

# Oceana County

Annual Financial Report  
Year Ended December 31, 2021



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
Oceana County, Michigan

***Report on the Audit of the Financial Statements******Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Oceana 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, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, 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.

We did not audit the financial statements of the Oceana County Road Commission, which represents 51.6%, 59.8%, and 39.6%, respectively, of the assets and deferred outflows, net position, and revenues of the aggregate discretely presented component units as of December 31, 2021, and the respective changes in financial position thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the Oceana County Road Commission, are based solely on the report of the other auditors.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the pension and OPEB schedules, 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 combining and individual general fund, nonmajor, custodial, and Drain Commission fund financial statements are presented for purposes of additional analysis and are not a required part 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 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual general fund, nonmajor, custodial, and Drain Commission fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the continuing disclosure 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.

*Gabridge & Company*

Gabridge & Company, PLC  
Grand Rapids, Michigan  
June 17, 2022

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



**Oceana County**  
**Management's Discussion and Analysis**  
**December 31, 2021**

As management of Oceana County (the "County" or "government"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the financial statements and the notes to the financial statements.

**Financial Highlights**

- The assets and deferred outflows of the County exceeded its liabilities and deferred inflows at December 31, 2021 by \$16,306,736. Of this amount, \$8,901,213 is unrestricted and may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position increased \$1,791,511 during the year. Revenues decreased by \$734,864 during the year and expenses for the County decreased by \$724,352 from the prior fiscal year.
- At the close of the current fiscal year, the County's governmental funds reported combined fund balances of \$8,841,205, an increase of \$487,113 in comparison with the prior year. Approximately 54.1% of this amount (or \$4,781,640) is available for spending at the government's discretion (unassigned fund balance).
- At year-end, unassigned fund balance for the general fund was \$4,781,640, or 42.5% of the general fund's annualized expenditures and transfers out.
- The County paid down long-term debt by \$270,000 during the year.

**Overview of the Financial Statements**

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

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the County 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 residual 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 event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., accrued interest expense and long-term debt).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government services (such as: administration, clerk, and treasurer); judicial activities (courts); public safety (sheriff, road patrol, marine safety); public works; health and welfare (such as: health, mental health, and child care), and a variety of other services. The business-type activities of the County include delinquent tax collections and jail commissary activities.

The County includes other legally separate entities in its financial statements: the Oceana County Drain Commission, Oceana County Road Commission, Oceana County Board of Public Works, and the Oceana Medical Care Facility. Although legally separate, these component units are important because the County is financially accountable for them. The Oceana County Road Commission and Oceana County Medical Care Facility issued separate audited financial statements and those statements can be obtained at their respective administrative offices or from the County Administrator's office.

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

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

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

The County maintains numerous individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of

revenues, expenditures, and changes in fund balances for the general, ambulance, senior citizens' tax, and American Rescue Plan ("ARPA") funds, each of which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its general and special revenue funds. Budgetary comparison statements or schedules have been provided for the general fund and each major special revenue fund herein to demonstrate compliance with those budgets.

**Proprietary funds.** The County maintains one type of proprietary fund, an enterprise fund. 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 delinquent tax, jail commissary operations, homestead denials, foreclosures, and housing.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the operations of the five proprietary funds noted above.

**Custodial funds.** Custodial funds are used to account for resources held for the benefit of parties outside the government. Custodial 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 accounting used for fiduciary funds is much like that used for proprietary funds.

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

**Other information.** In addition to the basic financial statement and accompanying notes, this report also presents certain information concerning the County's budgetary compliance and its progress in funding its obligation to provide pension and other postemployment benefits to its employees. This information can be found immediately following the notes to the financial statements.

The combining statements referred to earlier in connection with nonmajor governmental, general, custodial, and Drainage District funds are presented following the required supplemental 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 \$16,306,736 at the close of the most recent fiscal year. A large portion of the County's net position (26.0% or \$4,232,358) represents its investment in capital assets (e.g., land, buildings, vehicles, equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the

County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (19.5% or \$3,173,165) represents resources that are subject to external restrictions on how they may be used. Restricted net position refers to amounts that have constraints placed on them by either: a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation. The remaining portion of the County's net position (54.6%, or \$8,901,213) is comprised of unrestricted net position. These amounts may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County is able to report positive balances in total net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

#### Oceana County's Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
<b>ASSETS</b>						
<i>Current Assets</i>						
Cash and Investments	\$ 12,158,581	\$ 8,549,451	\$ 7,687,292	\$ 6,513,739	\$ 19,845,873	\$ 15,063,190
Taxes Receivable	3,273,729	3,360,620	1,242,874	1,293,908	4,516,603	4,654,528
Accounts Receivable, net	71,180	39,769	-	-	71,180	39,769
Due from Other Governments	238,386	295,998	3,589	445	241,975	296,443
Prepays	92,864	97,861	-	-	92,864	97,861
<b>Total Current Assets</b>	<b>15,834,740</b>	<b>12,343,699</b>	<b>8,933,755</b>	<b>7,808,092</b>	<b>24,768,495</b>	<b>20,151,791</b>
<i>Noncurrent Assets</i>						
Advances to Other Governmental Units	60,808	72,808	-	-	60,808	72,808
Capital Assets not Being Depreciated	1,730,509	1,730,509	-	-	1,730,509	1,730,509
Capital Assets Being Depreciated, net	3,066,849	3,452,174	-	-	3,066,849	3,452,174
<b>Total Assets</b>	<b>20,692,906</b>	<b>17,599,190</b>	<b>8,933,755</b>	<b>7,808,092</b>	<b>29,626,661</b>	<b>25,407,282</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Pension	1,648,945	1,845,241	-	-	1,648,945	1,845,241
OPEB	490,504	587,742	-	-	490,504	587,742
<b>Total Deferred Outflows of Resources</b>	<b>2,139,449</b>	<b>2,432,983</b>	<b>-</b>	<b>-</b>	<b>2,139,449</b>	<b>2,432,983</b>
<b>LIABILITIES</b>						
<i>Current Liabilities</i>						
Accounts Payable	210,817	207,711	3,210	179	214,027	207,890
Accrued Wages	102,141	65,347	-	-	102,141	65,347
Unearned Revenue	3,192,940	322,234	-	-	3,192,940	-
Accrued Interest	5,650	4,175	-	-	5,650	4,175
Current Portion of Long-term Debt	275,000	270,000	-	-	275,000	270,000
Other Liabilities	104,958	20,971	127,742	-	232,700	20,971
Current Portion of Compensated Absences	164,483	150,789	-	-	164,483	150,789
<b>Total Current Liabilities</b>	<b>4,055,989</b>	<b>1,041,227</b>	<b>130,952</b>	<b>179</b>	<b>4,186,941</b>	<b>1,041,406</b>
<i>Noncurrent Liabilities</i>						
Long-term Debt	290,000	565,000	-	-	290,000	565,000
Compensated Absences	493,448	452,367	-	-	493,448	452,367
Net OPEB Liability	946,120	1,081,414	-	-	946,120	1,081,414
Net Pension Liability	5,513,129	7,224,689	-	-	5,513,129	7,224,689
<b>Total Liabilities</b>	<b>11,298,686</b>	<b>10,364,697</b>	<b>130,952</b>	<b>179</b>	<b>11,429,638</b>	<b>10,364,876</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Pension	678,693	19,030	-	-	678,693	19,030
OPEB	296,582	180,379	-	-	296,582	180,379
Taxes Levied for a Subsequent Period	3,054,461	3,034,626	-	-	3,054,461	3,034,626
<b>Total Deferred Inflows of Resources</b>	<b>4,029,736</b>	<b>3,234,035</b>	<b>-</b>	<b>-</b>	<b>4,029,736</b>	<b>3,234,035</b>
<b>NET POSITION</b>						
Net Investment in Capital Assets	4,232,358	4,347,682	-	-	4,232,358	4,347,682
Restricted	3,173,165	3,319,268	-	-	3,173,165	3,319,268
Unrestricted	98,410	(1,233,509)	8,802,803	7,807,913	8,901,213	6,574,404
<b>Total Net Position</b>	<b>\$ 7,503,933</b>	<b>\$ 6,433,441</b>	<b>\$ 8,802,803</b>	<b>\$ 7,807,913</b>	<b>\$ 16,306,736</b>	<b>\$ 14,241,354</b>

Cash balances for the County increased by \$4,782,683. The largest reason for this increase in cash is the \$3,014,763 increase in unearned revenue. Unearned revenue increased as a result of the County receiving, but not having spent, various grants as of year-end. The County's net pension liability decreased by \$1,711,560 due to a variety of reasons. The larger contributors were investment income of \$2,268,237 on the County's pension assets during 2020 (a one-year lag exists between the County's year-end and the valuation reports) as well a change in pension benefits that decreased the liability by \$905,637. The County's total net position increased by 12.3%, or \$1,791,511, from \$14,515,225 to \$16,306,736 for the year ended December 31, 2021. The following table shows the County's revenues, expenses, and changes in net position for each of the past two years:

#### Oceana County's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
<b>Revenues</b>						
<b>Program Revenues</b>						
Charges for Services	\$ 2,586,109	\$ 2,537,346	\$ 859,335	\$ 952,857	\$ 3,445,444	\$ 3,490,203
Operating Grants and Contributions	2,300,962	3,136,235	-	-	2,300,962	3,136,235
Capital Grants and Contributions	-	13,100	-	-	-	13,100
<b>General Revenues</b>						
Taxes	10,421,956	10,366,351	-	-	10,421,956	10,366,351
Intergovernmental	563,301	428,895	-	-	563,301	428,895
Interest Income	51,142	60,573	42,197	64,509	93,339	125,082
<b>Total Revenues</b>	<b>15,923,470</b>	<b>16,542,500</b>	<b>901,532</b>	<b>1,017,366</b>	<b>16,825,002</b>	<b>17,559,866</b>
<b>Expenses</b>						
General Government	5,395,602	5,647,197	-	-	5,395,602	5,647,197
Public Safety	5,045,545	5,141,591	-	-	5,045,545	5,141,591
Public Works	499,553	479,458	-	-	499,553	479,458
Health and Welfare	3,263,557	2,866,140	-	-	3,263,557	2,866,140
Recreation and Culture	134,846	48,914	-	-	134,846	48,914
Community and Economic Development	493,009	1,070,894	-	-	493,009	1,070,894
Interest on Long-term Debt	26,776	31,801	-	-	26,776	31,801
Other Expenses	-	328,367	174,603	143,481	174,603	471,848
<b>Total Expenses</b>	<b>14,858,888</b>	<b>15,614,362</b>	<b>174,603</b>	<b>143,481</b>	<b>15,033,491</b>	<b>15,757,843</b>
<b>Changes in Net Position Before Transfers</b>	<b>1,064,582</b>	<b>928,138</b>	<b>726,929</b>	<b>873,885</b>	<b>1,791,511</b>	<b>1,802,023</b>
Net Transfers	5,910	65,594	(5,910)	(65,594)	-	-
<b>Changes in Net Position</b>	<b>1,070,492</b>	<b>993,732</b>	<b>721,019</b>	<b>808,291</b>	<b>1,791,511</b>	<b>1,802,023</b>
<i>Net Position at the Beginning of Period (Restated)</i>	<i>6,433,441</i>	<i>5,439,709</i>	<i>8,081,784</i>	<i>6,999,622</i>	<i>14,515,225</i>	<i>12,439,331</i>
<b>Net Position at the End of Period</b>	<b>\$ 7,503,933</b>	<b>\$ 6,433,441</b>	<b>\$ 8,802,803</b>	<b>\$ 7,807,913</b>	<b>\$ 16,306,736</b>	<b>\$ 14,241,354</b>

#### Governmental activities

Governmental activities increased the County's net position by \$1,070,492. The most significant changes between the current year and prior year were; 1) the decrease in operating grants and contributions by \$835,273 and 2) the corresponding decrease in community and economic development expenses of by \$577,885. This was due primarily to a one-time Community Development Block Grant of \$1,000,000 received during 2020, along with the corresponding grant expenses.

