442,068</u>	<u>1,043,794</u>	<u>398,274</u>
Revenues under expenditures	( 667,046)	( 502,957)	164,089
<b>Other Financing Sources:</b>			
Transfers in	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Net Change in Fund Balance	( 167,046)	( 2,957)	164,089
Fund Balance at beginning of year	<u>317,562</u>	<u>317,562</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 150,516</u></u>	<u><u>\$ 314,605</u></u>	<u><u>\$ 164,089</u></u>
<b>VETERANS' TRUST</b>			
Net Change in Fund Balance	\$ -	\$ -	\$ -
Fund Balance at beginning of year	<u>192</u>	<u>192</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 192</u></u>	<u><u>\$ 192</u></u>	<u><u>\$ -</u></u>

Continued

**LAPEER COUNTY, MICHIGAN**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>SOLDIERS' RELIEF FUND</b>			
<b>Revenues:</b>			
Taxes	\$ 443,991	\$ 599,942	\$ 155,951
Charges for services	-	1,415	1,415
Intergovernmental	-	58,182	58,182
Interest	-	339	339
Total Revenues	<u>443,991</u>	<u>659,878</u>	<u>215,887</u>
<b>Expenditures:</b>			
Health and welfare	<u>501,923</u>	<u>472,686</u>	<u>29,237</u>
Net Change in Fund Balance	( 57,932)	187,192	245,124
Fund Balance at beginning of year	<u>36,270</u>	<u>36,270</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$( 21,662)</u></u>	<u><u>\$ 223,462</u></u>	<u><u>\$ 245,124</u></u>
<b>MULTI-PURPOSE COLLABORATIVE BODY</b>			
<b>Expenditures:</b>			
Health and welfare	\$ 18,500	\$ 18,500	\$ -
<b>Other Financing Sources:</b>			
Transfers in	<u>18,500</u>	<u>18,500</u>	<u>-</u>
Net Change in Fund Balance	-	-	-
Fund Balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Continued

# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Amended Budget	Actual	Variance Positive (Negative)
<b>SENIOR MILLAGE</b>			
<b>Revenues:</b>			
Taxes	\$ 822,700	\$ 801,122	\$( 21,578)
Intergovernmental	-	7,493	7,493
Total Revenues	<u>822,700</u>	<u>808,615</u>	<u>( 14,085)</u>
<b>Expenditures:</b>			
Health and welfare	<u>24,845</u>	<u>12,112</u>	<u>12,733</u>
Revenues over expenditures	797,855	796,503	( 1,352)
<b>Other Financing Uses:</b>			
Transfers out	<u>( 861,718)</u>	<u>( 860,000)</u>	<u>1,718</u>
Net Change in Fund Balance	( 63,863)	( 63,497)	366
Fund Balance at beginning of year	<u>443,046</u>	<u>443,046</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 379,183</u></u>	<u><u>\$ 379,549</u></u>	<u><u>\$ 366</u></u>

### SOIL AND SEDIMENTATION

<b>Revenues:</b>			
Licenses and permits	\$ 45,000	\$ 48,525	\$ 3,525
Fines and forfeits	21,000	22,655	1,655
Total Revenues	<u>66,000</u>	<u>71,180</u>	<u>5,180</u>
<b>Expenditures:</b>			
Health and welfare	<u>66,000</u>	<u>54,092</u>	<u>11,908</u>
Net Change in Fund Balance	-	17,088	17,088
Fund Balance at beginning of year	<u>35,263</u>	<u>35,263</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 35,263</u></u>	<u><u>\$ 52,351</u></u>	<u><u>\$ 17,088</u></u>

Continued

# LAPEER COUNTY, MICHIGAN

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Amended Budget	Actual	Variance Positive (Negative)
<b>LAPEER FAMILY CONTINUATION COORDINATOR</b>			
<b>Revenues:</b>			
Charges for services	\$ 14,500	\$ 17,000	\$ 2,500
Other	<u>19,500</u>	<u>14,925</u>	<u>( 4,575)</u>
Total Revenues	34,000	31,925	( 2,075)
<b>Expenditures:</b>			
Health and welfare	<u>34,000</u>	<u>26,349</u>	<u>7,651</u>
Net Change in Fund Balance	-	5,576	5,576
Fund Balance at beginning of year	<u>22,416</u>	<u>22,416</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 22,416</u></u>	<u><u>\$ 27,992</u></u>	<u><u>\$ 5,576</u></u>

### MENTAL HEALTH COURT

<b>Revenues:</b>			
Intergovernmental	\$ 175,520	\$ 56,581	\$( 118,939)
<b>Expenditures:</b>			
Health and welfare	<u>175,520</u>	<u>56,581</u>	<u>118,939</u>
Net Change in Fund Balance	-	-	-
Fund Balance at beginning of year	<u>14</u>	<u>14</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 14</u></u>	<u><u>\$ 14</u></u>	<u><u>\$ -</u></u>

### CARES ACT

<b>Revenues:</b>			
Intergovernmental	<u>\$ -</u>	<u>\$ 431,438</u>	<u>\$ 431,438</u>
<b>Expenditures:</b>			
Judicial	-	28,162	( 28,162)
General government	-	18,523	( 18,523)
Public safety	<u>-</u>	<u>53,000</u>	<u>( 53,000)</u>
	-	99,685	(99,685)
Net Change in Fund Balance	-	331,753	331,753
Fund Balance at beginning of year	<u>( 331,753)</u>	<u>( 331,753)</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$( 331,753)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 331,753</u></u>

Continued

**LAPEER COUNTY, MICHIGAN**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>CONCEALED PISTOL LICENSING</b>			
<b>Revenues:</b>			
Licenses and permits	\$ 68,437	\$ 83,551	\$ 15,114
<b>Expenditures:</b>			
General government	<u>102,372</u>	<u>65,318</u>	<u>37,054</u>
Net Change in Fund Balance	( 33,935)	18,233	52,168
Fund Balance at beginning of year	<u>101,348</u>	<u>101,348</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ 67,413</u></u>	<u><u>\$ 119,581</u></u>	<u><u>\$ 52,168</u></u>
<b>INDIGENT DEFENSE</b>			
<b>Revenues:</b>			
Intergovernmental	\$ 740,284	\$ 246,142	\$( 494,142)
Charges for services	<u>-</u>	<u>14,417</u>	<u>14,417</u>
Total Revenues	740,284	260,559	( 479,725)
<b>Expenditures:</b>			
Judicial	<u>850,016</u>	<u>368,955</u>	<u>481,061</u>
Revenues under expenditures	( 109,732)	( 108,396)	1,336
<b>Other Financing Sources:</b>			
Transfers in	<u>109,732</u>	<u>108,396</u>	<u>( 1,336)</u>
Net Change in Fund Balance	-	-	-
Fund Balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Concluded



**LAPEER COUNTY, MICHIGAN**

**COMBINING SCHEDULE OF NET POSITION  
DELINQUENT TAX FUND  
DECEMBER 31, 2021**

	Delinquent Tax	Foreclosure	Treasurer's Office Administration	Elimination	Total
<b>Assets:</b>					
Current Assets -					
Cash and cash equivalents	\$ 9,395,873	\$ 3,522,312	\$ 117,274	\$ -	\$ 13,035,459
Investments	17	-	-	-	17
Receivables (net of allowance):					
Delinquent property taxes	2,220,272	63,885	-	-	2,284,157
Accrued interest	365,043	-	-	-	365,043
Interfund receivables	3,414,942	-	-	-	3,414,942
Due from other funds	-	-	78,472	( 78,472)	-
Total Current Assets	<u>15,396,147</u>	<u>3,586,197</u>	<u>195,746</u>	<u>( 78,472)</u>	<u>19,099,618</u>
Noncurrent Assets -					
Capital assets, net	-	19,211	-	-	19,211
Total Noncurrent Assets	<u>-</u>	<u>19,211</u>	<u>-</u>	<u>-</u>	<u>19,211</u>
Total Assets	<u>15,396,147</u>	<u>3,605,408</u>	<u>195,746</u>	<u>( 78,472)</u>	<u>19,118,829</u>
<b>Liabilities:</b>					
Current Liabilities -					
Accounts payable	-	59	-	-	59
Accrued liabilities	-	770	-	-	770
Due to other governmental units	158,838	-	-	-	158,838
Due to other funds	78,472	122	-	( 78,472)	122
Total Liabilities	<u>237,310</u>	<u>951</u>	<u>-</u>	<u>( 78,472)</u>	<u>159,789</u>
<b>Net Position:</b>					
Investment in capital assets	-	19,211	-	-	19,211
Restricted	-	3,585,246	195,746	-	3,780,992
Unrestricted -					
Designated - Estimated 2022 tax settlement	5,000,000	-	-	-	5,000,000
Undesignated	10,158,837	-	-	-	10,158,837
Total Net Position	<u>\$ 15,158,837</u>	<u>\$ 3,604,457</u>	<u>\$ 195,746</u>	<u>\$ -</u>	<u>\$ 18,959,040</u>

# LAPEER COUNTY, MICHIGAN

## COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION DELINQUENT TAX FUND FOR THE YEAR ENDED DECEMBER 31, 2021

	Delinquent Tax	Foreclosure	Treasurer's Office Administration	Total
<b>Operating Revenues:</b>				
Charges for services	\$ -	\$ 422,579	\$ -	\$ 422,579
Interest on taxes	581,019	-	-	581,019
Fees and penalties on delinquent taxes	209,763	4,400	-	214,163
Total Operating Revenues	<u>790,782</u>	<u>426,979</u>	<u>-</u>	<u>1,217,761</u>
<b>Operating Expenses:</b>				
Salaries and wages	-	39,418	-	39,418
Fringe benefits	-	22,782	-	22,782
Operating supplies and expenses	-	30,731	-	30,731
Professional services	-	104,897	-	104,897
Other	13,318	13,825	-	27,143
Depreciation	-	7,746	-	7,746
Total Operating Expenses	<u>13,318</u>	<u>219,399</u>	<u>-</u>	<u>232,717</u>
Operating Income	777,464	207,580	-	985,044
<b>Non-Operating Revenues:</b>				
Interest	<u>-</u>	<u>1,529</u>	<u>-</u>	<u>1,529</u>
Change in Net Position	777,464	209,109	-	986,573
Net Position at beginning of year	<u>14,381,373</u>	<u>3,395,348</u>	<u>195,746</u>	<u>17,972,467</u>
Net Position end of year	<u>\$ 15,158,837</u>	<u>\$ 3,604,457</u>	<u>\$ 195,746</u>	<u>\$ 18,959,040</u>

## **INTERNAL SERVICE FUNDS**

## **INTERNAL SERVICE FUNDS**

Internal Service Funds are used to account for financing of goods or services provided by one department or agency to other departments or agencies of the County for unemployment, workers' compensation, equipment acquisition and replacement, health care, health care savings and retirement, and to account for payment of related insurance claims, expenses, and contributions remitted to third-party administrators.

# LAPEER COUNTY, MICHIGAN

## COMBINING STATEMENT OF NET POSITION INTERNAL SERVICE FUNDS DECEMBER 31, 2021

	Health Insurance	Unemployment Insurance	Workers' Compensation	CMH Equipment Acquisition & Replacement
<b>Assets:</b>				
Current Assets -				
Cash and cash equivalents	\$ 1,983,681	\$ 45,467	\$ 843,124	\$ 498,475
Deposits with agent	2,592	-	15,000	-
Due from other funds	-	-	-	-
Prepaid items	22,680	-	30,222	-
Total Current Assets	<u>2,008,953</u>	<u>45,467</u>	<u>888,346</u>	<u>498,475</u>
Property, Plant, and Equipment, Net	-	-	-	301,265
Total Assets	<u>2,008,953</u>	<u>45,467</u>	<u>888,346</u>	<u>799,740</u>
<b>Liabilities:</b>				
Current Liabilities -				
Accounts payable	-	21,556	6,085	27,582
Accrued claims	-	-	95,503	-
Total Current Liabilities	<u>-</u>	<u>21,556</u>	<u>101,588</u>	<u>27,582</u>
<b>Net Position:</b>				
Investment in capital assets	-	-	-	301,265
Unrestricted	<u>2,008,953</u>	<u>23,911</u>	<u>786,758</u>	<u>470,893</u>
Total Net Position	<u>\$ 2,008,953</u>	<u>\$ 23,911</u>	<u>\$ 786,758</u>	<u>\$ 772,158</u>

Equipment Acquisition & Replacement	Retirement	Public Employee Health Care	Total
\$ 1,729,704	\$ 924,614	\$ 5,707	\$ 6,030,772
-	-	-	17,592
-	41,325	-	41,325
-	-	-	52,902
1,729,704	965,939	5,707	6,142,591
2,135,900	-	-	2,437,165
3,865,604	965,939	5,707	8,579,756
25,641	320,728	-	401,592
-	-	-	95,503
25,641	320,728	-	497,095
2,135,900	-	-	2,437,165
1,704,063	645,211	5,707	5,645,496
\$ 3,839,963	\$ 645,211	\$ 5,707	\$ 8,082,661

# LAPEER COUNTY, MICHIGAN

## COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION INTERNAL SERVICE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Health Insurance	Unemployment Insurance	Workers' Compensation	CMH Equipment Acquisition & Replacement
<b>Operating Revenues:</b>				
Charges for services	\$ 5,524,508	\$ 4,423	\$ 203,256	\$ 83,960
<b>Operating Expenses:</b>				
Fringe benefits	4,829,433	21,557	120,912	-
Other	46,437	15,083	15,673	795
Depreciation	-	-	-	68,451
Total Operating Expenses	<u>4,875,870</u>	<u>36,640</u>	<u>136,585</u>	<u>69,246</u>
Operating Income (Loss)	648,638	( 32,217)	66,671	14,714
<b>Non-Operating Revenue:</b>				
Gain on sale of assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Income (Loss) before Transfers	648,638	( 32,217)	66,671	14,714
<b>Transfers:</b>				
Transfers In	-	32,000	-	-
Transfers Out	( 32,000)	-	-	-
Total Transfers	<u>( 32,000)</u>	<u>32,000</u>	<u>-</u>	<u>-</u>
Change in Net Position	616,638	( 217)	66,671	14,714
Net Position at beginning of year	<u>1,392,315</u>	<u>24,128</u>	<u>720,087</u>	<u>757,444</u>
Net Position at end of year	<u><u>\$ 2,008,953</u></u>	<u><u>\$ 23,911</u></u>	<u><u>\$ 786,758</u></u>	<u><u>\$ 772,158</u></u>

Equipment Acquisition & Replacement	Retirement	Public Employee Health Care	Total
<u>\$ 784,994</u>	<u>\$ 2,734,400</u>	<u>\$ 125,400</u>	<u>\$ 9,460,941</u>
-	2,562,109	119,400	7,653,411
383,959	17,831	6,078	485,856
<u>552,240</u>	<u>-</u>	<u>-</u>	<u>620,691</u>
<u>936,199</u>	<u>2,579,940</u>	<u>125,478</u>	<u>8,759,958</u>
( 151,205)	154,460	( 78)	700,983
<u>44,885</u>	<u>-</u>	<u>-</u>	<u>44,885</u>
( 106,320)	154,460	( 78)	745,868
140,718	-	-	172,718
<u>-</u>	<u>-</u>	<u>-</u>	<u>( 32,000)</u>
<u>140,718</u>	<u>-</u>	<u>-</u>	<u>140,718</u>
34,398	154,460	( 78)	886,586
<u>3,805,565</u>	<u>490,751</u>	<u>5,785</u>	<u>7,196,075</u>
<u>\$ 3,839,963</u>	<u>\$ 645,211</u>	<u>\$ 5,707</u>	<u>\$ 8,082,661</u>