#### Business-type activities

The business-type activities of the County include enterprise fund operations. The change in business-type activities net position increased the County's net position by \$721,019 compared to an increase in net position of \$808,291 in the prior year. There were no significant changes between the two years.

## Financial Analysis of the Government's Funds

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

**Governmental funds.** The focus of the County *governmental fund statements* is to provide information on near term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County 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. Unassigned fund balance of the general fund represented 39.0% of total general fund expenditures and transfers out.

General fund balance increased by \$344,360, from \$5,242,243 to \$5,586,603 during the year. The County collapses certain funds into the general fund for external financial reporting purposes. A combining schedule is provided as supplementary information to show the various components.

The ambulance fund had an increase in fund balance during the year of \$128,838, from \$798,978 to \$927,816.

The senior citizens' tax fund had an increase in fund balance during the year of \$171, from \$2 to \$173.

The American Rescue Plan fund had an increase in fund balance during the year of \$6,369.

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

Unrestricted net position of the foreclosure fund at the end of the year was \$2,732,396 and for the delinquent tax revolving fund it was \$5,969,818. The foreclosure and the delinquent tax revolving funds experienced an increase in net position in the amount of \$249,432 and \$404,774, respectively, consistent when compared to the prior year.

## General Fund Budgetary Highlights

**Original budget compared to final budget.** During the year there was no need for any significant amendments to increase either the original estimated revenues or original budgeted appropriations. However, there was a need to make an amendment to reallocate appropriations among departments when it became clearer which departments would actually be charged for certain expenditures. Generally, the movement of the appropriations between departments was *not* significant.

**Final budget compared to actual results.** The County had no expenditures in excess of appropriations during the year ended December 31, 2021.

## Capital Asset and Debt Administration

**Capital assets.** As of December 31, 2021, the County's investment in capital assets for its governmental activities amounted to \$4,797,358 (net of accumulated depreciation). The investment in capital assets includes land and land improvements, buildings and improvements, machinery and equipment, and vehicles. The net decrease in the County's capital assets for its governmental activities during the year was \$385,325, or (7.4)%.

Significant capital asset additions during the year included:

- Jail holding cell remodel
- Replacement of health department HVAC
- Alertus notification system
- Doolittle park pavillion

The following table summarizes the capital assets of the County for each of the past two years:

	Capital Assets, Net	
	Governmental Activities	
	2021	2020
Land	\$ 1,730,509	\$ 1,730,509
Buildings and improvements	2,086,947	2,148,518
Land improvements	495,803	546,095
Equipment and furniture	256,127	304,942
Vehicles	144,172	364,226
Infrastructure	83,800	88,393
<b>Total</b>	<b>\$ 4,797,358</b>	<b>\$ 5,182,683</b>

Additional information on the County's capital assets can be found in Note 6 to the financial statements.

**Long-term debt.** As of December 31, 2021, the County had long-term debt outstanding of \$565,000 in its governmental activities, exclusive of compensated absences. At a minimum, all bonds are backed by the County's full faith and credit.

The County's total long-term debt decreased by \$270,000 during the year ended December 31, 2021. State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation. The County is under its legal debt limit as of December 31, 2021.

Additional information on the County's long-term debt can be found in Note 7 to the financial statements.

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

Management estimates that \$11,983,898 of revenues will be available for appropriation in the general fund in the upcoming budget. Expenditures are expected to change by small amounts compared to 2021. The County continues to review all budget line items for opportunities to reduce expenditures when possible. The budget will be monitored during the year to identify any necessary amendments. Management is also in the process of determining the significance of the COVID-19 Pandemic's impact, including ARPA revenues and expenditures, on future budgets.

## **Requests for Information**

This financial report is designed to provide a general overview of the County finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Robert Sobie, Ph.D., Oceana County Administrator/Fiscal Officer  
100 State Street  
Suite M-4  
Hart, Michigan 49420

Phone | (231) 873-4835, extension 6702



## **BASIC FINANCIAL STATEMENTS**

**Oceana County**  
**Statement of Net Position**  
**December 31, 2021**

	<b>Primary Government</b>			<b>Component Units</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and Investments	\$ 12,158,581	\$ 7,687,292	\$ 19,845,873	\$ 6,311,633
Taxes Receivable	3,273,729	1,242,874	4,516,603	2,332,809
Accounts Receivable, net	71,180	--	71,180	1,258,946
Special Assessments Receivable	--	--	--	352,682
Due from Other Governments	238,386	3,589	241,975	6,930,777
Prepays	92,864	--	92,864	48,146
Inventory	--	--	--	744,559
<b>Total Current Assets</b>	<b>15,834,740</b>	<b>8,933,755</b>	<b>24,768,495</b>	<b>17,979,552</b>
<i>Noncurrent Assets</i>				
Restricted Cash and Investments	--	--	--	454,109
Advances to Other Governmental Units	60,808	--	60,808	--
Capital Asset not Being Depreciated	1,730,509	--	1,730,509	311,915
Capital Assets Being Depreciated, net	3,066,849	--	3,066,849	46,466,215
<b>Total Assets</b>	<b>20,692,906</b>	<b>8,933,755</b>	<b>29,626,661</b>	<b>65,211,791</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension	1,648,945	--	1,648,945	1,931,756
OPEB	490,504	--	490,504	44,742
<b>Total Deferred Outflows of Resources</b>	<b>2,139,449</b>	<b>--</b>	<b>2,139,449</b>	<b>1,976,498</b>
<b>LIABILITIES</b>				
<i>Current Liabilities</i>				
Accounts Payable	210,817	3,210	214,027	341,869
Accrued Wages	102,141	--	102,141	184,133
Unearned Revenue	3,192,940	--	3,192,940	--
Accrued Interest	5,650	--	5,650	465
Current Portion of Long-term Debt	275,000	--	275,000	133,709
Other Liabilities	104,958	127,742	232,700	1,104,858
Current Portion of Compensated Absences	164,483	--	164,483	456,145
<b>Total Current Liabilities</b>	<b>4,055,989</b>	<b>130,952</b>	<b>4,186,941</b>	<b>2,221,179</b>
<i>Noncurrent Liabilities</i>				
Advances from Other Governmental Units	--	--	--	60,808
Compensated Absences	493,448	--	493,448	5,365
Long-term Debt	290,000	--	290,000	1,267,249
Net OPEB Liability	946,120	--	946,120	92,097
Net Pension Liability	5,513,129	--	5,513,129	5,760,832
<b>Total Liabilities</b>	<b>11,298,686</b>	<b>130,952</b>	<b>11,429,638</b>	<b>9,407,530</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension	678,693	--	678,693	565,679
OPEB	296,582	--	296,582	115,316
Taxes Levied for a Subsequent Period	3,054,461	--	3,054,461	2,605,520
<b>Total Deferred Inflows of Resources</b>	<b>4,029,736</b>	<b>--</b>	<b>4,029,736</b>	<b>3,286,515</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	4,232,358	--	4,232,358	45,377,172
<i>Restricted for:</i>				
Other Purposes	3,173,165	--	3,173,165	1,191,046
<i>Unrestricted</i>	98,410	8,802,803	8,901,213	7,926,026
<b>Total Net Position</b>	<b>\$ 7,503,933</b>	<b>\$ 8,802,803</b>	<b>\$ 16,306,736</b>	<b>\$ 54,494,244</b>

The Notes to the Financial Statements are an integral part of these Financial Statements

**Oceana County**  
**Statement of Activities**  
**For the Year Ended December 31, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
<b>Primary Government</b>								
<b>Governmental Activities:</b>								
General Government	\$ 5,395,602	\$ 1,050,997	\$ 1,855,644	\$ --	\$ (2,488,961)	\$ --	\$ (2,488,961)	\$ --
Public Safety	5,045,545	639,527	181,078	--	(4,224,940)	--	(4,224,940)	--
Public Works	499,553	264,846	57,817	--	(176,890)	--	(176,890)	--
Health and Welfare	3,263,557	84,417	154,232	--	(3,024,908)	--	(3,024,908)	--
Community and Economic Development	493,009	484,031	--	--	(8,978)	--	(8,978)	--
Recreation and Culture	134,846	62,291	52,191	--	(20,364)	--	(20,364)	--
Interest on Long-term Debt	26,776	--	--	--	(26,776)	--	(26,776)	--
<i>Total Governmental Activities</i>	<u>14,858,888</u>	<u>2,586,109</u>	<u>2,300,962</u>	<u>--</u>	<u>(9,971,817)</u>	<u>--</u>	<u>(9,971,817)</u>	<u>--</u>
<b>Business-type Activities:</b>								
Foreclosure	120,549	349,494	--	--	--	228,945	228,945	--
Homestead Denial	--	1,663	--	--	--	1,663	1,663	--
Delinquent Tax Revolving	5,187	388,251	--	--	--	383,064	383,064	--
Housing Commission	--	--	--	--	--	--	--	--
Jail Commissary	48,867	119,927	--	--	--	71,060	71,060	--
<i>Total Business-type Activities</i>	<u>174,603</u>	<u>859,335</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>684,732</u>	<u>684,732</u>	<u>--</u>
<i>Total Primary Government</i>	<u>\$ 15,033,491</u>	<u>\$ 3,445,444</u>	<u>\$ 2,300,962</u>	<u>\$ --</u>	<u>(9,971,817)</u>	<u>684,732</u>	<u>(9,287,085)</u>	<u>--</u>
<b>Component Units</b>								
Road Commission	\$ 8,106,528	\$ 2,186,625	\$ 7,277,198	\$ 4,449,668	--	--	--	5,806,963
Drainage Districts	214,624	279,406	6,000	--	--	--	--	70,782
Medical Care Facility	20,298,992	10,474,941	7,863,476	--	--	--	--	(1,960,575)
Land Bank	710	--	200	--	--	--	--	(510)
<i>Total Component Units</i>	<u>\$ 28,620,854</u>	<u>\$ 12,940,972</u>	<u>\$ 15,146,874</u>	<u>\$ 4,449,668</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>3,916,660</u>
<b>General Purpose Revenues and Transfers:</b>								
<b>Revenues</b>								
					10,421,956	--	10,421,956	2,536,895
Taxes					563,301	--	563,301	--
Intergovernmental					51,142	42,197	93,339	40,312
Interest Income					5,910	(5,910)	--	--
<b>Transfers</b>								
<i>Total General Revenues and Transfers</i>					<u>11,042,309</u>	<u>36,287</u>	<u>11,078,596</u>	<u>2,577,207</u>
<i>Change in Net Position</i>					<b>1,070,492</b>	<b>721,019</b>	<b>1,791,511</b>	<b>6,493,867</b>
<i>Net Position at Beginning of Period (restated, note 14)</i>					6,433,441	8,081,784	14,515,225	48,000,377
<i>Net Position at End of Period</i>					<u>\$ 7,503,933</u>	<u>\$ 8,802,803</u>	<u>\$ 16,306,736</u>	<u>\$ 54,494,244</u>

The Notes to the Financial Statements are an integral part of these Financial Statements

**Oceana County  
Balance Sheet  
Governmental Funds  
December 31, 2021**

	<u>Special Revenue</u>				<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Ambulance Fund</u>	<u>Senior Citizens' Tax</u>	<u>American Rescue Plan</u>		
<b>ASSETS</b>						
Cash and Investments	\$ 5,344,937	\$ 1,070,097	\$ 136,075	\$ 2,470,711	\$ 3,136,761	\$ 12,158,581
Taxes Receivable	538,612	1,057,891	1,165,203	--	512,023	3,273,729
Accounts Receivable	65,598	4,552	--	--	1,030	71,180
Due from Other Governments	224,777	--	--	--	13,609	238,386
Prepays	71,240	78	--	--	21,546	92,864
Advances to Other Governmental Units	60,808	--	--	--	--	60,808
<i>Total Assets</i>	<u>\$ 6,305,972</u>	<u>\$ 2,132,618</u>	<u>\$ 1,301,278</u>	<u>\$ 2,470,711</u>	<u>\$ 3,684,969</u>	<u>\$ 15,895,548</u>
<b>LIABILITIES</b>						
Accounts Payable	\$ 129,047	\$ 23,526	\$ --	\$ --	\$ 58,244	\$ 210,817
Accrued Wages	96,338	--	--	--	5,803	102,141
Unearned Revenue	--	--	--	2,464,342	728,598	3,192,940
Other Liabilities	104,958	--	--	--	--	104,958
<i>Total Liabilities</i>	330,343	23,526	--	2,464,342	792,645	3,610,856
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable Revenue	389,026	--	--	--	--	389,026
Taxes Levied for a Subsequent Period	--	1,181,276	1,301,105	--	572,080	3,054,461
<i>Total Liabilities and Deferred Inflows of Resources</i>	719,369	1,204,802	1,301,105	2,464,342	1,364,725	7,054,343
<b>FUND BALANCE</b>						
Nonspendable	132,048	78	--	--	21,546	153,672
Restricted	72,915	927,738	173	6,369	2,144,424	3,151,619
Committed	600,000	--	--	--	154,274	754,274
Unassigned	4,781,640	--	--	--	--	4,781,640
<i>Total Fund Balance</i>	5,586,603	927,816	173	6,369	2,320,244	8,841,205
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	<u>\$ 6,305,972</u>	<u>\$ 2,132,618</u>	<u>\$ 1,301,278</u>	<u>\$ 2,470,711</u>	<u>\$ 3,684,969</u>	<u>\$ 15,895,548</u>

The Notes to the Financial Statements are an integral part of these Financial Statements

**Oceana County**  
**Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position**  
**December 31, 2021**

Total Fund Balance - Governmental Funds	\$	8,841,205
General government capital assets of \$11,266,951 net of accumulated depreciation of \$6,469,593, are not financial resources and, accordingly, are not reported in the funds.		4,797,358
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, the interest expenditure is reported when due.		(5,650)
Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.		(657,931)
The net OPEB liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the funds.		(752,198)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the funds.		(4,542,877)
Unavailable revenues are not available to pay current period expenditures and, therefore, are deferred inflows of resources in the funds.		389,026
Long-term liabilities are not due any payable in the current period and, therefore, are not reported in the funds.		(565,000)
<b>Total Net Position - Governmental Activities</b>	<b>\$</b>	<b><u>7,503,933</u></b>

**Oceana County**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended December 31, 2021**

	<u>Special Revenue</u>				<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
	<u>General</u>	<u>Ambulance Fund</u>	<u>Senior Citizens' Tax</u>	<u>American Rescue Plan</u>		
<b>Revenues</b>						
Taxes	\$ 7,480,325	\$ 1,140,411	\$ 1,263,467	\$ --	\$ 560,253	\$ 10,444,456
Licenses and Permits	49,001	--	--	--	506,851	555,852
Intergovernmental	2,047,681	--	--	106,110	644,066	2,797,857
Charges for Services	1,256,542	--	--	--	123,475	1,380,017
Fines and Forfeits	44,996	--	--	--	--	44,996
Interest and Rents	88,986	10,440	--	6,369	13,464	119,259
Other Revenue	448,473	84,416	--	--	77,041	609,930
<b>Total Revenues</b>	<b>11,416,004</b>	<b>1,235,267</b>	<b>1,263,467</b>	<b>112,479</b>	<b>1,925,150</b>	<b>15,952,367</b>
<b>Expenditures</b>						
General Government	4,704,674	--	--	2,400	752,711	5,459,785
Public Safety	4,527,728	--	--	--	778,687	5,306,415
Public Works	416,165	--	--	--	--	416,165
Health and Welfare	483,625	1,079,029	1,263,296	--	399,551	3,225,501
Community and Economic Development	412,078	--	--	--	80,931	493,009
Recreation and Culture	42,425	--	--	--	81,867	124,292
Debt Service - Principal	--	--	--	--	270,000	270,000
Debt Service - Interest	--	--	--	--	25,301	25,301
Capital Outlay	--	--	--	--	150,696	150,696
<b>Total Expenditures</b>	<b>10,586,695</b>	<b>1,079,029</b>	<b>1,263,296</b>	<b>2,400</b>	<b>2,539,744</b>	<b>15,471,164</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>829,309</b>	<b>156,238</b>	<b>171</b>	<b>110,079</b>	<b>(614,594)</b>	<b>481,203</b>
<b>Other Financing Sources (Uses)</b>						
Transfers In	185,705	--	--	--	704,994	890,699
Transfers Out	(670,654)	(27,400)	--	(103,710)	(83,025)	(884,789)
<b>Net Other Financing Sources (Uses)</b>	<b>(484,949)</b>	<b>(27,400)</b>	<b>--</b>	<b>(103,710)</b>	<b>621,969</b>	<b>5,910</b>
<b>Net Change in Fund Balance</b>	<b>344,360</b>	<b>128,838</b>	<b>171</b>	<b>6,369</b>	<b>7,375</b>	<b>487,113</b>
<i>Fund Balance at Beginning of Period (restated, note 14)</i>	5,242,243	798,978	2	--	2,312,869	8,354,092
<b>Fund Balance at End of Period</b>	<b>\$ 5,586,603</b>	<b>\$ 927,816</b>	<b>\$ 173</b>	<b>\$ 6,369</b>	<b>\$ 2,320,244</b>	<b>\$ 8,841,205</b>

The Notes to the Financial Statements are an integral part of these Financial Statements

**Oceana County**  
**Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance with Statement of Activities**  
**For the Year Ended December 31, 2021**

Total Net Change in Fund Balances - Governmental Funds	\$	487,113
Changes to accrued interest are not shown in the fund financial statements. The net effect of the current year decrease is to increase net position.		(1,475)
Governmental funds report capital outlay as expenditures; however, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is the amount by which capital outlay of \$128,747 exceeds depreciation expense of \$351,245 and net loss on disposals of \$162,827.		(385,325)
Repayment of bond principal is an expenditure in the governmental funds but the payment reduces long-term liabilities in the statement of net position.		270,000
The statement of activities reports changes to net OPEB liability and OPEB related deferrals as OPEB expense; however, the expenditures recorded on the governmental funds equals actual OPEB contributions.		(78,147)
Change to compensated absences are not shown in the fund financial statements. The net effect of the current year increase is to decrease net position.		(54,775)
The statement of activities reports changes to net pension liability and pension related deferrals as pension expense; however, the expenditures recorded on the governmental funds equals actual pension contributions.		855,601
Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows of resources		(22,500)
<b>Changes in Net Position - Governmental Activities</b>	<b>\$</b>	<b><u>1,070,492</u></b>

The Notes to the Financial Statements are an integral part of these Financial Statements

**Oceana County  
Statement of Net Position  
Proprietary Funds  
December 31, 2021**

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Foreclosure</b>	<b>Delinquent Tax Revolving</b>	<b>Other Enterprise Funds</b>	<b>Total Enterprise Funds</b>
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and Investments	\$ 2,860,138	\$ 4,726,565	\$ 100,589	\$ 7,687,292
Taxes Receivable	--	1,242,874	--	1,242,874
Due from Other Governments	--	3,589	--	3,589
<b>Total Current Assets</b>	<b>2,860,138</b>	<b>5,973,028</b>	<b>100,589</b>	<b>8,933,755</b>
<b>LIABILITIES</b>				
<i>Current Liabilities</i>				
Accounts Payable	--	3,210	--	3,210
Other Liabilities	127,742	--	--	127,742
<b>Total Current Liabilities</b>	<b>127,742</b>	<b>3,210</b>	<b>--</b>	<b>130,952</b>
<b>NET POSITION</b>				
<i>Unrestricted</i>	2,732,396	5,969,818	100,589	8,802,803
<b>Total Net Position</b>	<b>\$ 2,732,396</b>	<b>\$ 5,969,818</b>	<b>\$ 100,589</b>	<b>\$ 8,802,803</b>

The Notes to the Financial Statements are an integral part of these Financial Statements



**Oceana County**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2021**

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Foreclosure</b>	<b>Delinquent Tax Revolving</b>	<b>Other Enterprise Funds</b>	<b>Total Enterprise Funds</b>
<b>Operating Revenues</b>				
Interest and Penalties on Delinquent Taxes	\$ --	\$ 388,251	\$ --	\$ 388,251
Charges for Services	329,994	--	121,590	451,584
Other Revenue	19,500	--	--	19,500
<b>Total Operating Revenues</b>	<b>349,494</b>	<b>388,251</b>	<b>121,590</b>	<b>859,335</b>
<b>Operating Expenses</b>				
Operations	120,549	5,187	48,867	174,603
<b>Total Operating Expenses</b>	<b>120,549</b>	<b>5,187</b>	<b>48,867</b>	<b>174,603</b>
<b>Operating Income (Loss)</b>	<b>228,945</b>	<b>383,064</b>	<b>72,723</b>	<b>684,732</b>
<b>Non-Operating Revenues (Expenses)</b>				
Interest Income	20,487	21,710	--	42,197
<b>Net Non-Operating Revenues (Expenses)</b>	<b>20,487</b>	<b>21,710</b>	<b>--</b>	<b>42,197</b>
<b>Income Before Contributions and Transfers</b>	<b>249,432</b>	<b>404,774</b>	<b>72,723</b>	<b>726,929</b>
Transfers Out	--	--	(5,910)	(5,910)
<b>Change In Net Position</b>	<b>249,432</b>	<b>404,774</b>	<b>66,813</b>	<b>721,019</b>
<i>Net Position at Beginning of Period (restated, note 14)</i>	2,482,964	5,565,044	33,776	8,081,784
<b>Net Position at End of Period</b>	<b>\$ 2,732,396</b>	<b>\$ 5,969,818</b>	<b>\$ 100,589</b>	<b>\$ 8,802,803</b>

The Notes to the Financial Statements are an integral part of these Financial Statements

**Oceana County  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2021**

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Foreclosure</b>	<b>Delinquent Tax Revolving</b>	<b>Other Enterprise Funds</b>	<b>Total Enterprise Funds</b>
<b>Cash Flows from Operating Activities</b>				
Receipts from Customers	\$ 349,494	\$ 710,012	\$ 121,590	\$ 1,181,096
Cash Paid to Suppliers	7,014	(1,977)	(48,867)	(43,830)
<b>Net Cash Provided by Operating Activities</b>	<b>356,508</b>	<b>708,035</b>	<b>72,723</b>	<b>1,137,266</b>
<b>Cash Flows from Noncapital and Related Financing Activities</b>				
Transfers Out	-	-	(5,910)	(5,910)
<b>Net Cash Used by Noncapital and Related Financing Activities</b>	<b>-</b>	<b>-</b>	<b>(5,910)</b>	<b>(5,910)</b>
<b>Cash Flows from Investing Activities</b>				
Interest Income	20,487	21,710	-	42,197
<b>Net Cash Provided by Investing Activities</b>	<b>20,487</b>	<b>21,710</b>	<b>-</b>	<b>42,197</b>
Net Increase in Cash Equivalents	376,995	729,745	66,813	1,173,553
Cash and Investments - Beginning of the Year	2,483,143	3,996,820	33,776	6,513,739
<b>Cash and Investments - End of the Year</b>	<b>\$ 2,860,138</b>	<b>\$ 4,726,565</b>	<b>\$ 100,589</b>	<b>\$ 7,687,292</b>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>				
Operating Income	\$ 228,945	\$ 383,064	\$ 72,723	\$ 684,732
<b>Adjustments to Reconcile Operating Income to Net Cash</b>				
<b>Change in Assets and Liabilities:</b>				
Taxes Receivable	-	324,905	-	324,905
Due from Other Governments	-	(3,144)	-	(3,144)
Accounts Payable	(179)	-	-	(179)
Other Liabilities	127,742	3,210	-	130,952
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 356,508</b>	<b>\$ 708,035</b>	<b>\$ 72,723</b>	<b>\$ 1,137,266</b>