# LAPEER COUNTY, MICHIGAN

## COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Health Insurance	Unemployment Insurance	Workers' Compensation	CMH Equipment Acquisition & Replacement
<b>Cash Flows From Operating Activities:</b>				
Cash receipts for interfund services	\$ 5,524,508	\$ 4,502	\$ 206,721	\$ 83,960
Cash payments to suppliers	( 4,543,287)	( 18,376)	( 105,380)	26,787
Net Cash Provided by (Used in) Operating Activities	<u>981,221</u>	<u>( 13,874)</u>	<u>101,341</u>	<u>110,747</u>
<b>Cash Flows From Noncapital Financing Activities:</b>				
Transfers in	-	32,000	-	-
Transfers out	( 32,000)	-	-	-
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>( 32,000)</u>	<u>32,000</u>	<u>-</u>	<u>-</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>				
Transfers in	-	-	-	-
Acquisition of capital assets	-	-	-	( 50,837)
Proceeds from sale of assets	-	-	-	-
Net Cash Used in Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 50,837)</u>
Increase (decrease) in cash and cash equivalents	949,221	18,126	101,341	59,910
Cash and cash equivalents at beginning of year	<u>1,034,460</u>	<u>27,341</u>	<u>741,783</u>	<u>438,565</u>
Cash and cash equivalents at end of year	<u><u>\$ 1,983,681</u></u>	<u><u>\$ 45,467</u></u>	<u><u>\$ 843,124</u></u>	<u><u>\$ 498,475</u></u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:</b>				
Operating Income (Loss)	\$ 648,638	\$( 32,217)	\$ 66,671	\$ 14,714
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities -				
Depreciation	-	-	-	68,451
Change in assets and liabilities:				
Due to/from other funds	-	79	3,465	-
Prepaid items/Deposits with agent	337,770	-	33,493	-
Accounts payable	( 5,187)	18,264	6,085	27,582
Accrued claims	-	-	( 8,373)	-
Net Cash Provided by (Used in) Operating Activities	<u><u>\$ 981,221</u></u>	<u><u>\$( 13,874)</u></u>	<u><u>\$ 101,341</u></u>	<u><u>\$ 110,747</u></u>

Equipment Acquisition & Replacement	Retirement	Public Employee Health Care	Total
\$ 784,994	\$ 2,717,829	\$ 125,400	\$ 9,447,914
( 369,933)	( 2,560,040)	( 125,478)	( 7,695,707)
<u>415,061</u>	<u>157,789</u>	<u>( 78)</u>	<u>1,752,207</u>
-	-	-	32,000
<u>-</u>	<u>-</u>	<u>-</u>	<u>( 32,000)</u>
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
140,718	-	-	140,718
( 338,136)	-	-	( 388,973)
<u>50,792</u>	<u>-</u>	<u>-</u>	<u>50,792</u>
( 146,626)	-	-	( 197,463)
268,435	157,789	( 78)	1,554,744
<u>1,461,269</u>	<u>766,825</u>	<u>5,785</u>	<u>4,476,028</u>
<u>\$ 1,729,704</u>	<u>\$ 924,614</u>	<u>\$ 5,707</u>	<u>\$ 6,030,772</u>
\$ ( 151,205)	\$ 154,460	\$ ( 78)	\$ 700,983
552,240	-	-	620,691
-	( 16,571)	-	( 13,027)
-	-	-	371,263
14,026	19,900	-	80,670
<u>-</u>	<u>-</u>	<u>-</u>	<u>( 8,373)</u>
<u>\$ 415,061</u>	<u>\$ 157,789</u>	<u>\$ ( 78)</u>	<u>\$ 1,752,207</u>

## **FIDUCIARY FUNDS**

## **FIDUCIARY FUNDS**

Fiduciary Funds are used to account for assets held by the County for the other parties that cannot be used to finance the County's own operating programs.

**Custodial Funds** - are used to account for the assets held by the County as an agent for individuals, private organizations, or other governments.

**LAPEER COUNTY, MICHIGAN**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
DECEMBER 31, 2021**

	General Agency	Library Penal Fines	Treasurer's Tax
<b>Assets:</b>			
Cash and cash equivalents	\$ 346,897	\$ 17,153	\$ 807,174
Due from other governmental units	<u>1,308</u>	<u>-</u>	<u>-</u>
Total Assets	<u>348,205</u>	<u>17,153</u>	<u>807,174</u>
<b>Liabilities:</b>			
Due to other governmental units	302,475	-	661,555
Due to individuals and agencies	<u>45,730</u>	<u>17,153</u>	<u>145,619</u>
Total Liabilities	<u>348,205</u>	<u>17,153</u>	<u>807,174</u>
<b>Net Position:</b>			
Unrestricted	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

<u>Inmate</u>	<u>Total</u>
\$ 6,371	\$ 1,177,595
-	1,308
<u>6,371</u>	<u>1,178,903</u>
-	964,030
<u>6,371</u>	<u>214,873</u>
<u>6,371</u>	<u>1,178,903</u>
<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**LAPEER COUNTY, MICHIGAN**

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	General Agency	Library Penal Fines	Treasurer's Tax
<b>Additions:</b>			
Property taxes and PILT	\$ -	\$ -	\$ 21,784,230
Fees and assessments	418,400	-	-
Permits	107,613	-	-
Court fees	352,190	-	-
Transfer tax	3,927,480	-	-
Penal fines	-	239,274	-
Other collections	8,875	-	-
Inmate revenues	-	-	-
	<hr/>	<hr/>	<hr/>
Total Additions	4,814,558	239,274	21,784,230
	<hr/>	<hr/>	<hr/>
<b>Deductions:</b>			
Distribution of property taxes and PILT	-	-	21,784,230
Distribution of fees and assessments	418,400	-	-
Distribution of permit fees	107,613	-	-
Distribution of court fees	352,190	-	-
Distribution of transfer tax	3,927,480	-	-
Distribution of penal fines	-	239,274	-
Other distributions	8,875	-	-
Inmate expenses	-	-	-
	<hr/>	<hr/>	<hr/>
Total Deductions	4,814,558	239,274	21,784,230
	<hr/>	<hr/>	<hr/>
Change in net position	-	-	-
Net Position -			
Beginning of year	<hr/>	<hr/>	<hr/>
	-	-	-
End of year	<hr/>	<hr/>	<hr/>
	\$ -	\$ -	\$ -
	<hr/>	<hr/>	<hr/>

<u>Inmate</u>	<u>Total</u>
\$ -	\$ 21,784,230
-	418,400
-	107,613
-	352,190
-	3,927,480
-	239,274
-	8,875
<u>22,972</u>	<u>22,972</u>
<u>22,972</u>	<u>26,861,034</u>
-	21,784,230
-	418,400
-	107,613
-	352,190
-	3,927,480
-	239,274
-	8,875
<u>22,972</u>	<u>22,972</u>
<u>22,972</u>	<u>26,861,034</u>
-	-
-	-
<u>\$ -</u>	<u>\$ -</u>



**CAPITAL ASSETS USED IN THE OPERATION OF  
GOVERNMENTAL FUNDS**

# LAPEER COUNTY, MICHIGAN

## CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS SCHEDULE OF CHANGES IN CAPITAL ASSETS FOR THE YEAR ENDED DECEMBER 31, 2021

	Balance January 1, 2021	Additions	Disposals/ Adjustments	Balance December 31, 2021
<b>General County:</b>				
Land	\$ 850,890	\$ -	\$ -	\$ 850,890
Land improvements	1,835,178	-	-	1,835,178
Buildings	25,893,942	211,797	-	26,105,739
Equipment	21,560,481	409,664	-	21,970,145
Vehicles	529,451	121,117	-	650,568
	<u>50,669,942</u>	<u>742,578</u>	<u>-</u>	<u>51,412,520</u>
Less - Accumulated depreciation	( 33,253,534)	( 1,771,241)	-	( 35,024,775)
	17,416,408	( 1,028,663)	-	16,387,745
Construction in progress	<u>-</u>	<u>112,130</u>	<u>-</u>	<u>112,130</u>
Total Capital Assets, Net	<u>\$ 17,416,408</u>	<u>\$( 916,533)</u>	<u>\$ -</u>	<u>\$ 16,499,875</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in the internal service funds are excluded from the above amounts. The capital assets of internal service funds are included as governmental activities in the statement of net position.

# LAPEER COUNTY, MICHIGAN

## CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS SCHEDULE OF CAPITAL ASSETS BY FUNCTION AND ACTIVITY DECEMBER 31, 2021

	Total	Land and Improvements	Buildings	Equipment	Vehicles
<b>General Government:</b>					
Legislative	\$ 3,104,763	\$ 225,000	\$ 2,879,763	\$ -	\$ -
Judicial	3,418,242	85,861	3,213,084	83,885	35,412
General Services	6,492,567	429,033	5,784,861	273,126	5,547
	<u>13,015,572</u>	<u>739,894</u>	<u>11,877,708</u>	<u>357,011</u>	<u>40,959</u>
<b>Public Works:</b>					
Environmental/Recycling	30,000	-	30,000	-	-
Drain Commission	194,674	-	-	-	194,674
	<u>224,674</u>	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>194,674</u>
<b>Public Safety:</b>					
Animal Shelter	310,056	25,302	221,800	48,242	14,712
Emergency Preparedness	214,364	-	-	214,364	-
Marine Safety	21,500	-	-	-	21,500
911 Communications Center	21,199,274	93,876	1,016,438	20,088,960	-
Community Corrections	5,535	-	-	5,535	-
Sheriff	7,097,542	498,389	6,182,903	209,450	206,800
	<u>28,848,271</u>	<u>617,567</u>	<u>7,421,141</u>	<u>20,566,551</u>	<u>243,012</u>
<b>Health and Welfare:</b>					
Health Department	894,370	37,221	238,782	535,250	83,117
Mental Health	3,373,315	180,894	2,981,227	211,194	-
D.O.S.A.	121,492	-	-	32,686	88,806
Family Independence Agency	1,913,734	143,480	1,758,724	11,530	-
	<u>6,302,911</u>	<u>361,595</u>	<u>4,978,733</u>	<u>790,660</u>	<u>171,923</u>
<b>Recreation and Cultural:</b>					
Parks and Recreation	2,881,295	925,415	1,699,957	255,923	-
Libraries	139,797	41,597	98,200	-	-
	<u>3,021,092</u>	<u>967,012</u>	<u>1,798,157</u>	<u>255,923</u>	<u>-</u>
Total Capital Assets	51,412,520	2,686,068	26,105,739	21,970,145	650,568
Less: Accumulated depreciation	( 35,024,775)	( 1,584,300)	( 17,266,410)	( 15,702,967)	( 471,098)
	<u>16,387,745</u>	<u>1,101,768</u>	<u>8,839,329</u>	<u>6,267,178</u>	<u>179,470</u>
Construction in progress	<u>112,130</u>	<u>-</u>	<u>38,500</u>	<u>73,630</u>	<u>-</u>
Total Capital Assets - (Net of Accumulated Depreciation)	<u>\$ 16,499,875</u>	<u>\$ 1,101,768</u>	<u>\$ 8,877,829</u>	<u>\$ 6,340,808</u>	<u>\$ 179,470</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in the internal service funds are excluded from the above amounts. The capital assets of internal service funds are included as governmental activities in the statement of net position.

# LAPEER COUNTY, MICHIGAN

## CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION AND ACTIVITY FOR THE YEAR ENDED DECEMBER 31, 2021

	Balance January 1, 2021	Additions	Adjustments/ Disposals	Balance December 31, 2021
<b>General Government:</b>				
Legislative	\$ 3,104,763	\$ -	\$ -	\$ 3,104,763
Judicial	3,398,372	19,870	-	3,418,242
General Services	6,399,403	93,165	-	6,492,568
	<u>12,902,538</u>	<u>113,035</u>	<u>-</u>	<u>13,015,573</u>
Construction in Progress	-	73,630	-	73,630
Total General Government	<u>12,902,538</u>	<u>186,665</u>	<u>-</u>	<u>13,089,203</u>
<b>Public Works:</b>				
Environmental/Recycling	30,000	-	-	30,000
Drain Commission	194,674	-	-	194,674
Total Public Works	<u>224,674</u>	<u>-</u>	<u>-</u>	<u>224,674</u>
<b>Public Safety:</b>				
Animal Shelter	310,056	-	-	310,056
Emergency Preparedness	214,364	-	-	214,364
Marine Safety	21,500	-	-	21,500
911 Communications Center	21,199,274	-	-	21,199,274
Community Corrections	5,535	-	-	5,535
Sheriff	7,047,708	49,834	-	7,097,542
Total Public Safety	<u>28,798,437</u>	<u>49,834</u>	<u>-</u>	<u>28,848,271</u>
<b>Health and Welfare:</b>				
Health Department	774,718	119,652	-	894,370
Mental Health	3,337,329	35,986	-	3,373,315
D.O.S.A.	32,686	88,806	-	121,492
Family Independence Agency	1,913,734	-	-	1,913,734
Total Health and Welfare	<u>6,058,467</u>	<u>244,444</u>	<u>-</u>	<u>6,302,911</u>
Construction in Progress	-	38,500	-	38,500
Total Health and Welfare	<u>6,058,467</u>	<u>282,944</u>	<u>-</u>	<u>6,341,411</u>
<b>Recreation and Cultural:</b>				
Parks and Recreation	2,546,029	335,265	-	2,881,294
Libraries	139,797	-	-	139,797
Total Recreation and Cultural	<u>2,685,826</u>	<u>335,265</u>	<u>-</u>	<u>3,021,091</u>
Total Capital Assets	<u>\$ 50,669,942</u>	<u>\$ 854,708</u>	<u>\$ -</u>	<u>\$ 51,524,650</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in the internal service funds are excluded from the above amounts. The capital assets of internal service funds are included as governmental activities in the statement of net position.

## **DISCRETELY PRESENTED COMPONENT UNITS**

### **LAPEER COUNTY BOARD OF PUBLIC WORKS (BPW) -**

The BPW is administrated by the Drain Commissioner as appointed by the County Board of Commissioners. The BPW Board establishes policy and reviews operations of the BPW for the County Board of Commissioners. The BPW has the responsibility of administering the various public works' construction projects and the associated debt service funds under the provision of Act 185 P.A. 1957, as amended. The BPW is financially accountable to the County because all general obligation bond issuances require County authorization and are backed by the full faith and credit of the County.

### **LAPEER COUNTY DRAINAGE DISTRICTS -**

The Drainage Districts are established pursuant to Act 40, P.A. 1956, as amended, (the Michigan Drain Code) and are under the administration of the Lapeer County Drain Commissioner. The statutory Intercounty Drainage Board consists of the State Director of Agriculture and the Drain Commissioners of each County involved in the projects. Each of the drainage districts are separate legal entities. The Drainage Board or Drain Commissioner, on behalf of the drainage district, 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 upon authorization of the County Board of Commissioners. The Drain Commission and all operations for the Drain Commission office are budgeted and reported as part of the County General Fund, except for maintenance and construction of individual drains, which is accounted for through the various drain funds.