The Notes to the Financial Statements are an integral part of these Financial Statements

**Oceana County**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**December 31, 2021**

	<b>OPEB Trust Fund</b>	<b>Custodial Funds</b>
<b>ASSETS</b>		
Cash and investments	\$ --	\$ 300,119
Interest in pooled investments	826,473	--
<i><b>Total Assets</b></i>	<i><b>--</b></i>	<i><b>300,119</b></i>
<b>LIABILITIES</b>		
Due to other governments	--	185,420
Undistributed collections	--	15,500
Bonds and other payables	--	40,399
<i><b>Total Liabilities</b></i>	<i><b>--</b></i>	<i><b>241,319</b></i>
<b>NET POSITION</b>		
Restricted for OPEB, individuals, organizations, and other governments	<b>\$ 826,473</b>	<b>\$ 58,800</b>

The Notes to the Financial Statements are an integral part of these Financial Statements

**Oceana County**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended December 31, 2021**

	<b>OPEB Trust Fund</b>	<b>Custodial Funds</b>
<b>Additions</b>		
Taxes collected for other governments	\$ --	\$ 7,598,224
Library penal fine collections	--	113,545
Inmate trust collections	--	622,474
Court collections	--	585,049
County clerk/register of deeds collections	--	1,974,772
Treasurer collections	--	70,362
Employer contributions	49,223	--
<b>Investment Earnings</b>		
Interest, dividends, and other investment gains	101,139	--
<b>Total Additions</b>	<b>150,362</b>	<b>10,964,426</b>
<b>Deductions</b>		
Payments of property taxes to other governments	--	7,598,224
Library penal fine distributions	--	208,382
Inmate trust distributions	--	618,568
Court distributions	--	585,049
County clerk/register of deeds distributions	--	1,974,772
Treasurer distributions	--	70,362
Retirement benefits	27,923	--
Administration expense	1,406	--
<b>Total Deductions</b>	<b>29,329</b>	<b>11,055,357</b>
<b>Change in Net Position</b>	<b>121,033</b>	<b>(90,931)</b>
<i>Net Position at Beginning of Period</i>	705,440	149,731
<b><i>Net Position at End of Period</i></b>	<b>\$ 826,473</b>	<b>\$ 58,800</b>

The Notes to the Financial Statements are an integral part of these Financial Statements

**Oceana County**  
**Combining Statement of Net Position**  
**Component Units**  
**December 31, 2021**

	<u>Road Commission</u>	<u>Land Bank</u>	<u>Drainage Districts</u>	<u>Medical Care Facility</u>	<u>Total Component Units</u>
<b>ASSETS</b>					
<i>Current Assets</i>					
Cash and Investments	\$ 1,668,300	\$ 17,399	\$ 427,896	\$ 4,198,038	\$ 6,311,633
Taxes Receivable	--	--	--	2,332,809	2,332,809
Accounts Receivable, net	--	--	--	1,258,946	1,258,946
Special Assessments Receivable	--	--	352,682	--	352,682
Due from Other Governments	1,481,160	--	--	5,449,617	6,930,777
Prepays	--	--	--	48,146	48,146
Inventory	600,925	10,761	--	132,873	744,559
<b>Total Current Assets</b>	<b>3,750,385</b>	<b>28,160</b>	<b>780,578</b>	<b>13,420,429</b>	<b>17,979,552</b>
<i>Noncurrent Assets</i>					
Restricted Cash and Investments	--	--	--	454,109	454,109
Capital Asset not Being Depreciated	152,094	--	--	159,821	311,915
Capital Assets Being Depreciated, net	30,730,133	--	2,079,295	13,656,787	46,466,215
<b>Total Assets</b>	<b>34,632,612</b>	<b>28,160</b>	<b>2,859,873</b>	<b>27,691,146</b>	<b>65,211,791</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension	--	--	--	1,931,756	1,931,756
OPEB	44,742	--	--	--	44,742
<b>Total Deferred Outflows of Resources</b>	<b>44,742</b>	<b>--</b>	<b>--</b>	<b>1,931,756</b>	<b>1,976,498</b>
<b>LIABILITIES</b>					
<i>Current Liabilities</i>					
Accounts Payable	39,726	--	3,375	298,768	341,869
Accrued Wages	--	--	--	184,133	184,133
Accrued Interest	--	--	465	--	465
Current Portion of Long-term Debt	124,555	--	9,154	--	133,709
Other Liabilities	354,148	--	--	750,710	1,104,858
Current Portion of Compensated Absences	120,925	--	1,788	333,432	456,145
<b>Total Current Liabilities</b>	<b>639,354</b>	<b>--</b>	<b>14,782</b>	<b>1,567,043</b>	<b>2,221,179</b>
<i>Noncurrent Liabilities</i>					
Advances from Other Governmental Units	--	--	60,808	--	60,808
Compensated Absences	--	--	5,365	--	5,365
Long-term Debt	1,267,249	--	--	--	1,267,249
Net OPEB Liability	92,097	--	--	--	92,097
Net Pension Liability	--	--	--	5,760,832	5,760,832
<b>Total Liabilities</b>	<b>1,998,700</b>	<b>--</b>	<b>80,955</b>	<b>7,327,875</b>	<b>9,407,530</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension	--	--	--	565,679	565,679
OPEB	115,316	--	--	--	115,316
Taxes Levied for a Subsequent Period	--	--	--	2,605,520	2,605,520
<b>Total Deferred Inflows of Resources</b>	<b>115,316</b>	<b>--</b>	<b>--</b>	<b>3,171,199</b>	<b>3,286,515</b>
<b>NET POSITION</b>					
Net Investment in Capital Assets	29,490,423	--	2,070,141	13,816,608	45,377,172
<i>Restricted for:</i>					
Other Purposes	--	28,160	708,777	454,109	1,191,046
<i>Unrestricted</i>	3,072,915	--	--	4,853,111	7,926,026
<b>Total Net Position</b>	<b>\$ 32,563,338</b>	<b>\$ 28,160</b>	<b>\$ 2,778,918</b>	<b>\$ 19,123,828</b>	<b>\$ 54,494,244</b>

The Notes to the Financial Statements are an integral part of these Financial Statements

**Oceana County**  
**Combining Statement of Activities**  
**Component Units**  
**For the Year Ended December 31, 2021**

	<u>Road Commission</u>	<u>Land Bank</u>	<u>Drainage Districts</u>	<u>Medical Care Facility</u>	<u>Total Component Units</u>
<b>Expenses</b>					
General Government	\$ --	\$ 710	\$ --	\$ --	\$ 710
Public Works	8,106,528	--	213,329	--	8,319,857
Health and Welfare	--	--	--	20,298,992	20,298,992
Interest on Long-term Debt	--	--	1,295	--	1,295
<b>Total Expenses</b>	<u>8,106,528</u>	<u>710</u>	<u>214,624</u>	<u>20,298,992</u>	<u>28,620,854</u>
<b>Program Revenues</b>					
Charges for Services	2,186,625	--	279,406	10,474,941	12,940,972
Operating Grants and Contributions	7,277,198	200	6,000	7,863,476	15,146,874
Capital Grants and Contributions	4,449,668	--	--	--	4,449,668
<b>Total Program Revenues</b>	<u>13,913,491</u>	<u>200</u>	<u>285,406</u>	<u>18,338,417</u>	<u>32,537,514</u>
<b>Net Program Revenues (Expenses)</b>	<u>5,806,963</u>	<u>(510)</u>	<u>70,782</u>	<u>(1,960,575)</u>	<u>3,916,660</u>
<b>General Revenue</b>					
Taxes	--	1,845	--	2,535,050	2,536,895
Interest Income	7,182	--	520	32,610	40,312
<b>Total General Revenues</b>	<u>7,182</u>	<u>1,845</u>	<u>520</u>	<u>2,567,660</u>	<u>2,577,207</u>
<b>Change in Net Position</b>	<b>5,814,145</b>	<b>1,335</b>	<b>71,302</b>	<b>607,085</b>	<b>6,493,867</b>
<i>Net Position at Beginning of Period (restated, note 14)</i>	26,749,193	26,825	2,707,616	18,516,743	48,000,377
<b>Net Position at End of Period</b>	<u>\$ 32,563,338</u>	<u>\$ 28,160</u>	<u>\$ 2,778,918</u>	<u>\$ 19,123,828</u>	<u>\$ 54,494,244</u>

The Notes to the Financial Statements are an integral part of these Financial Statements

## **NOTES TO FINANCIAL STATEMENTS**

## Oceana County

### Notes to the Financial Statements

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#### **Note 1 - Description of County Operations and Summary of Significant Accounting Policies**

Oceana County, Michigan (the “County” or “government”) was incorporated in 1855 and covers an area of approximately 1,296 square miles with the County seat located in the City of Hart. The County operates under an elected Board of Commissioners and provides services to its more than 26,800 residents in many areas including law enforcement, administration of justice, community enrichment and development, and human services.

The financial statements of the County have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to County governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County’s more significant accounting policies are described below.

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

As required by accounting principles generally accepted in the United States of America, these financial statements present the financial activities of the County (primary government) and its component units. The component units described in the sections below are included in the County’s reporting entity because of the significance of their operational or financial relationship with the County. Blended component units, although legally separate entities are, in substance, part of the County’s operations, so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the County.

#### ***Blended Component Units***

The *Oceana County Building Authority (the “Building Authority”)* is governed by a five-member board appointed by the County Board of Commissioners. Although it is legally separate from the County, the Building Authority is reported as if it were part of the (blended) primary government because its sole purpose is to finance and construct the County’s public buildings. The Building Authority does not have any current on-going projects within the County.

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

These component units are reported in a separate column to emphasize that, while legally separate, the County remains financially accountable for these entities, or the nature and significance of the relationship between these entities and the County is such that exclusion of these entities would render the financial statements misleading or incomplete. These entities are reflected as discretely presented component units in accordance with applicable GASB standards.

The *Oceana County Road Commission (the “Road Commission”)* maintains local, state, and federal trunklines within Oceana County. The Road Commission operations are financed primarily



## Oceana County

### Notes to the Financial Statements

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from the State distribution of gas and weight taxes, federal financial assistance, and contributions from other local governmental units within the County. The five members of the Board of Road Commissioners are elected. This component unit is audited individually and the financial statements of the Road Commission may be obtained from the administrative office of the Road Commission located at 3501 W. Polk, Hart, MI 49420, or from the Oceana County Clerk's office located within the County Government Complex.

The ***Oceana County Drainage Districts (the "Drainage Districts")*** come under the jurisdiction of the Oceana County Drain Commissioner. This includes planning, developing, and maintaining surface water drainage systems. A complete file of finance, construction, and maintenance is maintained for each of the drains. The Drain Commissioner has authority to spend up to \$5,000 per mile on drain maintenance without Board of Commission approval and without going through the State of Michigan Local Audit and Finance Division. The Drain Commissioner has authority to levy special assessments on properties benefiting from maintenance. The Drainage Districts are not audited separately.