## **BOARD OF PUBLIC WORKS FUNDS**

**LAPEER COUNTY, MICHIGAN**

**COMBINING BALANCE SHEET  
BOARD OF PUBLIC WORKS - GOVERNMENTAL FUND TYPES  
DECEMBER 31, 2021**

	Debt Service Funds				
	Dryden Drinking Water	Almont WSS 2007	Almont Sewage Disposal 2002	Dryden WSS 2007	Total
<b>Assets:</b>					
Cash - Restricted	\$ 879	\$ 5,925	\$ 9,444	\$ 642	\$ 16,890
Contracts receivable	-	827,694	130,000	239,868	1,197,562
 Total Assets	 \$ 879	 \$ 833,619	 \$ 139,444	 \$ 240,510	 \$ 1,214,452
<b>Liabilities:</b>					
Due to other governmental units	\$ 879	\$ -	\$ -	\$ -	\$ 879
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue - Lease contracts	-	827,694	130,000	239,868	1,197,562
<b>Fund Balances:</b>					
Restricted - Debt service	-	5,925	9,444	642	16,011
 Total Liabilities, Deferred Inflows of Resources, and Fund Balance	 \$ 879	 \$ 833,619	 \$ 139,444	 \$ 240,510	 \$ 1,214,452

**LAPEER COUNTY, MICHIGAN**

**RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION  
BOARD OF PUBLIC WORKS  
DECEMBER 31, 2021**

Fund Balances - Board of Public Works	\$ 16,011
Amounts reported for governmental activities in the statement of net position are different because:	
Amounts available in the funds that reduce the contract receivable on the government-wide statements	( 9,960)
Long-term liabilities that are not payable in the current period and are, therefore, not reported in the governmental fund statements	
Bonds/notes payable	( 1,197,562)
Accrued interest on bonds/notes payable	( 6,051)
Revenues that are deferred in the governmental fund statements because the amounts are not available	
Lease revenue	<u>1,197,562</u>
Net Position of the Board of Public Works	<u><u>\$ -</u></u>



# LAPEER COUNTY, MICHIGAN

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BOARD OF PUBLIC WORKS - GOVERNMENTAL FUND TYPES FOR THE YEAR ENDED DECEMBER 31, 2021

	Debt Service Funds				
	Dryden Drinking Water	Almont WSSI 2007	Almont Sewage Disposal 2002	Dryden WSSI 2007	Total
<b>Revenues:</b>					
Intergovernmental	\$ -	\$ 124,820	\$ 134,519	\$ 40,841	\$ 300,180
<b>Expenditures:</b>					
Debt Service -					
Principal retirement	-	105,000	125,000	35,000	265,000
Interest and fiscal charges	-	19,820	9,519	5,841	35,180
Total Expenditures	-	124,820	134,519	40,841	300,180
Net Change in Fund Balance	-	-	-	-	-
Fund Balance at beginning of year	-	5,925	9,444	642	16,011
Fund Balance at end of year	\$ -	\$ 5,925	\$ 9,444	\$ 642	\$ 16,011

**LAPEER COUNTY, MICHIGAN**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**

**BOARD OF PUBLIC WORKS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Net Change in Fund Balances - Board of Public Works	\$ -
Amounts reported for governmental activities in the statement of activities are different because:	
The issuance of long-term debt (e.g., bonds and notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.	
Principal payments on long-term liabilities	265,000
Accrued interest expense on bonds and the amortization of discounts, premiums, and deferred losses are not recorded by governmental funds but are reported under interest and fiscal charges for purposes of net position.	
Decrease in accrued interest payable	1,095
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	( 266,095)
Change in Net Position of the Board of Public Works	<u><u>\$ -</u></u>

## **DRAINAGE DISTRICT FUNDS**

# LAPEER COUNTY, MICHIGAN

## COMBINING BALANCE SHEET DRAINAGE DISTRICTS - GOVERNMENTAL FUND TYPES DECEMBER 31, 2021

	Debt Service Funds				
	Talmage Drain	Imlay Bigelow	Winn Lake	Marshall Creek	Stroup Drain
<b>Assets:</b>					
Cash and cash equivalents	\$ 1,890	\$ 716,364	\$ 14,686	\$ 71,660	\$ 70,438
Investments	-	-	-	-	-
Receivables -					
Special assessments	-	528,932	-	454,678	1,385,742
Accounts	-	-	-	-	-
Due from other funds	-	-	9,798	-	-
Due from other governmental units	-	-	-	-	-
Advances to other funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 1,890</u>	<u>\$ 1,245,296</u>	<u>\$ 24,484</u>	<u>\$ 526,338</u>	<u>\$ 1,456,180</u>
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ 250	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Deposits payable	-	-	-	-	-
Advances from primary government	-	-	-	-	-
Advances from other funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>250</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue - special assessments	<u>-</u>	<u>363,094</u>	<u>-</u>	<u>429,482</u>	<u>1,298,983</u>
<b>Fund Balances:</b>					
Restricted -					
Debt service	1,890	881,952	24,484	96,856	157,197
Acquisition/construction of capital assets	-	-	-	-	-
Total Fund Balance	<u>1,890</u>	<u>881,952</u>	<u>24,484</u>	<u>96,856</u>	<u>157,197</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 1,890</u>	<u>\$ 1,245,296</u>	<u>\$ 24,484</u>	<u>\$ 526,338</u>	<u>\$ 1,456,180</u>

Debt Service Funds					Capital Projects Funds	
Peasley Drain	Bottom Creek	Indian Creek	Belle River	Burke Drain	Special Assessment Drain	Drain Revolving
\$ 122,632	\$ 29,328	\$ 209,664	\$ 19,562	\$ 6,988	\$ 710,767	\$ 4,080
-	-	-	-	-	1,277,185	-
1,181,643	1,408,584	2,377,333	655,892	137,272	580,591	-
-	-	-	-	-	4,330	-
-	-	-	-	-	-	192,190
-	-	-	-	-	98,129	-
-	-	-	-	-	100,000	-
<u>\$ 1,304,275</u>	<u>\$ 1,437,912</u>	<u>\$ 2,586,997</u>	<u>\$ 675,454</u>	<u>\$ 144,260</u>	<u>\$ 2,771,002</u>	<u>\$ 196,270</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 72,080	\$ -
-	-	-	-	-	1,658,458	-
-	-	-	-	-	417,000	-
-	-	-	-	-	-	90,000
-	-	-	-	-	-	100,000
-	-	-	-	-	2,147,538	190,000
1,095,893	1,291,503	2,214,099	501,490	129,166	-	-
208,382	146,409	372,898	173,964	15,094	-	-
-	-	-	-	-	623,464	6,270
<u>208,382</u>	<u>146,409</u>	<u>372,898</u>	<u>173,964</u>	<u>15,094</u>	<u>623,464</u>	<u>6,270</u>
<u>\$ 1,304,275</u>	<u>\$ 1,437,912</u>	<u>\$ 2,586,997</u>	<u>\$ 675,454</u>	<u>\$ 144,260</u>	<u>\$ 2,771,002</u>	<u>\$ 196,270</u>

Continued

# LAPEER COUNTY, MICHIGAN

## COMBINING BALANCE SHEET DRAINAGE DISTRICTS - GOVERNMENTAL FUND TYPES DECEMBER 31, 2021

Capital Project Funds				
	Marshall Creek	Stroup Drain	Peasley Drain	Bottom Creek
<b>Assets:</b>				
Cash and cash equivalents	\$ 69,765	\$ 66,198	\$ 312,295	\$ 321,929
Investments	-	-	-	-
Receivables -				
Special assessments	-	-	-	-
Accounts	-	-	-	-
Due from other funds	-	-	-	-
Due from other governmental units	-	-	-	-
Advances to other funds	-	-	-	-
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>
Total Assets	<u><u>\$ 69,765</u></u>	<u><u>\$ 66,198</u></u>	<u><u>\$ 312,295</u></u>	<u><u>\$ 321,929</u></u>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 4,571	\$ 164,760	\$ 222,829
Due to other funds	-	-	-	-
Deposits payable	-	-	-	-
Advances from primary government	-	-	-	-
Advances from other funds	-	-	-	-
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>
Total Liabilities	<u><u>-</u></u>	<u><u>4,571</u></u>	<u><u>164,760</u></u>	<u><u>222,829</u></u>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenue - special assessments	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>
<b>Fund Balances:</b>				
Restricted -				
Debt service	-	-	-	-
Acquisition/construction of capital assets	<u>69,765</u>	<u>61,627</u>	<u>147,535</u>	<u>99,100</u>
Total Fund Balance	<u><u>69,765</u></u>	<u><u>61,627</u></u>	<u><u>147,535</u></u>	<u><u>99,100</u></u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u><u>\$ 69,765</u></u>	<u><u>\$ 66,198</u></u>	<u><u>\$ 312,295</u></u>	<u><u>\$ 321,929</u></u>

Capital Project Funds

<u>Indian Creek</u>	<u>Belle River</u>	<u>Burke Drain</u>	<u>Total</u>
\$ 427,254	\$ 600,989	\$ 205,429	\$ 3,981,918
-		-	1,277,185
-		-	8,710,667
-		-	4,330
-		-	201,988
-		-	98,129
-		-	100,000
<u>\$ 427,254</u>	<u>\$ 600,989</u>	<u>\$ 205,429</u>	<u>\$ 14,374,217</u>
\$ -	\$ 142,956	\$ 22,754	\$ 630,200
-		-	1,658,458
-		-	417,000
-		-	90,000
-		-	100,000
<u>-</u>	<u>142,956</u>	<u>22,754</u>	<u>2,895,658</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>7,323,710</u>
-	-		2,079,126
427,254	458,033	182,675	2,075,723
<u>427,254</u>	<u>458,033</u>	<u>182,675</u>	<u>4,154,849</u>
<u>\$ 427,254</u>	<u>\$ 600,989</u>	<u>\$ 205,429</u>	<u>\$ 14,374,217</u>

Concluded

**LAPEER COUNTY, MICHIGAN**

**RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION  
DRAINAGE DISTRICTS  
DECEMBER 31, 2021**

Fund Balances - Drainage Districts	\$ 4,154,849
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	
Capital assets	38,355,731
Accumulated depreciation	( 18,775,086)
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	
Special assessments	7,323,710
An internal service fund is used by management to charge costs of maintenance. The assets and liabilities of the Internal Service Fund are included in governmental activities in the statement of net position.	1,822,042
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore, are not reported in the funds.	
Bonds/notes payable	( 7,453,452)
Bond premium	( 28,368)
Accrued interest on bonds/notes payable	( 17,218)
Net Position of Drainage Districts	<u><u>\$ 25,382,208</u></u>



**LAPEER COUNTY, MICHIGAN**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
DRAINAGE DISTRICTS - GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Debt Service Funds				
	Talmage Drain	Imlay Bigelow	Winn Lake	Marshall Creek	Stroup Drain
<b>Revenues:</b>					
Local contribution	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	993	-	-	-	-
Other - Special assessments	-	165,838	-	70,346	145,270
Total Revenues	<u>993</u>	<u>165,838</u>	<u>-</u>	<u>70,346</u>	<u>145,270</u>
<b>Expenditures:</b>					
Capital outlay	-	-	-	-	-
Public works	-	-	-	-	-
Debt service -					
Principal retirement	-	125,000	30,000	45,000	-
Interest and fiscal charges	-	26,218	1,090	10,884	23,276
Bond issuance costs	-	-	-	-	-
Depreciation	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>151,218</u>	<u>31,090</u>	<u>55,884</u>	<u>23,276</u>
Revenues over (under) expenditures	<u>993</u>	<u>14,620</u>	<u>( 31,090)</u>	<u>14,462</u>	<u>121,994</u>
<b>Other Financing Sources (Uses):</b>					
Bond proceeds	-	-	-	-	-
Note proceeds	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	993	14,620	( 31,090)	14,462	121,994
Fund Balances at beginning of year	<u>897</u>	<u>867,332</u>	<u>55,574</u>	<u>82,394</u>	<u>35,203</u>
Fund Balances at end of year	<u>\$ 1,890</u>	<u>\$ 881,952</u>	<u>\$ 24,484</u>	<u>\$ 96,856</u>	<u>\$ 157,197</u>

Debt Service Funds					Capital Project Funds	
Peasley Drain	Bottom Creek	Indian Creek	Belle River	Burke Drain	Special Assessment Drain	Drain Revolving
\$ -	\$ -	\$ 12,409	\$ -	\$ -	\$ 68,323	\$ -
-	-	48	-	-	-	20
196,645	146,409	230,399	173,964	13,392	859,291	-
196,645	146,409	242,856	173,964	13,392	927,614	20
-	-	-	-	-	-	-
-	-	-	-	-	986,087	-
95,000	-	170,000	-	-	39,548	-
19,271	22,531	55,964	-	-	2,210	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
114,271	22,531	225,964	-	-	1,027,845	-
82,374	123,878	16,892	173,964	13,392	( 100,231)	20
-	-	-	-	1,702	-	-
-	-	-	-	-	-	-
-	-	-	-	-	201,126	-
-	-	-	-	-	( 206,412)	-
-	-	-	-	1,702	( 5,286)	-
82,374	123,878	16,892	173,964	15,094	( 105,517)	20
126,008	22,531	356,006	-	-	728,981	6,250
\$ 208,382	\$ 146,409	\$ 372,898	\$ 173,964	\$ 15,094	\$ 623,464	\$ 6,270

Continued

# LAPEER COUNTY, MICHIGAN

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES DRAINAGE DISTRICTS - GOVERNMENTAL FUND TYPES FOR THE YEAR ENDED DECEMBER 31, 2021

	Capital Project Funds			
	Marshall Creek	Stroup Drain	Peasley Drain	Bottom Creek
<b>Revenues:</b>				
Local contribution	\$ -	\$ 250	\$ -	\$ 4,565
Interest	-	-	-	-
Other - Special assessments	-	-	-	-
Total Revenues	<u>-</u>	<u>250</u>	<u>-</u>	<u>4,565</u>
<b>Expenditures:</b>				
Capital outlay	-	1,193,771	903,880	1,217,572
Public works	-	169,800	47,480	92,930
Debt service -				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Depreciation	-	-	-	-
Total Expenditures	<u>-</u>	<u>1,363,571</u>	<u>951,360</u>	<u>1,310,502</u>
Revenues over (under) expenditures	<u>-</u>	<u>( 1,363,321)</u>	<u>( 951,360)</u>	<u>( 1,305,937)</u>
<b>Other Financing Sources (Uses):</b>				
Bond proceeds	-	-	-	-
Note proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	( 1,363,321)	( 951,360)	( 1,305,937)
Fund Balances at beginning of year	<u>69,765</u>	<u>1,424,948</u>	<u>1,098,895</u>	<u>1,405,037</u>
Fund Balances at end of year	<u>\$ 69,765</u>	<u>\$ 61,627</u>	<u>\$ 147,535</u>	<u>\$ 99,100</u>

Capital Project Funds			
Indian Creek	Belle River	Burke Drain	Total
\$ -	\$ -	\$ 246,750	\$ 332,297
98	-	-	1,159
-	-	332,408	2,333,962
98	-	579,158	2,667,418
-	391,218	272,199	3,978,640
( 5,234)	12,161	37,956	1,341,180
-	-	-	504,548
-	-	-	161,444
-	-	8,500	8,500
-	-	-	-
( 5,234)	403,379	318,655	5,994,312
5,332	( 403,379)	260,503	( 3,326,894)
-	-	123,298	125,000
-	655,000	-	655,000
-	206,412	-	407,538
-	-	( 201,126)	( 407,538)
-	861,412	( 77,828)	780,000
5,332	458,033	182,675	( 2,546,894)
421,922	-	-	6,701,743
\$ 427,254	\$ 458,033	\$ 182,675	\$ 4,154,849

Concluded

# LAPEER COUNTY, MICHIGAN

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES DRAINAGE DISTRICTS FOR THE YEAR ENDED DECEMBER 31, 2021

Net Change in Fund Balances - Drainage Districts	\$( 2,546,894)
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay	4,304,647
Depreciation expense	( 571,583)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	2,738,894
The issuance of long-term debt (e.g. bonds and notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources to governmental funds. Neither transaction, however, has any effect on net position.	
Principal payments on long-term liabilities	504,548
Bond/note proceeds	( 780,000)
An internal service fund is used by management to charge costs of maintenance. The net revenues (expenses) attributable to this fund are reported with governmental activities.	5,048
Accrued interest expense on bonds and the amortization of discounts, premiums, and bond issuance costs are not recorded by governmental funds, but are reported under interest and fiscal charges for purposes of net position.	
Amortization of bond premium	2,579
Increase in accrued interest payable	( 2,257)
Change in Net Position of Drainage Districts	<u><u>\$ 3,654,982</u></u>

**LAPEER COUNTY, MICHIGAN**

**STATEMENT OF NET POSITION  
PROPRIETARY FUND - DRAINAGE DISTRICTS  
INTERNAL SERVICE FUND  
DECEMBER 31, 2021**

**Assets:**

Current Assets:

Cash and cash equivalents	\$ 121,567
Due from other funds	1,456,470
Total Current Assets	<u>1,578,037</u>

Property, Plant, and Equipment, Net	<u>244,005</u>
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Total Assets	<u>1,822,042</u>
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**Net Position:**

Investment in capital assets	244,005
Unrestricted	<u>1,578,037</u>

Total Net Position	<u><u>\$ 1,822,042</u></u>
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**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUND - DRAINAGE DISTRICTS  
INTERNAL SERVICE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Operating Revenue:**

Charges for services	<u>\$ 5,000</u>
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**Non-Operating Revenue:**

Interest	<u>48</u>
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Change in Net Position	5,048
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Net Position at beginning of year	<u>1,816,994</u>
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Net Position at end of year	<u><u>\$ 1,822,042</u></u>
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**LAPEER COUNTY, MICHIGAN**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUND - DRAINAGE DISTRICTS  
INTERNAL SERVICE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Cash Flows From Operating Activities:**

Cash receipts for services	\$ 5,000
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**Cash Flows From Non-Capital Related Financing Activities:**

Due from other funds	74,735
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**Cash Flows From Investing Activities:**

Interest received	48
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Net increase in cash and cash equivalents	79,783
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Cash and cash equivalents at beginning of year	41,784
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Cash and cash equivalents at end of year	\$ 121,567
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**Reconciliation of Operating Income to Net Cash Provided  
by Operating Activities:**

Operating income	\$ 5,000
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Adjustments to reconcile operating income to net cash provided by operating activities	-
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Net Cash Provided by Operating Activities	\$ 5,000
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## SECTION THREE: STATISTICAL SECTION

This section of Lapeer County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required reports about the County's overall financial health.

<b>Contents</b>	<b><u>Page Number</u></b>
<u>Financial Trends</u>	S-1 to S-6
<i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	
<u>Revenue Capacity</u>	S-7 to S-13
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, property taxes.</i>	
<u>Debt Capacity</u>	S-14 to S-17
<i>These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the ability to issue additional debt in the future.</i>	
<u>Demographic and Economic Information</u>	S-18 to S-21
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</i>	
<u>Operating Information</u>	S-22 to S-29
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and activities it performs.</i>	
<u>Miscellaneous Statistics</u>	S-30
<i>These schedules contain miscellaneous information to help the reader assess the County Government.</i>	

Source: Unless otherwise noted, the information in these schedules is derived from the comprehensive financial reports for the relevant year.



**LAPEER COUNTY, MICHIGAN**

**NET POSITION BY COMPONENT  
LAST TEN YEARS - UNAUDITED  
(accrual basis of accounting)**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 16,505,966	\$ 16,659,094	\$ 17,870,430	\$ 17,868,209	\$ 18,968,145	\$ 20,723,541	\$ 20,585,510	\$ 20,261,240	\$ 20,091,198	\$ 18,937,040
Restricted	9,284,737	7,325,294	6,839,225	7,723,876	7,966,468	8,708,054	9,395,277	10,108,527	10,857,502	11,229,704
Unrestricted	<u>16,683,094</u>	<u>19,555,834</u>	<u>22,069,473</u>	<u>7,986,044</u>	<u>6,705,532</u>	<u>6,025,345</u>	<u>4,496,948</u>	<u>6,552,295</u>	<u>8,690,697</u>	<u>9,427,809</u>
Total Governmental Activities Net Position	<u>\$ 42,473,797</u>	<u>\$ 43,540,222</u>	<u>\$ 46,779,128</u>	<u>\$ 33,578,129</u>	<u>\$ 33,640,145</u>	<u>\$ 35,456,940</u>	<u>\$ 34,477,735</u>	<u>\$ 36,922,062</u>	<u>\$ 39,639,397</u>	<u>\$ 39,594,553</u>
 <b>Business-type Activities</b>										
Net investment in capital assets	\$ 15,466,114	\$ 14,769,275	\$ 14,127,443	\$ 15,713,813	\$ 18,611,320	\$ 20,669,746	\$ 19,719,867	\$ 18,855,231	\$ 17,700,097	\$ 17,004,001
Restricted	2,087,594	2,244,192	2,438,415	2,544,188	2,712,498	2,909,368	3,302,507	3,357,054	3,564,137	3,780,992
Unrestricted	<u>20,291,236</u>	<u>23,539,977</u>	<u>22,145,385</u>	<u>15,190,721</u>	<u>11,076,780</u>	<u>6,558,530</u>	<u>5,905,549</u>	<u>4,239,551</u>	<u>6,783,528</u>	<u>16,526,446</u>
Total Business-type Activities Net Position	<u>\$ 37,844,944</u>	<u>\$ 40,553,444</u>	<u>\$ 38,711,243</u>	<u>\$ 33,448,722</u>	<u>\$ 32,400,598</u>	<u>\$ 30,137,644</u>	<u>\$ 28,927,923</u>	<u>\$ 26,451,836</u>	<u>\$ 28,047,762</u>	<u>\$ 37,311,439</u>
 <b>Primary Government</b>										
Net investment in capital assets	\$ 31,972,080	\$ 31,428,369	\$ 31,997,873	\$ 33,582,022	\$ 37,579,465	\$ 41,393,287	\$ 40,305,377	\$ 39,116,471	\$ 37,791,295	\$ 35,941,041
Restricted	11,372,331	9,569,486	9,277,640	10,268,064	10,678,966	11,617,422	12,697,784	13,465,581	14,421,639	15,010,696
Unrestricted	<u>36,974,330</u>	<u>43,095,811</u>	<u>44,214,858</u>	<u>23,176,765</u>	<u>17,782,312</u>	<u>12,583,875</u>	<u>10,402,497</u>	<u>10,791,846</u>	<u>15,474,225</u>	<u>25,954,255</u>
Total Primary Government Net Position	<u>\$ 80,318,741</u>	<u>\$ 84,093,666</u>	<u>\$ 85,490,371</u>	<u>\$ 67,026,851</u>	<u>\$ 66,040,743</u>	<u>\$ 65,594,584</u>	<u>\$ 63,405,658</u>	<u>\$ 63,373,898</u>	<u>\$ 67,687,159</u>	<u>\$ 76,905,992</u>

Source: Lapeer County Finance Department

Notes: GASB Statement Nos. 68 & 75 were implemented in 2015 and 2018, respectively, and previous years were not restated.

# LAPEER COUNTY, MICHIGAN

## CHANGES IN NET POSITION LAST TEN YEARS - UNAUDITED (accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
Governmental Activities:										
Legislative	\$ 267,547	\$ 272,414	\$ 281,705	\$ 289,048	\$ 327,800	\$ 311,288	\$ 333,204	\$ 339,939	\$ 340,525	\$ 353,813
Judicial	4,858,563	4,757,337	4,874,708	5,117,641	5,403,251	5,037,326	5,215,996	5,436,832	5,258,417	5,325,503
General Government	5,651,341	5,406,198	7,466,262	7,552,910	6,708,073	6,090,115	8,236,433	6,134,825	6,306,583	7,138,394
Public Safety	10,312,058	10,516,750	10,678,702	11,776,498	12,119,851	11,675,951	13,218,623	12,474,263	10,724,283	13,683,609
Public Works	292,231	370,012	341,165	340,331	360,066	940,969	654,770	417,537	1,670,934	844,194
Health and Welfare	22,340,301	22,094,300	22,681,428	25,702,025	26,845,525	26,537,972	28,270,901	28,447,547	29,601,242	29,852,869
Recreation and Culture	426,620	449,245	437,936	430,536	504,008	493,489	483,143	413,834	277,906	451,882
Interest on long term debt	391,699	405,496	351,578	299,517	249,830	192,174	132,174	72,175	-	-
Total Governmental Activities Expenses	44,540,360	44,271,752	47,113,484	51,508,506	52,518,404	51,279,284	56,545,244	53,736,952	54,179,890	57,650,264
Business-type Activities:										
Medical Care Facility	21,664,598	22,240,772	23,047,871	23,247,539	24,467,545	28,428,019	28,054,218	31,500,215	30,540,895	28,006,714
Delinquent Tax Revolving	490,112	267,737	291,793	251,000	309,789	274,679	356,704	343,370	314,936	232,717
Telecommunications	-	-	-	-	-	-	-	-	-	-
Total Business-type Activities Expenses	22,154,710	22,508,509	23,339,664	23,498,539	24,777,334	28,702,698	28,410,922	31,843,585	30,855,831	28,239,431
Total Primary Government Expenses	66,695,070	66,780,261	70,453,148	75,007,045	77,295,738	79,981,982	84,956,166	85,580,537	85,035,721	85,889,695
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services -										
Judicial	1,300,445	1,311,455	1,280,631	1,248,562	1,203,467	1,148,474	1,175,157	1,162,286	1,025,306	1,134,263
General Government	4,494,863	3,991,391	4,069,704	3,981,037	4,582,315	4,274,105	4,513,226	4,657,869	4,861,236	4,861,963
Public Safety	3,611,740	3,750,022	3,599,361	3,558,940	3,610,853	3,984,976	3,824,446	3,859,187	3,842,221	4,337,494
Public Works	-	-	-	-	-	-	-	-	-	-
Health and Welfare	15,848,697	14,939,287	16,538,510	19,527,759	1,874,704	2,050,660	2,787,015	2,015,877	2,054,228	2,377,567
Recreation and Culture	154,965	138,624	126,311	171,243	180,273	141,116	167,291	113,136	27,660	94,071
Interest on Long-term Debt	-	-	186,078	-	-	-	-	-	-	-
Operating Grants and Contributions	7,542,063	7,208,391	7,942,683	6,643,270	24,366,273	24,720,228	25,583,984	26,570,815	28,569,011	29,167,123
Capital Grants and Contributions	122,323	-	524,318	-	-	-	14,000	-	-	700,380
Total Governmental Activities Program Revenues	33,075,096	31,339,170	34,267,596	35,130,811	35,817,885	36,319,559	38,065,119	38,379,170	40,379,662	42,672,861
Business-type Activities:										
Charges for Services -										
Medical Care Facility	21,656,561	23,451,325	21,105,999	22,954,928	23,695,316	25,636,575	26,888,857	28,368,272	27,779,826	23,272,844
Delinquent Tax	2,520,600	1,166,265	1,397,803	1,257,148	1,127,464	1,280,532	1,158,414	1,275,907	1,310,602	1,217,761
Telecommunications	-	-	-	-	-	-	-	19,380	9,820	20,800
Operating Grants and Contributions	-	-	-	-	38,589	19,199	-	-	-	-
Total Business-type Activities Program Revenues	24,177,161	24,617,590	22,503,802	24,212,076	24,861,369	26,936,306	28,047,271	29,663,559	29,100,248	24,511,405
Total Primary Government Program Revenues	57,252,257	55,956,760	56,771,398	59,342,887	60,679,254	63,255,865	66,112,390	68,042,729	69,479,910	67,184,266
Net (expense)/revenue										
Governmental Activities	( 11,465,264)	( 12,932,582)	( 12,845,888)	( 16,377,695)	( 16,700,519)	( 14,959,725)	( 18,480,125)	( 15,357,782)	( 13,800,228)	( 14,977,403)
Business-type Activities	2,022,451	2,109,081	( 835,862)	713,537	84,035	( 1,766,392)	( 363,651)	( 2,180,026)	( 1,755,583)	( 3,728,026)
Total Primary Government Net Expenses	( 9,442,813)	( 10,823,501)	( 13,681,750)	( 15,664,158)	( 16,616,484)	( 16,726,117)	( 18,843,776)	( 17,537,808)	( 15,555,811)	( 18,705,429)

Continued

# LAPEER COUNTY, MICHIGAN

## CHANGES IN NET POSITION LAST TEN YEARS - UNAUDITED (accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Property taxes	\$ 12,086,201	\$ 12,256,788	\$ 12,797,132	\$ 12,599,779	\$ 12,821,205	\$ 13,072,876	\$ 13,656,642	\$ 14,255,291	\$ 14,735,672	\$ 13,104,450
Unrestricted grants and contributions	1,281,637	1,304,881	1,444,556	1,674,824	1,683,815	1,712,223	1,736,456	1,722,992	1,338,710	1,758,221
Investment earnings	213,681	51,699	173,195	125,415	164,921	170,069	185,742	401,706	161,184	25,003
Gain on sale of capital assets	-	-	-	-	32,594	11,855	23,258	19,120	18,997	44,885
Transfers	4,021	385,639	1,669,911	260,507	2,060,000	1,463,195	1,898,822	1,403,000	263,000	-
Total Governmental Activities	13,585,540	13,999,007	16,084,794	14,660,525	16,762,535	16,430,218	17,500,920	17,802,109	16,517,563	14,932,559
Business-type Activities:										
Property taxes	863,590	876,530	810,147	912,656	904,079	922,219	924,711	965,004	1,133,886	1,092,182
Unrestricted grants and contributions	9,274	19,434	7,830	19,022	11,141	21,184	25,701	43,536	2,404,795	11,890,793
Investment earnings	20,040	18,455	25,684	7,977	12,621	23,230	102,340	98,399	75,828	8,728
Gain on sale of capital assets	-	-	-	1,900	-	-	-	-	-	-
Transfers	-	( 315,000)	( 1,850,000)	( 151,058)	( 2,060,000)	( 1,463,195)	( 1,898,822)	( 1,403,000)	( 263,000)	-
Total Business-type Activities	892,904	599,419	( 1,006,339)	790,497	( 1,132,159)	( 496,562)	( 846,070)	( 296,061)	3,351,509	12,991,703
Total Primary Government	14,478,444	14,598,426	15,078,455	15,451,022	15,630,376	15,933,656	16,654,850	17,506,048	19,869,072	27,924,262
<b>Change in Net Position</b>										
Governmental Activities	2,120,276	1,066,425	3,238,906	( 1,717,170)	62,016	1,470,493	( 979,205)	2,444,327	2,717,335	( 44,844)
Business-type Activities	2,915,355	2,708,500	( 1,842,201)	1,504,034	( 1,048,124)	( 2,262,954)	( 1,209,721)	( 2,476,087)	1,595,926	9,263,677
Total Primary Government	\$ 5,035,631	\$ 3,774,925	\$ 1,396,705	\$ ( 213,136)	\$ ( 986,108)	\$ 792,461	\$ ( 2,188,926)	\$ ( 31,760)	\$ 4,313,261	\$ 9,218,833

**LAPEER COUNTY, MICHIGAN**

**FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN YEARS - UNAUDITED  
(modified accrual basis of accounting)**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Fund -										
Nonspendable	\$ 161,941	\$ 293,351	\$ 293,341	\$ 436,366	\$ 333,485	\$ 117,821	\$ 554,066	\$ 486,474	\$ 496,281	\$ 438,520
Restricted	2,533,796	2,547,799	2,560,317	2,560,317	2,585,133	2,603,951	2,628,837	2,715,027	2,774,373	2,761,019
Committed	3,800,594	3,813,324	3,821,027	3,817,940	1,704,478	1,441,719	1,448,044	1,460,010	1,464,686	1,455,588
Assigned	-	-	-	-	81,872	329,265	358,420	500,000	500,000	500,000
Unassigned	<u>5,445,711</u>	<u>5,531,941</u>	<u>5,794,629</u>	<u>5,636,828</u>	<u>5,569,358</u>	<u>5,234,863</u>	<u>4,443,589</u>	<u>4,307,691</u>	<u>4,592,727</u>	<u>3,991,337</u>
Total General Fund	<u>\$ 11,942,042</u>	<u>\$ 12,186,415</u>	<u>\$ 12,469,314</u>	<u>\$ 12,451,451</u>	<u>\$ 10,274,326</u>	<u>\$ 9,727,619</u>	<u>\$ 9,432,956</u>	<u>\$ 9,469,202</u>	<u>\$ 9,828,067</u>	<u>\$ 9,146,464</u>
All other Governmental Funds -										
Nonspendable	\$ 111,655	\$ 90,311	\$ 238,903	\$ 82,975	\$ 65,590	\$ 44,703	\$ 102,566	\$ 39,547	\$ 69,452	\$ 94,579
Restricted	7,224,611	7,487,340	6,709,350	6,542,840	6,889,571	6,627,402	6,635,880	7,281,217	7,485,888	7,938,239
Committed	2,945,758	3,114,062	4,080,433	4,314,531	5,233,713	3,461,721	3,602,994	3,657,864	3,452,813	3,996,496
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 331,753)</u>	<u>-</u>
Total all other Governmental Funds	<u>\$ 10,282,024</u>	<u>\$ 10,691,713</u>	<u>\$ 11,028,686</u>	<u>\$ 10,940,346</u>	<u>\$ 12,188,874</u>	<u>\$ 10,133,826</u>	<u>\$ 10,341,440</u>	<u>\$ 10,978,628</u>	<u>\$ 10,676,400</u>	<u>\$ 12,029,314</u>