The ***Oceana County Board of Public Works (the "Board of Public Works")*** can acquire, improve, operate, and maintain water and sewage disposal systems for local units of government and has the responsibility of administering the various local unit public works construction projects and the associated debt service funds under the provision of Act 185 of the Public Acts of 1957. The Board of Public Works 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. The Board of Public Works is not audited separately.

The ***Oceana County Medical Care Facility (the "Medical Care Facility")*** is governed by a three-member board and is responsible for establishing policies and oversight of the Medical Care Facility. The County appoints two board members and the State of Michigan appoints a third. A Medical Care Facility administrator manages the daily operations of the Medical Care Facility. The Medical Care Facility is audited individually and the audited financial statements can be obtained at the Medical Care Facility Administrative offices or at the County Clerk's office.

#### ***Joint Ventures***

The ***District 10 Health Department (the "Health Department")*** is a joint venture between ten counties, as detailed in the formation agreement between the counties, and was established to provide public health services to the ten county regions. A copy of the agreement can be obtained at the County clerk's office. Oceana County appoints two of the twenty members. All ten counties provide annual appropriations and pass-through the statutory amount of cigarette tax funding to subsidize operations. Oceana County contributed \$167,724 for the year ended December 31, 2021. The financial operations of the Health Department are issued under separate cover and can be obtained at the Health Department's offices.

The ***Mason-Oceana 911 Authority (the "Authority")***, which is a joint venture between the counties of Mason and Oceana, and the Michigan State Police, is governed by an eleven-member

## Oceana County

### Notes to the Financial Statements

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board. Five board members are appointed by each of the participating governmental units and one board member is appointed by the Michigan State Police. The Authority has responsibility for preparing the annual budget and to carry out all activities of the Authority. The Authority's intent is to support and operate primarily with funds generated from operations (i.e., telephone surcharge fees). The financial activities of the Authority are audited separately. The joint venture's audited financial statements can be obtained from the County or at the Authority office.

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

The County, in conjunction with twenty-nine other counties, has entered into an agreement that created the ***Lakeshore Regional Entity***. This organization's Board is composed of thirty members, of which one is appointed by the County. The County's financial responsibility is to pass through a portion of the convention and tourism revenues received to the Lakeshore Regional Entity. For the year ended December 31, 2021, the County passed through \$40,635. A copy of their audited financial statements may be obtained at their administrative offices.

The ***West Michigan Community Mental Health System*** provides comprehensive mental health services to Lake, Mason, and Oceana counties. Operating revenues are derived from federal, state, and local governments as well as from fees for services. The West Michigan Community Mental Health System is governed by a twelve-member Board appointed by the Board of Commissioners of the three counties it services. A copy of their audited financial statements may be obtained at their administrative offices. The County did contributed \$130,000 for the year ended December 31, 2021.

***Senior Resources of West Michigan ("Senior Resources")*** is the Area Agency on Aging for Oceana, Muskegon, and Ottawa counties and provides a comprehensive and coordinated system of care for older persons residing in those counties. Operating revenues are derived from federal, state, and local governments as well as client contributions and fees for services. Senior Resources is governed by a Board of Directors of no less than fifteen, of which three are from the County. One director of each county's representation is appointed by the county commissions of Oceana, Muskegon, and Ottawa. A copy of Senior Resources' audited financial statements is available upon request at their administrative offices. The County did not contribute to Senior Resources for the year ended December 31, 2021.

***Muskegon-Oceana CAP, Inc.*** is a non-profit corporation formed under the laws of the State of Michigan. This organization's Board is composed of twelve members, of which one is appointed by the County. The organization receives all of its funding from state and federal grants and, as a result, the County has no financial responsibility other than potential liability related to appropriate use of the federal funds passed through to Muskegon-Oceana CAP, Inc. A copy of their audited financial statements may be obtained at their administrative offices.

## Oceana County

### Notes to the Financial Statements

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. 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.

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

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. 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 revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period or within one year for expenditure-driven grants. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service and compensated absences expenditures are recorded only when payment is due.

Property taxes, state revenue sharing, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current

## Oceana County

### Notes to the Financial Statements

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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 County.

The County reports the following major governmental funds:

The ***general fund*** is the County's primary operating fund. It accounts for all financial resources of the general government except for those that are required to be accounted for in another fund.

The ***ambulance fund*** is used to account for expenditures incurred related to emergency services that are financed primarily through property taxes and user charges restricted to cover these expenditures.

The ***senior citizens' tax fund*** is used to account for expenditures incurred related to senior services that are financed primarily through property taxes and user charges restricted to cover these expenditures.

The ***american rescue plan fund*** is used to account for the American Rescue Plan Act of 2021 resources collected and expended.

The County reports the following major enterprise funds:

The ***foreclosure fund*** accounts for the County's share of delinquent taxes, penalties, and interest due from the sale of foreclosed properties.

The ***delinquent tax revolving fund*** accounts for money advanced by the County to other local taxing units and various County funds to pay for their delinquent real property taxes. Revenues are generated by the collection of the delinquent real property taxes, penalties, and interest.

Additionally, the County reports the following fund types:

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

The ***capital projects funds*** account for the accumulation and disbursement of resources for the construction of governmental fund capital projects.

The ***debt service funds*** are used to account for all financial resources restricted, committed, or assigned to expenditure for principal and interest.

The ***permanent fund*** accounts for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the County programs.

## Oceana County

### Notes to the Financial Statements

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The *OPEB trust fund* is used to account for the operations of the County's OPEB plan which provides retiree healthcare benefits to County employees.

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

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

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

The County pools cash resources of various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balances in the pooled cash accounts are available to meet current operating requirements. Cash in excess of current requirements is invested in various interest bearing certificates of deposits and disclosed as part of the County's cash equivalents or investments depending on the original maturity date. Cash and cash equivalents consist of petty cash, checking accounts, temporary investments in certificates of deposit, and money market savings accounts all with original maturities of 90 days or less. Earnings from deposits are allocated to numerous funds as required by federal regulations, state statutes, and local ordinances.

Investments are reported at fair value.

#### ***Receivables***

Receivables consist of amounts due from governmental units for various financial assistance programs and accounts receivable related to charges for services, special assessments, and notes and leases receivable made in connection with various programs.

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

Inventories are valued at the lower of cost or market using the first-in first-out (FIFO) method for proprietary fund types. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories consist primarily of fuel costs. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

## Oceana County

### Notes to the Financial Statements

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

Capital assets are recorded (net of accumulated depreciation, if applicable) in the government-wide financial statements under the governmental activities and component unit columns. Capital assets are those with an individual initial cost of \$5,000 or more and an estimated useful life of more than one year. Capital assets are not recorded in the governmental funds. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the government-wide financial statements. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated acquisition value on the date received.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Depreciation is computed using the straight-line method over the following useful lives:

	<u>Years</u>
Buildings and improvements	5 - 40
Land improvements	3 - 40
Equipment and furniture	5 - 20
Vehicles	5 - 10
Infrastructure	35 - 40

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

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has two items that qualify for reporting in this category, pension and OPEB related deferred outflows. The government-wide statements report deferred outflows from the difference between projected and actual investment earnings of the pension plan, the differences in expected and actual experience, the changes in actuarial assumptions, and the County contributions made after the measurement date of the net pension liability. Additionally, the government-wide statements report deferred outflows from the difference between projected and actual investment earnings and the changes in actuarial assumptions of the County's OPEB plan.

In addition to liabilities, the fund level balance sheet and / or the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of fund balance/net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The government-wide and governmental fund financial statements for property taxes levied during the year that were intended to finance future periods. The governmental fund financial statements also include receivables not collected within 60 days of

## Oceana County

### Notes to the Financial Statements

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year-end (unavailable revenues) as a deferred inflow. Additionally, the government-wide statements report deferred inflows from the difference between projected and actual investment earnings and from the difference between projected and actual experience of the County's OPEB and pension plans.

#### ***Unearned Revenues***

Unearned revenues are those where asset recognition criteria have been met but for which revenue recognition criteria have not been met.

#### ***Long-term Obligations***

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

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

#### ***Advances to Other Funds/Component Units (i.e., Other Governmental Units)***

Long-term advances from certain funds to other funds or other governmental units (i.e. component units) are made to finance new activities during their initial operations and to finance capital acquisitions. In the general fund, nonspendable fund balance is shown for the amount of advances made to reflect the fund balance not currently available for expenditure.

#### ***Compensated Absences***

In accordance with the County personnel policies and/or contracts negotiated with the various employee groups of the County, including certain component units, individual employees have vested rights upon termination of employment to receive payment for unused vacation and sick leave under formulas and conditions specified in the respective personnel policies and/or contracts.

Vested vacation and sick leave earned as of December 31, 2021, including related payroll taxes, is recorded in the government-wide financial statements.

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

During the course of normal operations, the County has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as transfers.

## Oceana County

### Notes to the Financial Statements

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Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

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

The County property tax is levied each December 1 and July 1 on the taxable valuation of property located in the County as of the preceding December 31.

The County's summer 2021 ad valorem taxes were levied and collectible on July 1, 2021. It is the County's policy to recognize revenues from the tax levy in the year when the proceeds of the levy are budgeted and made available for the financing of County operations. As a result, the County's summer 2021 tax levy has been recognized as revenue in the current fiscal year. The 2021 adjusted taxable value of the County amounted to approximately \$1,310,623,765 on which ad valorem taxes levied for County general operating purposes consisted of 5.6999 mills. The Council on Aging levied 0.9913 mills, the ambulance fund levied 0.9000 mills, the soldiers' and sailors' relief fund levied 0.0994 mills, and the 9-1-1 fund levied 0.1385 mills.

By resolution of the Board of Commissioners and agreement with various taxing authorities, the County purchased at face value the real property taxes receivable returned delinquent on March 1, 2021. Subsequent collections of delinquent taxes receivable, plus interest thereon and investment earnings, are used to repay the funds distributed by the delinquent tax revolving fund. This activity is accounted for in the delinquent tax revolving (enterprise) fund.

#### ***Net Position Flow Assumption***

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

#### ***Fund Balance Flow Assumptions***

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same



## Oceana County

### Notes to the Financial Statements

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purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

#### ***Fund Balance Policies***

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Governmental funds report *nonspendable fund balance* for amounts that cannot be spent because they are either: a) not in spendable form or b) legally or contractually required to be maintained intact. Nonspendable fund balance would be equal to inventory, prepaid items, interfund advances, and the nonspendable portion of endowments. *Restricted fund balance* is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board of Commissioners is the highest level of decision-making authority for the government that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Board of Commissioners, or the County Administrator as delegated by the Board of Commissioners, may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

*Unassigned fund balance* is the residual classification for the County's general fund and includes all spendable amounts not contained in the other classifications and is therefore available to be spent as determined by the Board of Commissioners. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, the unassigned classification is used only to report a deficit.

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

Budgets are adopted on a basis consistent with the modified accrual basis used to reflect actual results in the fund financial statements. This basis is consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for all required governmental fund types.

## Oceana County

### Notes to the Financial Statements

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The County employs the following procedures in establishing budgets:

- a. Prior to October 1, County departments in conjunction with the County Administrator's Office, prepare and submit their proposed operating budgets to the Finance Committee of the Whole who reviews and makes recommendations for the fiscal year commencing the following January 1. The operating budgets include proposed expenditures and resources to finance them.
- b. A public hearing is conducted to obtain taxpayers' comments.
- c. Prior to December 31, the budgets are legally enacted through passage of a budget resolution.
- d. The budgets are legally adopted at the activity level for the general fund and the fund level for the special revenue funds. Budgetary transfers between funds and amendments to total fund budgets are not permitted without Board approval. For control purposes, all fund budgets are maintained at the activity and account level. The Administrator/Fiscal Officer is authorized to transfer budget amounts between accounts with Finance Committee Chairperson approval.
- e. The County does not employ encumbrance accounting as an extension of formal budgetary integration in the governmental funds. All unexpended appropriations lapse at year-end.
- f. Budgeted amounts are reported as originally adopted or as amended by the Board of Commissioners during the year.