Source: Lapeer County Finance Department

# LAPEER COUNTY, MICHIGAN

## CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS LAST TEN YEARS - UNAUDITED (modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues:</b>										
Property taxes	\$ 12,229,576	\$ 12,256,788	\$ 12,797,132	\$ 12,599,779	\$ 12,821,205	\$ 13,072,876	\$ 13,656,642	\$ 14,255,291	\$ 14,735,672	\$ 13,104,450
Licenses and permits	509,203	508,940	556,463	579,697	592,723	695,362	690,043	628,951	639,202	737,823
Intergovernmental	8,941,848	8,593,470	9,190,544	8,051,779	25,869,961	26,286,176	27,135,415	28,232,029	29,339,460	31,779,315
Charges for services	20,577,714	20,286,836	21,085,945	24,192,890	6,715,574	6,823,579	6,973,802	7,546,519	7,266,370	8,257,678
Fines and forfeits	403,012	370,531	359,655	343,552	466,477	314,399	259,853	229,196	258,796	269,030
Rents and royalties	376,174	360,241	391,233	208,558	243,885	246,001	243,878	249,719	244,049	253,323
Interest	213,681	51,699	173,195	125,415	164,889	170,069	185,742	401,706	161,184	25,003
Other	3,710,285	3,422,509	3,714,606	3,174,203	3,456,938	3,539,280	3,517,794	3,693,399	3,402,234	3,287,504
Total Revenues	<u>46,961,493</u>	<u>45,851,014</u>	<u>48,268,773</u>	<u>49,275,873</u>	<u>50,331,652</u>	<u>51,147,742</u>	<u>52,663,169</u>	<u>55,236,810</u>	<u>56,046,967</u>	<u>57,714,126</u>
<b>Expenditures:</b>										
Current -										
Legislative	267,547	272,414	281,705	289,048	312,344	308,445	324,444	334,970	343,180	356,000
Judicial	4,858,563	4,757,337	4,874,708	5,117,641	5,139,345	4,990,937	5,093,584	5,359,638	5,276,301	5,413,440
General Government	5,213,509	4,992,545	5,283,633	5,277,806	6,970,287	5,629,086	6,187,201	5,932,679	5,862,320	6,090,927
Public Safety	9,744,481	9,772,045	10,151,606	10,205,264	10,609,194	10,743,272	11,259,634	11,542,400	11,510,941	12,419,002
Public Works	291,631	369,412	340,565	339,731	341,928	934,524	632,482	409,088	1,678,508	859,756
Health and Welfare	22,173,092	22,083,897	23,130,639	24,937,959	25,376,846	26,411,591	27,146,199	28,286,026	28,222,325	30,314,761
Recreation and Culture	375,424	380,680	360,234	352,834	410,281	417,600	400,184	371,209	234,229	726,034
Other Activities	418,961	231,067	408,093	183,432	329,241	376,910	580,293	555,686	480,918	593,945
Capital Outlay	1,305,461	236,100	555,236	443,583	-	2,861,210	396,168	410,430	375,815	128,232
Debt Service -										
Principal	2,170,000	1,665,000	1,685,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,975,000	-
Interest and Charges	508,500	437,625	383,875	333,312	284,562	229,250	169,250	109,250	39,625	-
Bond issuance costs	-	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>47,327,169</u>	<u>45,198,122</u>	<u>47,455,294</u>	<u>48,980,610</u>	<u>51,274,028</u>	<u>54,402,825</u>	<u>53,689,439</u>	<u>54,811,376</u>	<u>55,999,162</u>	<u>56,902,097</u>
Revenues over (under) expenditures	<u>( 365,676)</u>	<u>652,892</u>	<u>813,479</u>	<u>295,263</u>	<u>(942,376)</u>	<u>(3,255,083)</u>	<u>(1,026,270)</u>	<u>425,434</u>	<u>47,805</u>	<u>812,029</u>
<b>Other Financing Sources (Uses):</b>										
Transfers in	2,811,347	2,575,900	4,630,932	2,301,718	4,971,400	3,905,199	3,893,297	3,412,173	3,281,328	7,223,433
Transfers out	( 2,839,286)	( 2,574,730)	( 4,824,539)	( 2,703,184)	( 5,303,923)	( 3,251,871)	( 2,954,076)	( 3,164,173)	( 3,272,496)	( 7,364,151)
Total other financing sources (uses)	<u>( 27,939)</u>	<u>1,170</u>	<u>( 193,607)</u>	<u>( 401,466)</u>	<u>( 332,523)</u>	<u>653,328</u>	<u>939,221</u>	<u>248,000</u>	<u>8,832</u>	<u>( 140,718)</u>
<b>Net Change in Fund Balances</b>	<u><u>\$ ( 393,615)</u></u>	<u><u>\$ 654,062</u></u>	<u><u>\$ 619,872</u></u>	<u><u>\$ ( 106,203)</u></u>	<u><u>\$ ( 1,274,899)</u></u>	<u><u>\$ ( 2,601,755)</u></u>	<u><u>\$ ( 87,049)</u></u>	<u><u>\$ 673,434</u></u>	<u><u>\$ 56,637</u></u>	<u><u>\$ 671,311</u></u>
Debt service as a percentage of noncapital expenditures	<u>5.7%</u>	<u>4.7%</u>	<u>4.4%</u>	<u>3.8%</u>	<u>3.5%</u>	<u>3.2%</u>	<u>3.1%</u>	<u>3.0%</u>	<u>3.6%</u>	<u>0.0%</u>

Source: Lapeer County Finance Department

Note: The 2016 information includes a reclassification specific to the Lapeer County Community Mental Health Board to change revenue previously reported as charges for services to the intergovernmental revenue source classification. The years presented prior to 2016 have not been restated.

# LAPEER COUNTY, MICHIGAN

## GENERAL FUND CHANGES IN FUND BALANCES LAST TEN YEARS - UNAUDITED (modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues:</b>										
Property taxes	\$ 9,488,760	\$ 9,359,926	\$ 9,905,240	\$ 9,679,668	\$ 9,835,298	\$ 10,091,658	\$ 10,589,210	\$ 11,050,459	\$ 11,395,146	\$ 11,703,386
Licenses and permits	25,075	40,608	60,335	57,911	2,733	2,725	2,700	2,567	15	2,567
Intergovernmental	2,658,672	2,642,041	2,881,812	2,518,196	2,687,438	2,730,787	2,767,259	2,817,926	2,212,426	2,773,144
Charges for services	2,360,289	2,350,542	2,127,751	2,235,273	2,256,000	2,206,697	2,254,193	2,178,638	2,302,198	2,402,204
Fines and forfeits	220,998	205,975	202,479	186,235	275,946	161,471	162,830	151,579	148,974	149,897
Rents and royalties	177,001	178,854	188,958	194,042	229,348	230,277	228,592	232,295	226,347	238,455
Interest on long term debt	200,432	40,359	170,165	123,632	161,615	164,452	177,769	385,684	148,041	21,932
Other	3,129,152	2,742,557	2,906,648	2,661,452	2,975,123	2,729,156	2,937,362	3,093,411	2,998,555	2,923,773
Total Revenues	18,260,379	17,560,862	18,443,388	17,656,409	18,423,501	18,317,223	19,119,915	19,912,559	19,431,702	20,215,358
<b>Expenditures:</b>										
Current -										
Legislative	267,547	272,414	281,705	289,048	312,344	308,445	324,444	334,970	343,180	356,000
Judicial	3,589,040	3,456,771	3,601,312	3,699,909	3,728,001	3,610,715	3,642,189	3,641,338	3,404,176	3,470,361
General Government	5,113,500	4,897,991	5,153,277	4,927,129	5,345,942	5,497,250	6,004,645	5,760,483	5,684,364	5,657,547
Public Safety	5,711,327	5,840,850	6,001,753	5,892,611	6,251,389	6,210,955	6,640,644	6,850,534	4,995,129	6,922,486
Public Works	291,631	369,412	340,565	339,731	341,928	934,524	632,482	409,088	1,678,508	859,756
Health and Welfare	179,862	98,335	86,455	90,022	99,640	104,171	108,471	140,441	128,326	90,129
Recreation and Culture	197,273	215,473	211,761	202,795	220,942	230,337	229,270	219,600	171,740	177,278
Other Activities	418,961	231,067	408,093	183,432	329,241	376,910	580,293	555,686	480,918	593,945
Total Expenditures	15,769,141	15,382,313	16,084,921	15,624,677	16,629,427	17,273,307	18,162,438	17,912,140	16,886,341	18,127,502
Revenues over expenditures	2,491,238	2,178,549	2,358,467	2,031,732	1,794,074	1,043,916	957,477	2,000,419	2,545,361	2,087,856
<b>Other Financing Sources (Uses):</b>										
Transfers in	-	-	1,850,000	-	67,813	960,195	901,831	400,000	260,000	-
Transfers out	( 2,173,286)	( 1,934,176)	( 3,925,568)	( 2,049,595)	( 4,256,569)	( 2,550,818)	( 2,153,971)	( 2,364,173)	( 2,446,496)	( 2,769,459)
Total Other Financing Uses	( 2,173,286)	( 1,934,176)	( 2,075,568)	( 2,049,595)	( 4,188,756)	( 1,590,623)	( 1,252,140)	( 1,964,173)	( 2,186,496)	( 2,769,459)
<b>Net Change in Fund Balances</b>	<u>\$ 317,952</u>	<u>\$ 244,373</u>	<u>\$ 282,899</u>	<u>\$ ( 17,863)</u>	<u>\$ ( 2,394,682)</u>	<u>\$ ( 546,707)</u>	<u>\$ ( 294,663)</u>	<u>\$ 36,246</u>	<u>\$ 358,865</u>	<u>\$ ( 681,603)</u>

# LAPEER COUNTY, MICHIGAN

## ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS - UNAUDITED

Fiscal Year Ended December 31,	Tax Year	Assessed Value of Real Property				Assessed Value of Personal Property	Total Assessed Value	Total Assessed Value Captured	Total Direct Tax Rate	Total Estimated Actual Value
		Residential Property	Agricultural Property	Commercial Property	Other Property					
2012	2011	\$ 2,025,772,813	\$ 372,295,452	\$ 261,688,127	\$ 64,354,683	\$ 186,546,886	\$ 2,910,657,961	\$ 144,045,208	5.2186	\$ 5,821,315,922
2013	2012	\$ 2,045,548,843	\$ 357,950,077	\$ 246,235,902	\$ 57,677,692	\$ 197,764,038	\$ 2,905,176,552	\$ 149,578,826	5.2186	\$ 5,810,353,104
2014	2013	\$ 2,162,320,660	\$ 380,850,934	\$ 231,788,886	\$ 59,371,428	\$ 194,317,290	\$ 3,028,649,198	\$ 139,511,142	5.2186	\$ 6,057,298,396
2015	2014	\$ 2,369,409,688	\$ 397,260,237	\$ 240,483,939	\$ 65,428,597	\$ 200,841,723	\$ 3,273,424,184	\$ 146,949,205	5.2186	\$ 6,546,848,368
2016	2015	\$ 2,539,653,169	\$ 426,388,763	\$ 253,336,374	\$ 65,793,511	\$ 169,494,672	\$ 3,454,666,489	\$ 131,546,212	6.1881	\$ 6,909,332,978
2017	2016	\$ 2,679,948,772	\$ 449,754,817	\$ 256,738,900	\$ 71,915,379	\$ 200,226,876	\$ 3,658,584,744	\$ 138,614,458	6.1476	\$ 7,317,169,488
2018	2017	\$ 2,758,586,965	\$ 448,253,998	\$ 254,529,004	\$ 72,061,413	\$ 227,289,314	\$ 3,760,720,694	\$ 159,053,800	6.1290	\$ 7,521,441,388
2019	2018	\$ 2,976,584,993	\$ 444,374,880	\$ 263,905,392	\$ 75,879,900	\$ 233,087,391	\$ 3,993,832,556	\$ 165,982,014	6.1282	\$ 7,987,665,112
2020	2019	\$ 3,206,048,199	\$ 463,956,491	\$ 289,322,430	\$ 81,130,500	\$ 232,887,745	\$ 4,273,345,365	\$ 170,041,659	5.3567	\$ 8,546,690,730
2021	2020	\$ 3,406,744,743	\$ 447,355,100	\$ 288,795,255	\$ 88,736,300	\$ 242,896,674	\$ 4,474,528,072	\$ 177,659,588	5.3086	\$ 8,949,056,144

Source: Lapeer County Equalization Department's Report of Assessment Roll Changes (Form L-4022)

Notes: In 1994 the electors of the State of Michigan approved an amendment to the Michigan Constitution permitting the legislature to authorize ad valorem taxes on a non-uniform basis. The legislation implemented this constitutional amendment, added a new measure of property value known as "Taxable Value". Beginning in 1995, taxable property has two valuations State Equalized Value ("S.E.V.") and Taxable Value. The S.E.V. is 50% of the total estimated value of the property, and property taxes are levied on the taxable value.

The Captured amount refers to the total taxable assessed value captured by the local Tax Increment Financing Authorities (TIFA's) and Downtown Development Authorities (DDA's)

**LAPEER COUNTY, MICHIGAN**

**DIRECT AND OVERLAPPING PROPERTY TAXES RATES  
LAST TEN FISCAL YEARS - UNAUDITED**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
County -										
Operating	3.7886	3.7886	3.7886	3.7886	3.7666	3.7421	3.7275	3.7245	3.6984	3.6654
Extra Voted	<u>1.4300</u>	<u>1.4300</u>	<u>1.4300</u>	<u>1.4300</u>	<u>2.4215</u>	<u>2.4055</u>	<u>2.4015</u>	<u>2.4037</u>	<u>1.6583</u>	<u>1.6432</u>
Total County	<u>5.2186</u>	<u>5.2186</u>	<u>5.2186</u>	<u>5.2186</u>	<u>6.1881</u>	<u>6.1476</u>	<u>6.1290</u>	<u>6.1282</u>	<u>5.3567</u>	<u>5.3086</u>
Townships -										
Almont	3.6312	3.6312	3.6126	3.6126	3.5849	3.5917	3.5427	3.5241	3.4768	3.4721
Arcadia	2.3096	2.3096	2.3072	2.3031	2.2901	2.2745	2.2585	2.2466	2.2347	2.2198
Attica	4.3695	4.3695	4.3695	4.3695	4.3313	4.3102	4.2767	4.3521	4.4585	4.4143
Burlington	2.4969	2.4969	2.4850	2.4850	2.4803	2.4706	2.4647	2.4647	2.4442	2.4215
Burnside	2.4514	2.4514	2.4514	2.4514	2.4467	2.4328	2.4304	2.4044	2.3926	2.3856
Deerfield	2.5267	2.5267	2.5130	2.4914	2.5121	2.4924	2.4799	2.4641	2.4354	2.3866
Dryden	4.6675	4.7149	4.7149	4.7029	4.6533	4.5968	4.9299	4.9085	4.8444	5.1202
Elba	3.7785	4.0285	4.0285	4.0285	4.0173	3.9553	3.9506	3.9460	3.9319	3.8909
Goodland	2.3217	2.3217	2.3217	2.3217	2.3121	2.2983	2.2729	2.2549	3.2074	2.3532
Hadley	2.9764	2.9461	2.9173	2.7623	2.7380	2.7070	2.6586	2.6147	2.5748	3.1652
Imlay	2.9724	2.9428	2.9413	2.9344	2.9323	2.9176	3.0235	3.1071	3.0625	3.0110
Lapeer	2.7572	2.7572	2.7572	2.7572	2.7381	2.7114	2.6809	2.6663	2.6414	2.6117
Marathon	2.2927	2.2927	2.2858	2.2737	2.2654	2.2497	2.2389	2.2306	2.2121	2.1811
Mayfield	2.7053	2.7053	2.7053	2.7053	2.6875	2.6657	2.6573	2.6518	2.6300	2.6088
Metamora	5.3955	5.3955	5.3955	5.3870	5.3702	5.3411	5.3327	5.3327	5.2912	5.2571
North Branch	4.0045	4.5045	4.5045	4.5045	3.9884	3.9727	3.9647	3.9383	3.9522	3.9015
Oregon	2.6238	2.6238	2.6238	2.6238	2.6022	2.5408	2.5660	2.5628	2.5481	2.5209
Rich	5.4572	5.4344	5.4344	5.4344	5.4110	5.3939	5.3111	5.2534	5.3887	5.0860
Cities -										
Imlay City	20.3500	20.3500	20.7213	20.7213	22.8378	20.9929	22.4921	24.3840	22.4977	20.9139
City of Lapeer	10.9500	10.9500	10.9500	10.9500	10.9438	10.9350	10.9323	10.9323	10.9268	10.9190
Brown City	18.1233	18.1233	18.1233	18.1233	18.1123	18.1064	18.1051	17.9051	19.1032	19.1032

Continued



**LAPEER COUNTY, MICHIGAN**

**PROPERTY RATES-ALL DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS - UNAUDITED**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Villages -										
Almont	17.8020	17.6670	17.3420	17.3420	15.6970	16.9417	16.5447	16.5383	16.5219	14.7579
Clifford	19.1700	18.8109	18.8095	20.2671	20.2671	20.1129	20.1129	20.9992	20.0936	20.0866
Columbiaville	13.1241	13.1241	14.1241	14.0915	14.0871	14.9758	14.9001	14.6917	14.2591	14.0111
Dryden	11.8100	11.8100	11.8110	11.8110	11.8110	12.8927	12.8692	12.7652	12.6688	12.5156
Metamora	10.4711	10.4711	10.4711	10.4711	10.4711	11.3598	11.3574	11.3574	11.2049	11.0936
North Branch	14.6483	14.6483	14.6483	14.6483	14.6483	14.6453	14.6453	14.5207	14.3217	14.2944
Otter Lake	12.7720	12.7720	12.7043	12.7043	12.7043	13.5930	13.5906	13.5499	13.0084	12.9625
Local School Districts -										
Almont	14.4500	14.4500	15.4500	14.9864	15.4391	14.6649	14.2581	15.4155	15.4021	15.3904
Brandon	14.2400	14.2400	15.6600	18.9460	18.1600	18.0306	18.0306	18.0306	18.0306	18.0306
Brown City	13.0000	13.0000	13.0000	13.0000	12.7500	12.1712	11.9711	12.0000	12.0000	12.0000
Capac	10.6000	10.6000	10.6000	10.3100	10.3100	10.1894	10.0374	9.7008	9.0264	9.3449
Davison	10.7000	10.1516	10.1416	10.1216	9.9633	9.7170	9.4646	9.3846	12.2774	12.2679
Dryden	9.2500	9.3500	9.3500	9.3500	9.8630	9.2451	9.0984	9.3641	9.2650	8.8041
Goodrich	10.6300	13.7500	13.7500	13.7500	13.7500	13.7500	13.7500	13.7500	13.7500	18.7500
Imlay	12.1000	12.1000	13.0000	13.0000	13.0000	12.8560	12.6060	12.5000	12.2768	12.1185
Kingston	11.9000	11.7500	11.6200	11.6200	11.6200	11.6200	11.6200	11.4500	11.3500	11.1000
Lakeville	10.7000	10.6000	10.3600	10.1400	10.7600	10.0000	8.5000	8.5000	8.5000	8.5000
Lapeer	9.0000	9.0000	9.0000	9.0000	8.7500	8.7500	8.7500	8.7500	8.7500	8.7500
Marlette	7.9500	7.3000	7.3000	7.3000	7.3400	7.3400	7.8000	7.5000	7.5000	7.4000
Mayville	11.7500	11.8000	11.4000	11.4000	11.4000	11.4000	11.4000	11.4000	11.4000	10.4765
North Branch	13.0000	13.0000	13.8300	14.4400	14.4400	14.4400	14.4400	14.4400	14.4400	14.4400
Oxford	13.0000	13.0000	13.9000	13.8442	13.9000	13.8153	14.3693	14.3657	14.2941	14.1769
Intermediate School Districts -										
Lapeer	2.9295	2.9295	2.9295	2.9295	2.7261	2.8915	2.8798	2.8782	2.8573	2.8320

Source: County Treasurer's Office/County Equalization Department

Notes: Rates are stated in dollars per one thousand of state-equalized valuation.

Rates are levied in December of the year preceding the County's fiscal year end.

Concluded

**LAPEER COUNTY, MICHIGAN**

**PRINCIPAL PROPERTY TAXPAYERS**

**CURRENT YEAR AND NINE YEARS AGO - UNAUDITED**

<u><b>Taxpayer</b></u>	<b>2021</b>			<b>2012</b>		
	<u><b>Assessed Value</b></u>	<u><b>Rank</b></u>	<u><b>Percentage of Total Taxable Assessed Value</b></u>	<u><b>Assessed Value</b></u>	<u><b>Rank</b></u>	<u><b>Percentage of Total Taxable Assessed Value</b></u>
DTE	\$ 112,198,561	1	2.63%	\$ 50,543,394	1	1.63%
Consumers Energy	30,774,207	2	0.72%	8,874,533	4	0.29%
ITC	27,374,627	3	0.64%	17,748,437	2	0.57%
Enbridge	13,564,424	4	0.32%	N/A		N/A
Meijer	5,036,980	5	0.12%	4,830,900	6	0.16%
Wal-Mart	4,680,488	6	0.11%	4,935,900	5	0.16%
HC Holdings	3,842,772	7	0.09%	N/A		N/A
RH Investments	3,751,500	8	0.09%	N/A		N/A
Pinnacle	3,506,748	9	0.08%	13,724,501	3	0.44%
Imlay Plaza	3,378,927	10	0.08%	4,268,518	8	0.14%
Lapeer Industries	N/A		N/A	4,750,900	7	0.15%
Rolling Hills Apartments	N/A		N/A	3,409,300	9	0.11%
Mold Masters	N/A		N/A	3,070,937	10	0.10%
<b>Total</b>	<u><u>\$ 208,109,234</u></u>		4.87%	<u><u>\$ 116,157,320</u></u>		3.75%
Total Assessed Value	\$ 4,273,345,365			\$ 3,096,596,777		

Source: Lapeer County Treasurer's Office

# LAPEER COUNTY, MICHIGAN

## PROPERTY TAX LEVIES AND COLLECTIONS ALL TAXING UNITS WITHIN THE COUNTY LAST TEN YEARS - UNAUDITED

Fiscal Year	Levy Year	Original Levy for Year	Adjustments to Original Levy	Total Adjusted Levy	Total Collections Current Year		Collections in Subsequent Years	Total Collections to Date	
					Current Amt. of Collections Thru March 1	Percentage of Adjusted Levy Collected		Total Amt. of Collections to Date	Percentage of Adjusted Levy Collected
2012	2011	\$ 81,865,272	\$ ( 906,941)	\$ 80,958,331	\$ 74,824,932	92.42%	\$ 6,252,661	\$ 81,077,593	100%
2013	2012	\$ 79,963,989	\$ ( 603,476)	\$ 76,360,513	\$ 71,118,512	93.14%	\$ 5,242,001	\$ 76,360,513	100%
2014	2013	\$ 78,374,046	\$ ( 747,323)	\$ 77,626,723	\$ 72,685,639	93.63%	\$ 4,941,084	\$ 77,626,723	100%
2015	2014	\$ 79,664,762	\$ ( 484,460)	\$ 79,180,302	\$ 74,517,201	94.11%	\$ 4,663,101	\$ 79,180,302	100%
2016	2015	\$ 82,836,697	\$ ( 663,290)	\$ 82,173,407	\$ 77,458,226	94.26%	\$ 4,715,181	\$ 82,173,407	100%
2017	2016	\$ 85,342,066	\$ ( 631,667)	\$ 84,710,399	\$ 80,004,803	94.45%	\$ 4,705,595	\$ 84,710,398	100%
2018	2017	\$ 87,793,417	\$ ( 640,766)	\$ 87,152,651	\$ 82,182,551	94.30%	\$ 4,970,100	\$ 87,152,651	100%
2019	2018	\$ 94,970,833	\$ ( 499,998)	\$ 94,470,835	\$ 89,218,634	94.44%	\$ 5,012,806	\$ 94,470,835	100%
2020	2019	\$ 95,510,917	\$ ( 614,449)	\$ 95,896,468	\$ 90,989,535	94.88%	\$ 4,785,848	\$ 95,775,383	100%
2021	2020	\$ 100,007,737	\$ ( 579,028)	\$ 99,428,709	\$ 94,605,778	95.15%	\$ 4,803,421	\$ 99,409,199	100%

Source: County Treasurer's Office

Notes: Current property tax collections are made by the individual taxing units of Lapeer County. On approximately March 1, of each year, the County Treasurer "settles" with the treasurer of each taxing unit, accounting for all current property taxes collected, as well as purchasing (in normal case) all delinquent real property taxes from the units via the County's Delinquent Tax Fund.

The levies and collections shown above represent all taxes levied and collected by the individual taxing units on a current basis.

# LAPEER COUNTY, MICHIGAN

## PROPERTY TAX LEVIES AND COLLECTIONS COUNTY OPERATING LEVY ONLY LAST TEN YEARS - UNAUDITED

Fiscal Year	Levy Year	Original Levy for Year	Adjustments to Original Levy	Total Adjusted Levy	Total Collections Current Year		Collections in Subsequent Years	Total Collections to Date	
					Current Amt. of Collections Thru March 1	Percentage of Adjusted Levy Collected		Total Amt. of Collections to Date	Percentage of Adjusted Levy Collected
2012	2011	\$ 9,856,913	\$( 23,340)	\$ 9,833,573	\$ 9,394,302	95.53%	\$ 439,274	\$ 9,833,576	100%
2013	2012	\$ 9,860,571	\$( 37,503)	\$ 9,823,068	\$ 9,395,141	95.64%	\$ 428,330	\$ 9,823,471	100%
2014	2013	\$ 9,952,836	\$( 38,492)	\$ 9,914,344	\$ 9,499,354	95.81%	\$ 414,990	\$ 9,914,344	100%
2015	2014	\$ 9,953,002	\$( 37,414)	\$ 9,915,588	\$ 9,499,516	95.80%	\$ 416,072	\$ 9,915,588	100%
2016	2015	\$ 10,183,070	\$( 38,016)	\$ 10,145,054	\$ 9,773,489	96.34%	\$ 371,565	\$ 10,145,054	100%
2017	2016	\$ 10,503,417	\$( 33,301)	\$ 10,470,116	\$ 10,099,746	96.46%	\$ 370,370	\$ 10,470,116	100%
2018	2017	\$ 10,938,896	\$( 22,828)	\$ 10,916,068	\$ 10,546,530	96.61%	\$ 369,538	\$ 10,916,068	100%
2019	2018	\$ 11,379,368	\$( 27,101)	\$ 11,352,267	\$ 10,943,321	96.40%	\$ 390,512	\$ 11,352,267	100%
2020	2019	\$ 11,756,742	\$( 31,179)	\$ 11,725,563	\$ 11,361,785	96.90%	\$ 354,879	\$ 11,725,563	100%
2021	2020	\$ 12,103,600	\$( 30,454)	\$ 12,073,146	\$ 11,711,477	97.00%	\$ 351,417	\$ 12,073,146	100%

Source: County Treasurer's Office

Notes: Property taxes are levied each July 1; property taxes are budgeted and recognized as revenue in the year of the levy year in the General Fund for County general operations.

The County operates a Delinquent Tax Fund whereby (in the normal case) all outstanding delinquent real taxes receivable are purchased from the taxing units. All units, the including General Fund, receive full payment for all real taxes levied under this arrangement.

# LAPEER COUNTY, MICHIGAN

## DRAIN SPECIAL ASSESSMENT LEVIES AND COLLECTIONS LAST TEN YEARS - UNAUDITED

Fiscal Year	Levy Year	Total Adjusted Levy	Total Collections Current Year	
			Current Amt. of Collections Thru March 1	Percentage of Adjusted Levy Collected
2012	2011	\$ 497,802	\$ 497,802	100%
2013	2012	\$ 724,662	\$ 724,662	100%
2014	2013	\$ 620,581	\$ 620,581	100%
2015	2014	\$ 620,540	\$ 620,540	100%
2016	2015	\$ 573,008	\$ 573,008	100%
2017	2016	\$ 721,213	\$ 721,213	100%
2018	2017	\$ 840,316	\$ 840,316	100%
2019	2018	\$ 708,155	\$ 708,155	100%
2020	2019	\$ 1,087,736	\$ 1,087,736	100%
2021	2020	\$ 1,176,946	\$ 1,176,946	100%

Source: County Treasurer's Office

Notes: Special Assessments are levied each December 1; assessments are recognized as revenue in the year following the levy year.

The County operates a Delinquent Tax Fund whereby (in the normal case) all outstanding assessment receivables are purchased from the taxing units. All units receive full payment for all assessments levied under this arrangement.

Drain special assessments are levied annually (with one year payback periods) against the benefited properties.

# LAPEER COUNTY, MICHIGAN

## RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING LAST TEN YEARS - UNAUDITED

Fiscal Year	Levy Year	County Population	Average Per Capita Income	Assessed Value of Taxable Property	Governmental Activities			Less: amounts available in debt service funds	Net General Bonded Debt	Percentage of Personal Income	Percentage of Assessed Value of Taxable Property	Per Capita
					General Obligation Bonds	Premium, Discount, and Adjustments	Total					
2012	2011	88,173	\$ 31,825	\$ 2,910,657,961	\$ 12,850,000	\$ 171,463	\$ 13,021,463	\$ 1,423,495	\$ 11,597,968	0.41%	0.40%	131.54
2013	2012	88,257	\$ 33,720	\$ 2,905,176,552	\$ 11,160,000	\$ 151,959	\$ 11,311,959	\$ 1,465,672	\$ 9,846,287	0.33%	0.33%	111.56
2014	2013	88,153	\$ 34,813	\$ 3,028,649,198	\$ 9,475,000	\$ 132,454	\$ 9,607,454	\$ 1,548,959	\$ 8,058,495	0.26%	0.25%	91.41
2015	2014	88,373	\$ 36,251	\$ 3,273,424,184	\$ 7,975,000	\$ 110,378	\$ 8,085,378	\$ 1,708,200	\$ 6,377,178	0.20%	0.18%	72.16
2016	2015	88,340	\$ 38,417	\$ 3,454,666,489	\$ 6,475,000	\$ 88,302	\$ 6,563,302	\$ 2,046,266	\$ 4,517,036	0.19%	0.12%	51.13
2017	2016	88,174	\$ 39,449	\$ 3,658,584,744	\$ 4,975,000	\$ 66,226	\$ 5,041,226	\$ 2,400,814	\$ 2,640,412	0.14%	0.14%	29.95
2018	2017	88,201	\$ 40,960	\$ 3,760,720,691	\$ 3,475,000	\$ 44,150	\$ 3,519,150	\$ 2,834,111	\$ 685,039	0.10%	0.02%	7.77
2019	2018	87,607	\$ 43,679	\$ 3,993,832,556	\$ 1,975,000	\$ 22,075	\$ 1,997,075	\$ 3,427,627	\$( 1,430,552)	0.06%	-0.04%	-16.33
2020	2019	88,319	\$ 44,706	\$ 4,273,345,365	\$ -	\$ -	\$ -	\$ 3,707,101	\$( 3,707,101)	0.00%	-0.09%	-41.97
2021	2020	87,635	\$ 49,441	\$ 4,474,528,072	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	0.00%	0.00

Source: County Treasurer's Office

Notes: Property Value data can be found in Schedule S-7

County Population and Per Capita Income can be found in Schedule S-18

The percentages of personal income and assessed value of taxable property and per income ratios are determined using total debt.

# LAPEER COUNTY, MICHIGAN

## COMPUTATION OF DIRECT AND OVERLAPPING LONG-TERM BONDED DEBT DECEMBER 31, 2021 - UNAUDITED

	Gross Amounts Outstanding	Percentage Applicable to County	Share Applicable to County
<b>Overlapping Debt of County:</b>			
School Districts -			
Almont	\$ 22,327,112	74.17%	\$ 16,560,019
Brandon	94,750,435	3.14%	2,975,164
Brown City	6,075,000	40.09%	2,435,468
Capac	17,445,000	1.01%	176,195
Davison	56,420,000	0.64%	361,088
Dryden	4,874,000	100.00%	4,874,000
Goodrich	52,098,041	12.10%	6,303,863
Imlay City	34,745,000	100.00%	34,745,000
Kingston	6,080,000	0.22%	13,376
Lakeville	8,950,000	46.43%	4,155,485
Lapeer	37,010,000	100.00%	37,010,000
Marlette	4,315,000	15.24%	657,606
Mayville	8,345,000	13.02%	1,086,519
North Branch	42,865,090	100.00%	42,865,090
Oxford	137,848,606	5.69%	7,843,586
Total School Districts	<u>534,148,284</u>		<u>162,062,459</u>
Cities -			
Brown City	285,000	0.33%	941
Imlay City	3,179,540	100.00%	3,179,540
Lapeer	2,525,000	100.00%	2,525,000
Total Cities	<u>5,989,540</u>		<u>5,705,481</u>
Villages -			
Almont	1,822,694	100.00%	1,822,694
Columbiaville	696,000	100.00%	696,000
Dryden	239,868	100.00%	239,868
Otter Lake	1,727,000	73.85%	1,275,390
Total Villages	<u>4,485,562</u>		<u>4,033,952</u>
Community Colleges -			
Mott Community College	65,920,000	2.13%	1,404,096
St. Clair Community College	4,065,000	0.05%	2,033
Total Community Colleges	<u>69,985,000</u>		<u>1,406,129</u>
Intermediate School Districts -			
Genesee ISD	9,275,000	1.90%	176,258
Lapeer ISD	910,000	96.59%	878,696
Oakland ISD	42,045,000	0.15%	63,068
Sanilac ISD	189,252	5.83%	11,033
Total Intermediate School Districts	<u>52,419,252</u>		<u>1,129,055</u>

# LAPEER COUNTY, MICHIGAN

## COMPUTATION OF DIRECT AND OVERLAPPING LONG-TERM BONDED DEBT DECEMBER 31, 2021 - UNAUDITED

	Gross Amounts Outstanding	Percentage Applicable to County	Share Applicable to County
<b>Overlapping Debt of County continued:</b>			
Townships -			
Deerfield	\$ -	100.00%	\$ -
Elba	1,225,000	100.00%	1,225,000
Goodland	269,000	100.00%	269,000
Lapeer	612,874	100.00%	612,874
Marathon	-	100.00%	-
North Branch	215,000	100.00%	215,000
Total Townships	<u>2,321,874</u>		<u>2,321,874</u>
Total Overlapping Debt	<u>669,349,512</u>		<u>176,658,950</u>
Total County Net Direct and Overlapping Debt			<u><u>\$ 176,658,950</u></u>
<b>Legal Debt Margin Calculation for 2021</b>			
Assessed Value	<u><u>\$ 4,474,528,072</u></u>		
Debt limit (10% of assessed value)	\$ 447,452,807		
Less: Amount of outstanding debt	<u>-</u>		
Legal debt margin	<u><u>\$ 447,452,807</u></u>		

Source: Michigan Advisory Council of Michigan via Stauder Barch & Associates

Note: Percentage of overlap based on assessed property values.