#### ***Pension***

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

#### ***OPEB***

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expenses, information about the fiduciary net position of the Oceana County Employee OPEB Plan and additions to/deductions from the County's fiduciary net position have been determined on the same basis as they are reported by the County. For this purposes, benefits payments (including refunds of employee contributions)

## Oceana County

### Notes to the Financial Statements

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are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### **Note 2 - Budgetary Compliance**

P.A. 621 of 1978, as amended, provides that a local unit shall not incur expenditures in excess of the amount budgeted. The approved budgets of the County were adopted on the activity level basis for the general fund and the functional basis for special revenue funds.

The County had no expenditures in excess of the amounts appropriated during the year ended December 31, 2021.

#### **Note 3 - Cash, Cash Equivalents, and Investments**

The County utilizes various pooled cash accounts and investments for approximately fifty funds. The County's pooled cash and investments consist of a common checking and savings account.

The County's pooled cash and investments are utilized by the general fund, special revenue funds, capital project funds, permanent funds, enterprise funds, trust and agency funds, and component unit funds. Each fund's portion of these pooled accounts is included in the cash, cash equivalents, and investments captions on the combined balance sheet and statement of net position.

The other funds of the County utilize separate savings and interest-bearing checking accounts. In addition, certificates of deposit are separately held by several of the County's funds.

In accordance with Michigan Compiled Laws, the County is authorized to invest in the following investment vehicles:

- a. Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a State or nationally chartered bank or a state or federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and which maintains a principal office or Oceana office located in this State under the laws of this State or the United States, but only if the bank, savings and loan association, savings bank or credit union is eligible to be a depository of surplus funds belonging to the State under Section 6 of 1855 PA 105, MCL 21.146.
- c. Commercial paper rated at the time of purchase within the three highest classifications established by not less than two standard rating services and which matures not more than 270 days after the date of purchase.
- d. The United States government or federal agency obligations repurchase agreements.

## Oceana County

### Notes to the Financial Statements

- e. Banker's acceptances of United States banks.
- f. Mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

Following is a reconciliation of deposit and investment balances as of December 31, 2021:

	<b>Primary Government</b>	<b>Component Units</b>	<b>Total</b>
<b>Statement of Net Position</b>			
Cash and Investments	\$ 19,845,873	\$ 6,311,633	\$ 26,157,506
Restricted Investments	-	454,109	454,109
<b>Statement of Fiduciary Net Position</b>			
Cash and Investments - Custodial funds	300,119	-	300,119
Cash and Investments - OPEB Trust	826,473	-	826,473
<b><i>Total Deposits and Investments</i></b>	<b>20,972,465</b>	<b>6,765,742</b>	<b>27,738,207</b>
<i>Less Units Separately Audited</i>			
Oceana County Medical Care Facility	-	(4,652,147)	(4,652,147)
Road Commission	-	(1,668,300)	(1,668,300)
<b><i>Deposits and Investments Managed by the County</i></b>	<b>\$ 20,972,465</b>	<b>\$ 445,295</b>	<b>\$ 21,417,760</b>
	Cash on Hand		\$ 3,898
	Checking and Savings Accounts		20,587,389
	Pooled Investments		826,473
	<b><i>Total Deposits and Investments</i></b>		<b>\$ 21,417,760</b>

#### ***Custodial Credit Risk - Deposits***

Custodial credit risk is the risk that, in the event of a bank failure, the County's deposits might not be returned. State law does not require and the County does not have a policy for deposit custodial credit risk. As of year-end, \$20,209,861 of the County's bank balance of \$20,712,315 was exposed to custodial credit risk because it was uninsured and uncollateralized. Due to the dollar amounts of cash deposits and the limits of FDIC insurance, the County believes it is impractical to insure all bank deposits. As a result, the County evaluates each financial institution with which it deposits County funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Due to significantly higher cash flow at certain periods during the year, the amount the County held as cash and cash equivalents increased significantly. As a result, the amount of uninsured and uncollateralized cash and cash equivalents were substantially higher at these peak periods than at year-end.

## Oceana County

### Notes to the Financial Statements

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#### ***Credit Risk***

State law limits investments in certain types of investments to a prime or better rating issued by nationally recognized statistical rating organizations (NRSRO's).

As of December 31, 2021, the County had \$826,473 of MERS Retiree Health Funding Vehicle ("RHFV") investments that were subject to rating by a NRSRO, but the ratings were unavailable.

#### ***Interest Rate Risk***

The County will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by designing its portfolio with the objective of obtaining a rate of return throughout the budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

The County does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturity dates for RHFV investments of \$826,473 held at year-end were also unavailable.

#### ***Concentration of Credit Risk***

The County will minimize concentration of credit risk, which is the risk of loss attributed to the magnitude of the County's investment in a single issuer, by diversifying its investments by security type and institution to ensure that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

#### ***Fair Value Measurement***

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

#### ***Investments in Entities the Calculate Net Asset Value Per Share***

The County holds shares or interests in investment companies whereby the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

The County had total investments valued with MERS RHFV in the total market fund in the amount of \$826,473. This fund is a fully diversified portfolio combining traditional stocks and bonds with alternative asset classes, including real estate, private equity, and commodities and is carried at net asset value. The objective is to provide income and capital appreciation while minimizing the

## Oceana County

### Notes to the Financial Statements

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volatility of the capital markets. MERS manages the asset allocation and monitors the underlying investment managers. There is no redemption period and no unfunded commitments.

#### Note 4 - Advances Receivable and Payable

The County's general fund had an advance due from the drain revolving fund (a component unit) at December 31, 2021 in the amount of \$60,808. The advance from the general fund to drainage districts was made for working capital and is reflected in the financial statements as advances to/from other governmental units.

#### Note 5 - Interfund Transfers

Permanent reallocation of resources between funds of the reporting entity is classified as interfund transfers. For the purpose of the statement of activities, all interfund transfers between individual governmental funds, business- type funds, and component units have been eliminated.

The composition of interfund transfers for the year is as follows:

Transfer In	Transfer Out	Amount
General fund	Nonmajor governmental funds	\$ 81,000
General fund	American Rescue Plan	103,710
Nonmajor governmental funds	General fund	670,654
Nonmajor governmental funds	Ambulance fund	27,400
Nonmajor governmental funds	Nonmajor governmental funds	2,025
Nonmajor governmental funds	Nonmajor enterprise funds	4,915
General Fund	Nonmajor enterprise funds	995

Transfers are used to: 1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; 2) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; and 3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

## Oceana County

### Notes to the Financial Statements

#### Note 6 - Capital Assets

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Land	\$ 1,730,509	\$ -	\$ -	\$ 1,730,509
Capital assets being depreciated				
Buildings and improvements	4,429,635	59,508	-	4,489,143
Land improvements	1,387,225	22,663	-	1,409,888
Equipment and furniture	2,723,666	33,066	(345,679)	2,411,053
Vehicles	1,527,258	13,510	(544,060)	996,708
Infrastructure	229,650	-	-	229,650
<i>Subtotal</i>	<u>10,297,434</u>	<u>128,747</u>	<u>(889,739)</u>	<u>9,536,442</u>
Less accumulated depreciation for				
Buildings and improvements	2,281,117	121,079	-	2,402,196
Land improvements	841,130	72,955	-	914,085
Equipment and furniture	2,418,724	56,332	(320,130)	2,154,926
Vehicles	1,163,032	96,286	(406,782)	852,536
Infrastructure	141,257	4,593	-	145,850
<i>Subtotal</i>	<u>6,845,260</u>	<u>351,245</u>	<u>(726,912)</u>	<u>6,469,593</u>
Capital assets being depreciated, net	<u>3,452,174</u>	<u>(222,498)</u>	<u>(162,827)</u>	<u>3,066,849</u>
<b><i>Capital assets, net</i></b>	<b><u>\$ 5,182,683</u></b>	<b><u>\$ (222,498)</u></b>	<b><u>\$ (162,827)</u></b>	<b><u>\$ 4,797,358</u></b>

Depreciation expense was charged to the following governmental activities:

General government	\$ 90,686
Public safety	129,591
Public works	82,358
Health and welfare	38,056
Recreation and culture	10,554
<i>Total depreciation expense</i>	<u>\$ 351,245</u>

## Oceana County

### Notes to the Financial Statements

Capital asset activity for the drainage districts for 2021 was as follows:

<u>Drainage Districts</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Capital assets being depreciated				
Infrastructure - drains	\$ 4,262,926	\$ -	\$ -	\$ 4,262,926
Less accumulated depreciation for:				
Infrastructure - drains	2,077,058	106,573	-	2,183,631
Capital assets being depreciated, net	2,185,868	(106,573)	-	2,079,295
Capital assets, net	<u>\$ 2,185,868</u>	<u>\$ (106,573)</u>	<u>\$ -</u>	<u>\$ 2,079,295</u>

### Note 7 - Long-term Obligations

The following is a summary of changes in long-term obligations (including current portion) of the County for the year ended December 31, 2021:

<u>Primary government</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities</b>					
Capital improvement refunding bonds					
- series 2012B	\$ 835,000	\$ -	\$ (270,000)	\$ 565,000	\$ 275,000
Compensated absences	603,156	54,775	-	657,931	164,483
<i>Total governmental activities</i>	<u>\$ 1,438,156</u>	<u>\$ 54,775</u>	<u>\$ (270,000)</u>	<u>\$ 1,222,931</u>	<u>\$ 439,483</u>

#### **Bonds - Governmental Activities**

\$2,565,000 Oceana County Capital Improvement Refunding Bonds - Series 2012B, dated September, 2012, due in annual installments ranging from \$225,000 to \$290,000 through November 1, 2023, with interest ranging from 2.00% to 3.00%, payable semi-annually.

\$ 565,000

#### **Primary Government**

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

	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 275,000	\$ 16,950	\$ 291,950
2023	290,000	8,700	298,700
<b>Totals</b>	<u>\$ 565,000</u>	<u>\$ 25,650</u>	<u>\$ 590,650</u>

#### **Compensated Absences**

In accordance with County personnel policies and/or contracts negotiated with various employee groups of the County, individual employees have vested rights upon termination of employment to receive payment for unused vacation and sick leave under formulas and conditions specified in



## Oceana County

### Notes to the Financial Statements

their respective personnel policies and/or contracts. The dollar amount of these vested rights, including related payroll taxes, amounted to \$657,931 for vacation and sick at December 31, 2021. Of this liability, \$164,483 has been recorded as a current liability and \$493,448 has been recorded as a noncurrent liability.

The following is a summary of changes in long-term obligations (including current portion) of the drainage districts for the year ended December 31, 2021:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Component Units - Drainage Districts</b>					
Ag-Ren note	\$ 31,732	\$ -	\$ (22,578)	\$ 9,154	\$ 9,154
Compensated absences	4,372	2,780	-	7,152	1,788
<i>Total component units</i>	<u>\$ 36,104</u>	<u>\$ 2,780</u>	<u>\$ (22,578)</u>	<u>\$ 16,306</u>	<u>\$ 10,942</u>

### ***Drainage Districts Bonds and Notes***

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

Loan and notes payable at December 31, 2021, per respective drain projects serviced from the component unit funds, are as follows:

#### **Component Unit - Drainage Districts**

\$63,465.83 Ag-Ren Drain Note, dated July 25, 2017, due in annual installments of \$10,578 through May 1, 2023, with interest of 3.25%.

\$ 9,154

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

	<u>Component Unit - Drainage Districts</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	<u>\$ 9,154</u>	<u>\$ 697</u>	<u>\$ 9,851</u>

### ***Drainage Districts Compensated Absences***

In accordance with County personnel policies and/or contracts negotiated with various employee groups of the County, individual employees have vested rights upon termination of employment to receive payment for unused vacation and sick leave under formulas and conditions specified in their respective personnel policies and/or contracts. The dollar amount of these vested rights, including related payroll taxes, amounted to \$7,152 for vacation and sick time at December 31, 2021. Of this liability, \$1,788 has been recorded as a current liability and \$5,364 has been recorded

## Oceana County

### Notes to the Financial Statements

as a noncurrent liability.

#### **Note 8 - Retirement System**

##### *Primary Government*

##### **Defined Contribution**

The County also provides benefits to all newly hired full-time employees through a defined contribution benefit plan called the MERS Benefit Program Defined Contribution Plan. In a defined contribution plan, benefits depended solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment. The County contribution rates range from 3% to 6% percent of employees' gross earnings and employee contributions for each employee plus interest allocated to the employee's account are fully vested immediately. The Plan is administered by MERS. Contributions for the year consisted of \$126,504 by the County and \$138,677 for the corresponding employee contributions.

##### **Defined Benefit**

##### *Plan Description*

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

##### *Benefits Provided*

Retirement benefits for employees are calculated as follows:

<b>Division</b>	<b>Benefit Multiplier</b>	<b>Benefit Maximum</b>	<b>Final Average Compensation (Years)</b>	<b>Normal Retirement Age</b>	<b>Unreduced Benefit (Age/Years of Service)</b>	<b>Reduced Benefit (Age/Years of Service)</b>	<b>Vesting (Years)</b>
01 - General - Closed	Bridge Benefit - 2.50% Frozen FAC - 1.50%	80%	5	60	N/A	50/25 or 55/15	10
02 - Sheriff - Closed	2.50%	80%	5	60	55/15	50/25	10
10 - EMS - Closed	2.50%	80%	5	60	55/15	50/25	10
11 - Building Dept. - Closed	Bridge Benefit - 2.50% Frozen FAC - 1.50%	80%	5	60	N/A	50/25 or 55/15	10

## Oceana County

### Notes to the Financial Statements

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

At the December 31, 2020 measurement date, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	88
Inactive plan members entitled to but not yet receiving benefits	27
Active plan members	42
<b><i>Total employees covered by MERS</i></b>	<b><u>157</u></b>

#### ***Contributions***

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees.

Employer contributions during 2021 were as follows:

<b><u>Division</u></b>	<b><u>Employee Contributions</u></b>	<b><u>Monthly Employer Contributions</u></b>
01 - General - Closed	5.00%	\$ 37,563
02 - Sheriff - Closed	5.00%	43,403
11 - Building Dept. - Closed	5.00%	2,388

#### ***Net Pension Liability***

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

#### ***Actuarial Assumptions***

The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00% plus merit and longevity: 3.0% in the long-term
Investment rate of return	7.35% net of investment expense, including inflation

## Oceana County

### Notes to the Financial Statements

Although no specific price inflation assumptions are needed for the valuation, the 3.0% long-term wage inflation assumption would be consistent with a price inflation of 3-4%.

Mortality rates used were based on a version of Pub-2010 and fully generational MP-2019.

The actuarial assumptions used in valuation were based on the results of the most recent actuarial experience study of 2014-2018.

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

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Target Gross Rate of Return</b>	<b>Long-term Expected Gross Rate of Return</b>	<b>Inflation Assumption</b>	<b>Long-term Expected Real Rate of Return</b>
Global equity	60.00%	7.45%	4.47%	2.50%	2.97%
Global fixed income	20.00%	4.90%	0.98%	2.50%	0.48%
Private Investments	20.00%	9.50%	1.90%	2.50%	1.40%
<b>Total</b>	<b>100.00%</b>		<b>7.35%</b>		<b>4.85%</b>

#### ***Discount Rate***

The discount rate used to measure the total pension liability is 7.6%. The current discount rate shown for GASB 68 purposes is higher than the MERS assumed rate of return. This is because, for GASB 68 purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expenses. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

## Oceana County

### Notes to the Financial Statements

#### ***Changes in Net Pension Liability***

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

<b>Changes in Net Pension Liability</b>	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability</b>	<b>Plan Net Position</b>	<b>Net Pension Liability</b>
Balance at December 31, 2019	\$ 25,210,064	\$ 17,985,375	\$ 7,224,689
Service cost	257,387	-	257,387
Interest	1,862,606	-	1,862,606
Changes in benefits	(905,637)	-	(905,637)
Difference between expected and actual experience	(94,019)	-	(94,019)
Changes in assumptions	897,394	-	897,394
Contributions - Employer	-	1,371,618	(1,371,618)
Contributions - Employee	-	125,350	(125,350)
Net investment loss	-	2,268,237	(2,268,237)
Benefit payments, including refunds	(1,661,567)	(1,661,567)	-
Administrative expenses	-	(35,914)	35,914
<i>Net changes</i>	<u>356,164</u>	<u>2,067,724</u>	<u>(1,711,560)</u>
Balance at December 31, 2020	<u>\$ 25,566,228</u>	<u>\$ 20,053,099</u>	<u>\$ 5,513,129</u>

#### ***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%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.60%) or one percentage point higher (8.60%) than the current rate:

	<b>1% Decrease (6.60%)</b>	<b>Current Rate (7.60%)</b>	<b>1% Increase (8.60%)</b>
Net pension liability of the County	<u>\$ 8,263,907</u>	<u>\$ 5,513,129</u>	<u>\$ 3,173,218</u>

Note: The current discount rate shown for GASB 68 purposes is higher than the MERS assumed rate of return. This is because for GASB purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expenses.

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

For the year ended December 31, 2021, the County recognized pension expense of \$344,647.

## Oceana County

### Notes to the Financial Statements

At December 31, 2021, the County reported deferred outflows/inflows of resources related to pension from the following sources:

Source	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 631,683
Differences in experience	-	47,010
Change in actuarial assumptions	448,697	-
Employer contributions to the plan subsequent to the measurement date *	1,200,248	-
<b>Total</b>	<b>\$ 1,648,945</b>	<b>\$ 678,693</b>

\* The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending December 31, 2022.

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

Years Ended December 31	Amount
2022	\$ 277,125
2023	37,704
2024	(363,031)
2025	(181,794)

#### **Note 9 - Other Post-Employment Benefits**

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

Oceana County Retiree Health Care Plan (the “Plan”) is a single employer plan established and administered by the County and can be amended at its discretion.

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

The County Board will contribute the following portion of the pre-Medicare eligible premium for health insurance coverage for eligible County retirees, effective March 1, 2008.

- Employees with 20 years of service or more are eligible, based on age of retirement:
  - 55-58 at age of retirement, county contribution per month will be \$150
  - 59-61 at age of retirement, county contribution per month will be \$250
  - 62 to date of eligibility for Medicare/Medicaid, county contribution per month will be \$350

## Oceana County

### Notes to the Financial Statements

- All eligible full-time employees of the Fraternal Order of Police (“FOP”) retiring on or after January 1, 2007 are eligible for a contribution from the County for payment towards the premium in the amount of \$40 per month for every year of service, or the amount of the monthly premium, whichever is less. To be eligible, an employee must have 20 years of service and employer contribution shall cease on the date of eligibility for Medicare/Medicaid benefits.

Membership of the Plan consisted of the following at the date of the latest actuarial valuation (December 31, 2020), the plan is closed:

Inactive plan members or beneficiaries currently receiving benefits	4
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	80
<b><i>Total employees covered by the Plan</i></b>	<b>88</b>

#### ***Contributions***

The Oceana County Retiree Health Care Plan was established and is being funded under the authority of the Board of Commissioners and under agreements with the unions representing various classes of employees. The plan's funding policy is that the employer will contribute any required amounts as determined by an annual actuarial valuation. There are no long-term contracts for contributions to the plan. The plan has no legally required reserves.

#### ***Investments***

The Plan's assets are held by the Municipal Employee's Retirement System (MERS) of Michigan. It is the policy of MERS to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. MERS investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans.

#### ***Methods and Assumptions***

The total OPEB liability was determined by an actuarial valuation as of December 31, 2020, with a December 31, 2021 measurement date, and the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Discount Rate	4.09%
Healthcare Cost Rate	8.25% graded down to 7.50% after one year and then by 0.25% per year to an ultimate rate of 4.50%
Salary Increases	0% (for purposes of allocating liability)
Investment Rate of Return	7.35%
20-year Aa Municipal bond rate	2.25%
Mortality	Public General and Public Safety 2010 Employee and Healthy Retiree, Headcount weighted
Improvement scale	MP-2020

## Oceana County

### Notes to the Financial Statements

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The long-term expected rate of return on retirement 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 retirement 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 weighting 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 for each major asset class included in the retirement plan's target asset allocation as of December 31, 2021 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%	4.95%
Global Fixed Income	20.00%	2.40%
Private Investments	20.00%	7.00%

#### ***Discount Rate***

The discount rate used to measure the total OPEB liability was 4.09%. The projection of cash flows used to determine the discount rate assumed that the County will make contributions on a pay-as-you-go basis. Based on this assumption, the retirement plan's fiduciary net position was projected to be sufficient to make projected future benefit payments of current plan members through 2040 – the cross-over point. For projected benefits that are covered by projected assets, the long-term expected rate was used to discount the projected benefits. From the year that benefit payments were not projected to be covered by the projected assets (the “depletion date”), projected benefits were discounted at a discount rate reflecting a 20-year AA/Aa tax-exempt municipal bond yield. A single equivalent discount rate that yields the same present value of benefits is calculated. This discount rate is used to determine the Total OPEB Liability. As of December 31, 2020 the discount rate used to value OPEB liabilities was 3.84%.



## Oceana County

### Notes to the Financial Statements

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

<b>Changes in OPEB Liability</b>	<b>Total OPEB Liability</b>	<b>Plan Net Position</b>	<b>Net OPEB Liability</b>
Balance at December 31, 2020	\$ 1,786,854	\$ 705,440	\$ 1,081,414
Service cost	84,981	-	84,981
Interest	71,342	-	71,342
Differences between expected and actual experience	(39,395)	-	(39,395)
Changes in assumptions	(103,266)	-	(103,266)
Contributions to OPEB trust	-	21,300	(21,300)
Contributions/benefit paid from general operating funds	-	27,923	(27,923)
Net investment income	-	101,139	(101,139)
Benefit payments, including refunds	(27,923)	(27,923)	-
Administrative expenses	-	(1,406)	1,406
<i>Net changes</i>	(14,261)	121,033	(135,294)
Balance at December 31, 2021	<u>\$ 1,772,593</u>	<u>\$ 826,473</u>	<u>\$ 946,120</u>

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

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

	<b>1% Decrease</b>	<b>Current Rate</b>	<b>1% Increase</b>
Total OPEB Liability	\$ 1,931,439	\$ 1,722,593	\$ 1,625,768
Plan Fiduciary Net Position	826,473	826,473	826,473
Net OPEB Liability of the County	<u>\$ 1,104,966</u>	<u>\$ 46,120</u>	<u>\$ 799,295</u>

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

The following presents the net OPEB liability of the employer, calculated using the healthcare cost trend rate, as well as what the employer's net OPEB liability would be using a healthcare cost trend rate that is 1 percentage point lower or higher than the current rate:

	<b>1% Decrease</b>	<b>Current Rate</b>	<b>1% Increase</b>
Total OPEB Liability	\$ 1,615,766	\$ 1,772,593	\$ 1,953,436
Plan Fiduciary Net Position	826,473	826,473	826,473
Net OPEB Liability of the County	<u>\$ 789,293</u>	<u>\$ 946,120</u>	<u>\$ 1,126,963</u>

## Oceana County

### Notes to the Financial Statements

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

For the year ended December 31, 2021 the employer recognized OPEB expense of \$127,370. The employer reported inflows of resources related to OPEB in the current year from the following sources:

Source	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ -	\$ 143,080
Change in actuarial assumptions	490,504	91,342
Net difference between projected and actual earnings on OPEB plan investments	-	62,160
<b><i>Total</i></b>	490,504	296,582

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

Years Ended December 31	Amount
2022	\$ 27,713
2023	15,668
2024	21,778
2025	29,493
2026	39,203
Thereafter	60,067

#### **Note 10 - Contingent Liabilities**

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

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

There are various legal actions pending against the County and its component units. Due to the inconclusive nature of many of the actions, it is not possible for legal counsel to determine the probable outcome or a reasonable estimate of the potential liability, if any. Those actions for which a reasonable estimate can be determined of the potential liability and that would not be covered by insurance and reserves, in any, are considered by management and legal counsel to be immaterial.