# LAPEER COUNTY, MICHIGAN

## LEGAL DEBT MARGIN INFORMATION LAST TEN YEARS - UNAUDITED

Fiscal Year	Levy Year	State Equalized Value of Property	10% Legal Debt Limit	Bonded Debt	Legal Debt Margin	Bonded Debt as a Percentage of Debt Limit
2012	2011	\$ 2,910,657,961	\$ 291,065,796	\$ 13,021,463	\$ 278,044,333	4.47%
2013	2012	\$ 2,905,176,552	\$ 290,517,655	\$ 11,311,959	\$ 279,205,696	3.89%
2014	2013	\$ 3,028,649,198	\$ 302,864,920	\$ 9,607,454	\$ 293,257,466	3.17%
2015	2014	\$ 3,273,424,184	\$ 327,342,418	\$ 8,085,378	\$ 319,257,040	2.47%
2016	2015	\$ 3,454,666,989	\$ 345,466,699	\$ 6,563,302	\$ 338,903,397	1.90%
2017	2016	\$ 3,658,584,744	\$ 365,858,474	\$ 5,041,226	\$ 360,817,248	1.38%
2018	2017	\$ 3,760,720,691	\$ 376,072,069	\$ 1,997,075	\$ 374,074,994	0.53%
2019	2018	\$ 3,993,832,556	\$ 399,383,255	\$ 1,997,075	\$ 397,386,181	0.50%
2020	2019	\$ 4,273,345,365	\$ 427,334,537	\$ -	\$ 427,334,537	0.00%
2021	2020	\$ 4,474,528,072	\$ 447,452,807	\$ -	\$ 447,452,807	0.00%

Source: County Treasurer's Office

Notes: 1. State Finance Law limits the County's outstanding general obligation long-term debt to no more than 10 percent of the assessed value of property. The legal margin is the difference between the debt limit and the County's debt outstanding applicable to the limit, and represents the County's legal borrowing authority.

2. The long-term debt does not include accrued vacation and insurance claims liabilities.

# LAPEER COUNTY, MICHIGAN

## DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN YEARS - UNAUDITED

Fiscal Year	Population I	Personal Income II	Per Capita Personal Income III	K -12 School Enrollment IV	Unemployment Rate V
2012	88,173	\$ 2,803,219,000	\$ 31,792	14,643	13.10%
2013	88,257	\$ 2,976,053,000	\$ 33,720	12,799	10.80%
2014	88,153	\$ 3,068,860,000	\$ 34,813	12,512	12.00%
2015	88,373	\$ 3,203,633,000	\$ 36,251	12,170	9.90%
2016	88,340	\$ 3,393,758,000	\$ 38,417	12,091	8.40%
2017	88,174	\$ 3,484,920,000	\$ 39,523	11,916	6.70%
2018	88,028	\$ 3,611,578,000	\$ 41,028	11,839	4.60%
2019	87,607	\$ 3,844,970,000	\$ 43,889	11,752	5.40%
2020	88,319	\$ 3,916,519,000	\$ 44,345	11,074	10.50%
2021	87,635	\$ 4,332,761,000	\$ 49,441	11,171	4.60%

Sources: I Population - Bureau of Economic Analysis  
 II Personal Income - Bureau of Economic Analysis  
 III Per Capita Income - Bureau of Economic Analysis  
 IV School Enrollment - Lapeer County ISD (Intermediate School District)  
 V Unemployment Rate - Michigan Department of Labor and Economic Growth

**LAPEER COUNTY, MICHIGAN**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR 2020 AND TEN YEARS AGO - UNAUDITED**

**Current Year (2021)**

<u>Employer</u>	<u>Product/Service</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
McLaren Lapeer Region	Health Care	900	1	2.65%
ConAgra Vlastic Foods (Pinnacle)	Manufacturing	710	2	2.09%
Lapeer Community Schools	Education	685	3	2.02%
Kamax	Manufacturing	500	4	1.47%
Lapeer County	Government	399	5	1.18%
ZF Manufacturing	Manufacturing	320	6	0.94%
Walmart	Retail	302	7	0.89%
Meijer	Retail	287	8	0.85%
Lapeer Plating and Plastics	Manufacturing	275	9	0.81%
Champion Bus	Manufacturing	240	10	0.71%

Source: Lapeer Economic Development Commission and Lapeer County Treasurer

**LAPEER COUNTY, MICHIGAN**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR 2020 AND TEN YEARS AGO - UNAUDITED**

**Historical Fiscal Year (2012)**

<u><b>Employers</b></u>	<u><b>Product/Service</b></u>	<u><b>Employees</b></u>	<u><b>Rank</b></u>	<u><b>Percentage of Total County Employment</b></u>
Lapeer Regional Medical Center	Health Care	876	1	2.97%
Lapeer Community Schools	Education	815	2	2.76%
Lapeer Industries	Manufacturing	500	3	1.69%
Lapeer County	Government	375	4	1.27%
Thumb Correctional Facility	State Prison	340	5	1.15%
Walmart	Retail	330	6	1.12%
Meijer	Retail	319	7	1.08%
Pinnacle Foods	Food Processing	300	8	1.02%
Champion Bus, Inc.	Manufacturing	300	9	1.02%
Mold Masters	Manufacturing	260	10	0.88%

Concluded

**LAPEER COUNTY, MICHIGAN**

**FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEE POSITIONS BY FUNCTION  
LAST TEN YEARS - UNAUDITED**

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Legislative</b>										
Board of Commissioners	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.2	7.0
Administrative	2.3	2.4	2.5	2.6	2.6	2.7	2.7	2.7	3.0	2.7
<b>Judicial</b>										
Circuit Court	14.3	13.5	16.7	17.4	16.5	15.6	15.5	15.7	14.5	14.0
District Court	21.5	19.6	20.8	20.7	20.1	19.0	19.9	19.4	19.8	18.9
Friend of the Court	17.7	18.2	17.9	17.9	17.5	17.0	17.8	17.5	18.2	17.3
Probate Court	3.7	3.7	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Community Corrections	3.3	3.2	2.5	2.9	2.8	1.5	1.6	1.6	1.9	1.8
Child Care	2.6	2.5	2.7	3.3	2.1	4.3	4.9	5.3	4.4	4.6
<b>General Government</b>										
County Clerk	8.0	8.0	8.0	8.1	8.5	8.2	8.0	8.4	9.5	7.8
Equalization	1.0	1.0	1.0	1.0	0.9	0.9	1.0	1.0	1.0	1.0
Prosecuting Attorney	14.0	14.1	14.0	15.0	15.2	12.5	13.7	13.8	14.8	13.0
Register of Deeds	4.0	4.0	4.2	4.3	4.4	3.6	4.0	3.9	4.2	3.7
County Treasurer	6.2	6.4	6.3	6.3	6.1	4.7	4.9	6.0	6.0	5.7
G.I.S.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Data Systems	1.0	1.0	1.0	0.8	0.0	0.0	0.0	0.0	0.0	0.0
Finance	4.0	3.9	3.9	4.0	4.4	4.7	5.0	5.0	4.6	4.8
Building and Grounds	4.5	4.8	5.0	5.2	0.0	4.8	5.1	4.9	5.7	6.1
Drain Office	4.9	5.0	4.6	4.7	3.5	2.9	2.7	2.7	2.9	2.9
MSU Extension	2.0	2.0	2.0	2.0	1.9	1.9	2.1	1.9	1.0	0.0
County Surveyor	1.0	1.0	1.0	1.0	0.9	1.0	1.0	1.0	1.0	0.6
<b>Public Safety</b>										
Sheriffs Department	47.0	48.1	48.5	48.7	50.5	51.6	51.0	50.2	50.6	48.4
County Jail	29.9	29.9	29.8	29.4	29.9	29.9	29.8	30.5	30.0	29.2
Central Dispatch	18.4	18.6	18.1	18.2	18.3	18.0	18.3	17.7	19.2	18.5
Animal Control	2.8	2.9	3.4	3.8	3.8	3.8	4.0	3.9	3.8	3.8
Emergency Operations	1.0	1.0	1.0	1.0	0.9	0.9	0.9	1.0	1.0	1.3
<b>Health and Welfare</b>										
Parks Department	2.6	2.7	2.1	2.4	3.7	4.0	2.7	2.1	0.0	1.6
Community Health										
Public Health	34.1	33.4	34.6	35.6	35.9	35.2	36.9	37.5	40.9	39.5
Senior Services	12.8	14.4	14.0	15.1	15.7	16.4	17.3	17.5	14.4	13.7
Community Mental Health	67.4	68.6	72.4	77.7	76.9	75.2	73.8	84.9	91.0	101.1
Multi-Purpose	3.9	2.5	0.7	1.6	0.0	0.0	0.0	0.0	0.0	0.0
Veterans	1.4	2.0	2.9	3.8	3.9	3.8	4.0	3.9	4.0	3.9
Community Development	1.0	1.2	1.5	2.9	0.4	0.0	0.0	0.3	0.5	0.3
	345.3	346.6	350.2	364.4	354.3	351.1	355.6	367.3	375.1	373.2

Source: Lapeer County Finance Department

Note: A full-time employee receives pay for 2,080 hours per year; therefore, a full-time equivalent is calculated by dividing total labor hours for each department by 2,080.

# LAPEER COUNTY, MICHIGAN

## OPERATING INDICATORS BY FUNCTION LAST TEN YEARS - UNAUDITED

FUNCTION	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>LEGISLATIVE</b>										
<b><u>Board of Commissioners</u></b>										
Full Board Meetings	25	24	25	23	24	25	24	25	24	25
Committee of the Whole Meetings	23	22	20	20	23	24	23	23	18	23
Other Special Meeting/Hearings Held	6	4	6	5	4	5	4	5	5	3
Board Motions Acted Upon	421	418	433	412	399	420	533	429	427	472
<b>JUDICIAL</b>										
<b><u>40th Circuit Court</u></b>										
PPO's Issued	209	172	186	162	178	186	163	207	148	180
Appeals	50	63	50	38	40	37	25	19	35	45
Domestic Cases	583	671	644	579	603	583	544	538	410	478
Civil Cases	295	231	245	237	204	193	189	187	169	155
Adoption	37	22	22	29	30	26	33	19	20	23
Child Protection	26	35	20	33	31	19	19	25	14	24
Juvenile	259	204	220	171	156	174	161	116	77	99
Criminal	338	293	406	369	321	283	335	292	215	274
Misc. Family Filings	43	24	28	41	28	18	33	40	39	43
<b><u>71-A District Court</u></b>										
<b><u>Criminal</u></b>										
Felonies	623	658	687	661	563	500	561	487	384	498
Drunk Driving	485	465	464	352	388	346	291	306	281	291
Traffic Offenses	7,180	7,501	7,461	6,314	6,216	6,515	5,906	6,491	4,474	4,283
Misdemeanors	1,127	1,089	1,126	843	871	720	647	471	348	440
Non-Traffic Offenses	470	369	434	446	488	462	506	294	287	387
<b><u>Civil</u></b>										-
General Civil	2,356	2,158	1,927	1,999	1,772	2,123	2,266	2,194	1,636	1,607
Landlord/Tenant	841	897	765	712	755	747	689	600	310	369
Small Claims	322	362	353	434	301	265	237	255	128	127
<b><u>Probate/Family Court</u></b>										
<b><u>Civil</u></b>										
Conservatorship/Protective Orders	19	28	27	25	24	20	34	35	37	27
Estates	148	171	173	184	196	173	181	189	188	267
Guardianships	98	88	94	75	87	70	85	101	65	70
Judicial Admin/Mental Commitments	41	36	45	59	44	41	48	49	41	40
Trusts	12	7	4	5	8	7	6	3	11	11
Wills for Safe Keeping	69	73	86	65	76	90	76	82	66	80
<b><u>Friend of the Court</u></b>										
Caseload	4,916	4,977	4,949	4,929	4,922	4,803	4,673	4,491	4,369	4,302
Children IV-D Cases	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bench Warrants Issued	590	488	502	561	559	607	617	563	198	350
Referee Hearings Conducted	1,931	941	1,587	1,692	1,578	1,358	1,320	1,520	500	503
Cases Mediated	19	54	41	57	61	86	94	107	156	120

Source: Lapeer County Finance Department

Continued

# LAPEER COUNTY, MICHIGAN

## OPERATING INDICATORS BY FUNCTION LAST TEN YEARS - UNAUDITED

FUNCTION	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>PUBLIC SAFETY</b>										
<b><u>Community Corrections</u></b>										
Clients - Community Service	49	29	21	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Clients - Jail Crew	56	57	37	49	67	N/A	N/A	N/A	N/A	N/A
Clients - Day Reporting	68	63	56	54	57	60	26	38	30	10
Drunk Driver Jail Reduction Program	19	17	21	22	12	27	22	24	23	15
Jail Beds Saved	4,707	6,625	5,061	5,143	7,167	5,665	2,912	3,785	2,563	675
<b><u>Prosecuting Attorney</u></b>										
Felony Cases Authorized	676	687	633	644	545	477	546	506	752	494
Domestic Violence - Felony	70	59	68	71	41	30	56	58	41	88
Misdemeanor Cases Filed	2,158	1,779	1,938	2,144	1,962	2,210	1,636	1,619	1,103	1,321
Misdemeanor Domestic Violence	139	116	99	105	67	69	90	99	101	130
Juvenile Petitions Filed	239	260	188	168	201	147	146	102	62	95
Juvenile Domestic Violence Authorized	13	18	17	10	9	17	13	16	13	14
Victims Rights - Eligible Victims	760	724	808	868	719	709	691	673	531	746
Victims Rights Domestic Fel/Misd/Juv	222	294	184	240	120	116	159	173	155	232
Drug - Misdemeanor/Felony Authorized	424	554	506	435	406	404	309	115	120	122
Drunk Driving Misd/Felony	468	486	496	388	420	387	306	271	295	286
Non-Support	207	241	276	201	197	250	220	238	176	136
Paternity	92	105	92	84	72	67	60	56	63	57
URESA	19	14	19	18	27	27	18	-	12	16
<b><u>Sheriff's Department</u></b>										
Jail Bookings	2,634	2,381	2,178	2,048	1,989	1,944	1,925	1,852	775	1,017
Calls Answered	23,451	23,451	21,211	27,211	29,964	25,304	29,384	25,830	24,713	21,852
Fatal Crashes	5	5	12	9	6	10	14	11	7	5
Personal Injury Crashes	415	407	391	425	219	208	403	416	331	234
Property Damage Crashes	2,311	2,304	2,378	2,476	1,179	1,137	2,487	2,574	2,218	1,791
Private Property Crashes	N/A	612	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Detective Bureau Arrests	669	669	651	684	618	636	533	462	215	216
Secondary Road Patrol Tickets Issued	478	3,471	442	519	431	424	336	281	276	166
Purchase Permits Issued	3,471	2,542	568	683	746	576	562	547	2,564	515
Marine Division Patrol Hours	777	269	786	595	746	585	585	514	585	580
Township Complaints Responded To	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b><u>E-911 Central Dispatch</u></b>										
Hardware/Landline Calls	5,252	5,425	5,635	4,621	4,843	5,866	5,460	5,982	5,614	5,165
Wireless Calls	21,497	22,160	21,576	23,002	24,570	24,862	24,889	23,452	24,713	27,761
VOIP	213	348	315	276	337	373	N/A	N/A	N/A	N/A
Text to 911	N/A	N/A	74	69	106	113	55	49	54	95
Non-Emergency Calls	58,882	54,331	78,798	49,576	45,804	43,401	41,482	74,497	37,436	38,427
CAD Reports/Dispatch	70,154	72,969	72,462	N/A	75,587	77,634	80,733	78,608	69,524	105,586

**LAPEER COUNTY, MICHIGAN**

**OPERATING INDICATORS BY FUNCTION  
LAST TEN YEARS - UNAUDITED**

<b>FUNCTION</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>PUBLIC SAFETY - (cont'd)</b>										
<b><u>Emergency Management</u></b>										
EMAC Meetings Held	4	4	4	3	3	3	4	4	2	4
Local Meetings Attended	53	58	48	35	28	52	89	89	33	38
Regional Homeland Security Meetings	29	17	11	11	14	10	15	15	9	7
Disaster Exercise Planning Meetings	4	9	7	5	6	14	10	10	4	6
District Meetings Attended	5	4	3	3	3	2	3	3	13	20
EAG Plan Updates/Policies Written	2	6	3	10	4	2	-	-	4	11
Quarterly Reports Completed	4	4	4	4	4	4	4	4	4	4
Trainings Hosted	2	3	2	1	2	3	3	3	5	-
Tier II Plans Filed	67	3	3	15	-	-	-	-	-	-
Special Events Planned	6	2	3	1	2	1	4	4	8	10
Identification Badges Created	147	225	181	135	86	48	149	149	110	119
<b>HEALTH AND WELFARE</b>										
<b><u>Parks Department</u></b>										
Water Park Attendance	22,573	21,177	20,384	28,214	28,357	20,720	24,711	16,045	-	11,310
Reservation Attendance	7,125	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Winter Park Attendance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Special Events Attendance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b><u>Health Department</u></b>										
<b><u>Medical Examiner</u></b>										
Medical Examiner Cases	71	85	88	70	84	101	114	132	42	260
Cremation Permits	262	351	382	411	430	424	480	560	87	656
Hospice	N/A	N/A	N/A	N/A	N/A	N/A	41	52	16	-
<b><u>Animal Control</u></b>										
Animal Control Complaints	1,629	1,755	1,054	897	799	677	1,088	665	445	471
Animals Held at Shelter	1,538	1,593	1,365	1,323	1,195	882	769	583	349	403
Animals Picked Up	196	N/A	N/A	N/A	N/A	182	N/A	N/A	N/A	N/A
Animal Bites - Cases	164	141	139	113	112	77	86	133	111	107
Animals Tested for Rabies	N/A	22	16	27	39	38	42	36	2	26
Animal Rabies Cases	1	-	-	1	-	1	-	-	-	1
<b><u>Environmental Health Division</u></b>										
EH - Sewage Applications	116	155	183	221	258	281	275	276	303	362
EH - Sewage Permits	62	143	172	211	245	264	262	289	394	385
EH - Well Permits	230	244	224	251	303	273	303	284	332	389
Food Service Inspections	627	451	672	669	571	507	535	599	418	522
<b><u>Home Health Division</u></b>										
Home Health Clients	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b><u>Public Health Nursing</u></b>										
Maternal Infant Health Visits	2,091	1,566	1,469	1,365	1,023	1,110	1,156	1,075	946	504



**LAPEER COUNTY, MICHIGAN**

**OPERATING INDICATORS BY FUNCTION  
LAST TEN YEARS - UNAUDITED**

<b>FUNCTION</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>HEALTH AND WELFARE - (cont'd)</b>										
<u><b>Immunizations</b></u>										
Childhood Immunizations Given	4,451	3,511	4,451	3,348	3,245	2,846	2,608	2,635	1,527	2,411
Adult Immunizations Given	575	538	460	444	518	718	1,709	1,429	714	23,049
Total Immunizations Given	5,026	4,049	4,911	3,792	3,763	3,564	4,317	4,065	2,241	25,460
<u><b>WIC Program</b></u>										
Individuals Participating in WIC	2,023	1,937	1,965	1,736	1,740	1,700	1,659	1,619	1,562	1,370
<u><b>Hearing &amp; Vision Screening</b></u>										
Hearing & Vision Screening Cases	8,896	9,494	10,869	8,462	9,167	9,124	8,574	8,812	4,198	5,719
<u><b>AICC Program</b></u>										
AICC Clients	427	411	416	356	408	392	381	307	219	163
<u><b>Senior Programs</b></u>										
Home-Delivered Meals	76,262	72,651	78,156	82,184	90,419	87,050	87,296	91,184	102,156	105,320
Congregate Meals	12,569	12,897	14,457	13,481	12,981	15,611	13,464	17,070	17,581	22,010
Medication Management Clients	9	6	6	4	4	5	4	5	4	7
Personal Care/Homemaker Clients	138	157	161	187	209	234	235	266	307	174
Case Coordination Clients	68	88	84	88	134	167	54	78	N/A	N/A
Care Management Clients	29	27	32	31	31	30	30	33	18	26
Health Screening Clients	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Chore Maintenance Clients	223	243	252	144	234	234	65	71	70	21
Respite Care Clients	64	88	108	98	98	76	75	80	40	16
<u><b>Mental Health</b></u>										
Adults with Psychiatric Disorders	959	991	911	849	914	947	925	847	886	995
Persons with Developmental Disabilities	395	374	370	313	304	390	377	384	401	426
Children with Emotional Disturbances	281	257	275	275	295	300	386	325	339	380
<b>GENERAL GOVERNMENT</b>										
<u><b>County Clerk</b></u>										
<u><b>Circuit Court Division</b></u>										
Criminal Cases Filed	341	393	407	371	321	283	335	239	215	274
All Other Cases Filed	1,188	1,553	1,171	1,097	1,051	1,016	1,167	1,006	912	1,047
Adult Probation Receipts	1,949	1,817	2,340	2,529	2,948	2,717	2,649	2,704	3,008	2,032
<u><b>Vital Records Division</b></u>										
Marriage License Applications	532	540	599	562	534	544	515	488	425	482
Assumed Names	648	644	673	588	577	497	480	592	352	404
Notary Bonds	191	176	150	126	127	162	192	202	161	174
Death Certificates Filed	555	689	749	744	800	772	758	896	925	1,060
Birth Certificates Filed	565	436	360	251	315	301	241	264	228	403
Voter Registrations	6,627	5,145	3,207	2,486	2,399	2,530	3,060	3,025	2,105	2,005
Concealed Pistol Permits	1,035	1,899	1,551	1,725	2,309	2,488	1,920	1,362	1,406	1,427

Source: Lapeer County Finance Department

Continued

**LAPEER COUNTY, MICHIGAN**

**OPERATING INDICATORS BY FUNCTION  
LAST TEN YEARS - UNAUDITED**

<b>FUNCTION</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>GENERAL GOVERNMENT - (cont'd)</b>										
<b><u>Payroll Dept.</u></b>										
Payroll Checks Processed	1,032	443	370	400	371	403	440	446	273	224
Payroll Direct Deposits Processed	9,667	9,793	9,865	10,226	10,330	10,830	10,217	10,486	12,477	10,332
W-2's Forms Prepared	431	440	437	455	460	498	504	484	445	503
<b><u>Accounts Payable Dept.</u></b>										
Accounts Payable Invoices Processed	13,555	13,540	13,585	13,180	12,798	13,078	12,727	14,390	12,518	12,320
Accounts Payable Checks Processed	9,771	9,604	9,769	9,880	9,146	9,279	8,745	8,791	7,040	7,099
1099 Forms Prepared	144	133	129	127	145	129	115	120	99	102
<b><u>Computer Dept.</u></b>										
General Ledger Reports Distributed	3,000	3,100	3,000	3,036	3,000	4,000	4,029	4,035	4,030	3,925
Journal Entries Entered	2,100	2,000	1,885	2,100	2,220		1,869	1,754	1,844	1,757
Budget Amendments Processed	70	59	65	54	70	66	107	92	76	53
Budgets Entered	140	140	140	140	140	140	140	140	147	145
Computers Countywide	420	420	420	420	420	420	420	415	346	340
<b><u>Accounting Dept.</u></b>										
Bank Accounts Reconciled	576	580	600	602	602	602	602	602	604	888
Grants Reviewed & Processed	93	94	95	95	96	96	96	96	103	103
General Ledger Funds Maintained	84	86	88	91	89	90	90	90	99	99
<b><u>Budget Dept.</u></b>										
Total Amount of Gen Fund Budget (orig.)	18,793,299	18,331,608	18,719,365	19,090,522	20,112,633	16,679,897	20,737,913	21,301,714	21,141,830	21,545,748
Total Amt of Spec Rev Funds Budgeted	30,787,599	30,162,567	30,823,613	32,402,928	33,883,587	34,293,975	34,929,992	35,560,213	38,584,291	42,548,287
Total Amt of Debt Svc. Funds Budgeted	3,641,486	2,847,365	2,972,065	2,974,515	2,545,438	2,434,290	3,644,290	3,644,290	2,731,357	763,642
<b><u>Register of Deeds</u></b>										
Warranty Deeds	1,171	1,556	1,705	1,833	2,041	2,255	2,169	2,127	2,181	2,564
Quit Claim Deeds	1,369	1,431	1,379	1,233	1,268	1,401	1,408	1,324	1,230	1,555
Death Certificates	305	360	353	366	381	514	537	503	413	578
Land Contracts	500	25	195	23	32	13	17	13	14	13
Memo Land Contracts	1,900	142	1,314	146	131	145	99	96	104	120
Misc. Recordings	2,502	3,985	2,147	3,361	1,730	1,847	1,993	1,859	1,607	1,767
Mortgages	3,448	3,549	2,537	2,955	3,314	3,368	3,078	3,390	4,716	5,434
Discharges	3,817	4,372	2,976	3,287	3,440	3,625	3,319	3,399	4,998	6,057
Assignment of Mortgages	1,113	984	621	590	512	798	526	658	681	509
Misc. Mortgage Recordings	2,948	2,297	2,588	1,970	1,835	1,496	1,314	1,332	1,091	1,370
UCC Financing Filings	N/A									
<b><u>Community Development</u></b>										
<b><u>Housing Division</u></b>										
CDBG Homes Improved	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CDBG - Senior Clients	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CDBG - Handicapped Clients	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b><u>Soil &amp; Sedimentation</u></b>										
SESC Permits Issued	206	218	145	141	143	134	133	117	108	113

# LAPEER COUNTY, MICHIGAN

## OPERATING INDICATORS BY FUNCTION LAST TEN YEARS - UNAUDITED

FUNCTION	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>GENERAL GOVERNMENT - (cont'd)</b>										
<b><u>Drain Commissioner</u></b>										
Drains (&Other) Maintained	83	61	62	34	42	61	74	43	-	55
Drains Sprayed	10	14	-	-	1	16	7	12	-	4
Drains Assessed	37	48	52	43	45	52	66	42	-	76
Plan Reviews	4	3	9	5	3	3	12	3	-	4
Act 40 Permits Issued	3	8	1	1	2	1	3	3	-	2
Utility Permits (new in 2013)	N/A	9	3	7	28	7	8	6	-	14
Letter of Agreement - Building in ROW (new in 2013)	N/A	1	-	-	-	-	2	1	-	-
KWA crossing agreements (new in 2014)	N/A	N/A	16	10	-	-	-	-	-	-
<b><u>Treasurer</u></b>										
Total Number of Parcels	46,758	46,703	46,692	46,523	46,448	46,428	46,352	46,303	45,999	46,210
Number of Delinquent Parcels	4,788	4,495	4,501	4,356	4,117	4,126	4,034	3,897	3,833	3,545
Parcels Forfeited	751	708	639	734	640	556	533	592	529	528
Taxable Value	2,603,370,271	2,604,828,481	2,628,945,178	2,689,687,494	2,704,797,460	2,806,879,122	2,934,519,181	3,055,180,330	3,178,925,407	3,302,175,434
S.E.V.	2,910,657,961	2,905,176,552	3,028,649,198	3,273,424,184	3,454,666,989	3,658,584,744	3,760,720,691	3,993,832,586	4,273,345,365	4,474,528,072
<b><u>Collaborative Planning Commission</u></b>										
Rezoning/Text Amendment Reviews	5	5	-	28	-	-	-	-	-	-
PA 116s Approved by BOC	-	-	-	-	-	4	-	-	1	-
<b><u>Building &amp; Grounds</u></b>										
Work Orders Completed	863	748	835	936	1,051	1,029	853	1,016	966	863
<b><u>Veterans Affairs</u></b>										
# Scheduled Appointments	N/A	583	N/A	691	886	952	888	977	842	1,326
Walk-in Clients (Est)	N/A	837	N/A	1,391	911	1,050	737	1,149	418	442
<b><u>MSUE</u></b>										
Educational Workshops/Events	318	416	143	130	100	110	177	170	155	254
4-H Club Members	571	474	452	452	462	490	440	395	316	223
Non-Club Youth Involved (Short-Term)	271	310	989	1,629	1,350	2,556	2,509	3,047	1,970	2,530
Active Master Gardeners	N/A	N/A	N/A	N/A	N/A	N/A	N/A	16	N/A	N/A
Food Safety Participants Trained	448	932	314	517	365	382	378	363	23	16
Number of Grants Administered	3	3	3	3	3	1	5	5	1	2
Leadership Training Participants	378	316	348	455	277	292	342	682	108	259
Food & Nutrition Participants Trained - Adults	619	604	618	168	93	124	155	141	152	168
Financial Management and Housing	89	130	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Lapeer County Finance Department

N/A - Information is Not Available at this Time

Concluded

# LAPEER COUNTY, MICHIGAN

## CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN YEARS (A) - UNAUDITED

<b>FUNCTION</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Legislative</b>										
Computers	9	9	9	9	9	9	9	9	9	9
<b>Judicial</b>										
Court Rooms	6	6	6	6	6	9	9	9	7	7
Vehicles	10	10	9	7	9	9	9	9	9	12
Computers	105	107	107	82	82	88	89	87	78	78
Network Printers/Copiers	7	10	10	12	0	9	9	9	7	9
<b>General Government</b>										
All County Buildings	12	12	12	12	12	12	12	12	12	12
Vehicles not reported elsewhere	17	17	16	18	16	16	16	16	16	13
Computers	87	89	90	79	80	85	85	83	76	74
Network Printers/Copiers	15	16	16	11	0	14	14	14	13	12
<b>Public Safety</b>										
Jail Beds Available	123	123	123	123	123	123	123	123	123	123
Vehicles -										
Patrol	20	20	21	22	18	18	18	18	18	20
Other	27	27	27	30	22	23	23	23	21	23
Computers	62	62	65	62	62	63	64	64	58	84
Network Printers/Copiers	5	6	6	5	0	12	12	12	11	10
<b>Health and Welfare</b>										
Vehicles	21	21	25	27	24	28	28	28	28	25
Park Acreage -										
Torzewski	70	70	70	70	70	70	70	70	70	70
Squire	87	87	87	87	87	87	87	87	87	87
Other	8	8	8	8	8	8	8	8	8	8
Computers	197	201	203	202	202	205	205	199	172	170
Network Printers/Copiers	16	17	17	16	0	15	15	18	14	13

## **LAPEER COUNTY, MICHIGAN**

### **DESCRIPTION OF INSURANCE COVERAGE IN FORCE DECEMBER 31, 2021 - UNAUDITED**

The County became a member of the Michigan Municipal Risk Management Authority (MMRMA) in 1985. MMRMA provides risk management, underwriting, reinsurance and claims services with member contributions allocated to meet these obligations. This program covers the Public Officials Surety Bond and Faithful Performance as well as General Liability, Law Enforcement Officers, Business Auto, Building and Contents, Boiler and Machinery, Errors and Omissions, and Umbrella Coverage. The total amount of liability coverage for the County amounts to \$15,000,000. The County's total contribution for 2021 is approximately \$558,432 reported in the General Fund.

The County is self-insured for Workers' Compensation for claims up to an annual aggregate amount of \$500,000 per claim. The County is insured for the amount of claims in excess of such limitation to a maximum of \$5,000,000. The County is then self-insured for annual aggregate claims in excess of insurance coverage. The County's total net expenditures for claims and insurance costs reported in the Workers' Compensation Fund for 2021 is \$136,585. The County's ending net position for the Workers' Compensation Fund at December 31, 2021 is \$786,758.

The County is self insured for Unemployment Insurance. The County's total expenditures for claims reported in the Unemployment Insurance Fund for 2021 is \$36,640. The County's ending net position for the the Unemployment Insurance Fund at December 31, 2021 is \$23,911.

**LAPEER COUNTY, MICHIGAN**  
**OTHER STATISTICS**  
**DECEMBER 31, 2021 - UNAUDITED**

**Form of Government**

The County's legislative body is a seven-member Board of Commissioners elected by districts to two-year terms. The Board annually elects from within its ranks a Chairperson and Vice-Chairperson by majority vote.

The County operates under the Controller/Administrator form of government.

**Location**

Lapeer County covers an area of approximately 666 square miles in the thumb area of Michigan's lower peninsula and is located 56 miles north of Detroit and 48 miles west of the Canadian border on I-69, between Port Huron and Flint. The County is accessible by four major state highways, M-21, M-24, M-90, and M-53 and the Interstate I-69.