## Oceana County

### Notes to the Financial Statements

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#### Note 11 - Risk Management

##### *Primary Government*

The County is a voluntary member of the Michigan Municipal Risk Management Authority (the Authority) which is organized under Public Act 138 of 1982, as amended as a governmental group self-insurance pool. Public Act 138 authorizes local units of government to exercise jointly any power, privilege, or authority which each might exercise separately. The Authority administers a risk management fund providing the County with loss protection for general and auto liability, motor vehicle physical damage, and property. Membership of the Authority at December 31, 2016, was comprised of more than 300 units of government.

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

The Authority provides risk management, underwriting, reinsurance, and claim services with member contributions allocated to meet these obligations. The Authority administers a risk management fund providing the County with loss protection for general and auto liability, motor vehicle physical damage, and property damage.

Under most circumstances, the County's maximum loss per occurrence is limited as follows:

Maximum Retention Type of Risk	Per Occurrence
General and auto liability	\$ 75,000
Motor vehicle physical damage	\$ 30,000

The Authority has established a Retained Risk Program to pay losses incurred by members that exceed individual retention levels and are not covered under existing reinsurance agreements. Losses incurred within the established limits are general obligations of the Authority. In the event that losses are incurred in excess of the resources available, the Authority as a whole (i.e., all constituent municipalities) is liable for the excess. The Authority may authorize dividends to individual members in the event that the members and individual fund balance is determined to be sufficient to do so.

Liability insurance claims are expenses as incurred. The liability is determined by the Michigan Municipal Risk Management Authority management based on an actuarial study performed using historical data and available insurance industry statistics. The liability includes a reserve for

## Oceana County

### Notes to the Financial Statements

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reported claims, and reported legal expenses as well as incurred but not reported claims.

The Authority has reserved fund balance to pay losses incurred by members that exceed individual retention levels and are not covered under existing reinsurance agreements. Losses incurred within the established limits are general obligations of the Authority. In the event that the County incurs a loss in excess of the resources available, the Authority as a whole (i.e., all constituent municipalities) is liable for the excess.

In addition, the Authority has accumulated resources to create and fund an Internal Stop Loss Program. The Internal Stop Loss Program was initiated to eliminate the need to purchase aggregate reinsurance for aggregate losses paid in excess of \$170,000 net of reinsurance recoveries for any one member in any one year. Aggregate paid losses in excess of \$170,000 net of reinsurance recoveries are paid entirely from the Internal Stop Loss Program. If at any time the Internal Stop Loss Program is insufficient to fund the County's losses, the remaining liability shall become the responsibility of the Authority as a whole.

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

#### **Note 12 - Restricted Net Position / Fund Balances - Governmental Funds**

The County reports fund balance in governmental funds based on the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. GASB 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

**Oceana County**  
Notes to the Financial Statements

The following schedule summarizes fund balance as of year-end:

<b>Fund Balances</b>	<b>General Fund</b>	<b>Ambulance</b>	<b>Senior Citizen's Tax</b>	<b>American Rescue Plan</b>	<b>Nonmajor Funds</b>	<b>Total</b>
<b>Nonspendable</b>						
Prepays	\$ 71,240	\$ 78	\$ -	\$ -	\$ 21,546	\$ 92,864
Advances to Other Governmental Units	60,808	-	-	-	-	60,808
<i>Subtotal</i>	<u>132,048</u>	<u>78</u>	<u>-</u>	<u>-</u>	<u>21,546</u>	<u>153,672</u>
<b>Restricted</b>						
Parks and Recreation - Recreation and Culture	72,915	-	-	-	-	72,915
Ambulance - Health and Welfare	-	927,738	-	-	-	927,738
American Rescue Plan - General Government	-	-	-	6,369	-	6,369
Friend of the Court Activities - General Government	-	-	-	-	248,850	248,850
Public Improvement - Capital Outlay	-	-	-	-	831,858	831,858
Building Department Activities - Public Safety	-	-	-	-	287,123	287,123
Animal Control Activities - Public Safety	-	-	-	-	957	957
Animal Care Activities - Public Safety	-	-	-	-	21,561	21,561
Register of Deeds Activities - General Government	-	-	-	-	73,606	73,606
Local Correction Officer Training - Public Safety	-	-	-	-	29,206	29,206
Drug Law Enforcement - Public Safety	-	-	-	-	273	273
Law Library Activities - General Government	-	-	-	-	20,100	20,100
Child Care - Health and Welfare	-	-	-	-	23,933	23,933
Senior Citizens' Tax - Health and Welfare	-	-	173	-	-	173
Soldiers' and Sailors' Relief - Health and Welfare	-	-	-	-	193,578	193,578
CDBG Housing - Comm. and Econ. Dev.	-	-	-	-	56,118	56,118
Criminal Justice Training - Public Safety	-	-	-	-	19,002	19,002
Emergency Mgmt. Reserves Corp - Public Safety	-	-	-	-	6,011	6,011
GIS Activities - General Government	-	-	-	-	6,418	6,418
Concealed Pistol - Public Safety	-	-	-	-	70,831	70,831
WM Field Rail Trail - Recreation and Culture	-	-	-	-	9,220	9,220
Mason/Oceana 911 - Public Safety	-	-	-	-	24	24
K9 Unit - Public Safety	-	-	-	-	11,947	11,947
Technology and Innovation - General Government	-	-	-	-	5,570	5,570
Court Improvement and Services - General Government	-	-	-	-	22,756	22,756
Pentwater Hart Trail - Recreation and Culture	-	-	-	-	71	71
Victims Services - Public Safety	-	-	-	-	6,312	6,312
Medical Care Facility Building Fund - Health and Welfare	-	-	-	-	195,727	195,727
Medical Care Endowment - Health and Welfare	-	-	-	-	319	319
Airport Terminal - Debt Service	-	-	-	-	91	91
Ambulance Debt Retirement - Debt Service	-	-	-	-	2,962	2,962
<i>Subtotal</i>	<u>72,915</u>	<u>927,738</u>	<u>173</u>	<u>6,369</u>	<u>2,144,424</u>	<u>3,151,619</u>
<b>Committed</b>						
Equipment Replacement - Capital Outlay	-	-	-	-	154,274	154,274
Unfunded Pension and OPEB Liability	600,000	-	-	-	-	600,000
<i>Subtotal</i>	<u>600,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>154,274</u>	<u>754,274</u>
<b>Unassigned</b>						
	4,781,640	-	-	-	-	4,781,640
<b>Total fund balances</b>	<u>\$ 5,586,603</u>	<u>\$ 927,816</u>	<u>\$ 173</u>	<u>\$ 6,369</u>	<u>\$ 2,320,244</u>	<u>\$ 8,841,205</u>

## Oceana County

### Notes to the Financial Statements

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Restrictions of net position shown in the government-wide financial statements indicate that restrictions imposed by the funding source or some other outside source which precludes their use for unrestricted purposes. The following are the various net position restrictions as of December 31, 2021:

#### **PRIMARY GOVERNMENT**

General Government	\$ 400,792
Public Safety	457,245
Health and Welfare	1,341,893
Community and Economic Development	56,118
Recreation and Culture	82,206
Debt Service	3,053
Capital Projects	831,858
<i>Total Restricted</i>	<u>\$ 3,173,165</u>

#### **Note 13 - Subsequent Events and COVID-19**

The County may be affected by the recent and ongoing outbreak of the Coronavirus (COVID-19) which was declared a pandemic by the World Health Organization in March 2020. COVID-19 has caused significant government and business disruptions through mandated and voluntary closings and stay at home orders. Management and the Board of Commissioners are in the process of determining the significance of the financial impact on the County's financial statements as the amounts and timing of future COVID-related revenues and expenditures, including ARPA funds, remain highly uncertain.

Management is not aware of any subsequent events that would have a significant impact on the financial condition of the County.

#### **Note 14 - Prior Period Restatements**

During the current year, the County discovered interest income and admin fees that should have been accrued in prior years in its delinquent tax revolving fund. As a result, the beginning net position and receivables of the delinquent tax revolving fund was increased by \$273,871. Additionally, the County determined that prior years unearned grant revenues were understated. As a result, the beginning net position was decreased and unearned revenues were increased by \$322,234 across its general and nonmajor governmental funds and governmental activities.

## Oceana County

### Notes to the Financial Statements

The net effect on net position is shown in the following table:

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Governmental Activities</u>	<u>Delinquent Tax Revolving</u>	<u>Business-type Activities</u>
Fund Balance / Net Position - December 31, 2020 - as previously reported	\$ 5,333,537	\$ 2,543,809	\$ 6,755,675	\$ 5,291,173	\$ 7,807,913
Increase Unearned Revenue	(91,294)	(230,940)	(322,234)	-	-
Increase Income and Admin Fees Receivable	-	-	-	273,871	273,871
<b><i>Fund Balance / Net Position - December 31, 2020 - as restated</i></b>	<b><u>\$ 5,242,243</u></b>	<b><u>\$ 2,312,869</u></b>	<b><u>\$ 6,433,441</u></b>	<b><u>\$ 5,565,044</u></b>	<b><u>\$ 8,081,784</u></b>

The discretely presented component units beginning net position was restated from \$47,308,403 to \$48,000,377, as reported on the separately audited component unit audit reports.

**REQUIRED SUPPLEMENTARY INFORMATION**



**Oceana County**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**General Fund**  
**For the Year Ended December 31, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable) Final to Actual</u>
<b>Revenues</b>				
Taxes	\$ 7,373,064	\$ 7,403,484	\$ 7,480,325	\$ 76,841
Licenses and Permits	29,370	56,395	49,001	(7,394)
Intergovernmental	1,729,515	2,056,468	2,047,681	(8,787)
Charges for Services	1,021,865	1,297,523	1,256,542	(40,981)
Fines and Forfeits	22,400	47,120	44,996	(2,124)
Interest and Rents	69,795	88,770	88,986	216
Other Revenue	208,850	393,796	448,473	54,677
<b>Total Revenues</b>	<u>10,454,859</u>	<u>11,343,556</u>	<u>11,416,004</u>	<u>72,448</u>
<b>Other Financing Sources</b>				
Transfers In	80,700	206,410	185,705	(20,705)
<b>Total Revenues and Other Financing Sources</b>	<u>10,535,559</u>	<u>11,549,966</u>	<u>11,601,709</u>	<u>51,743</u>
<b>Expenditures</b>				
<b>General Government</b>				
Board of Commissioners	249,943	281,714	248,649	33,065
Circuit Court	466,804	469,541	456,686	12,855
District Court	367,485	375,285	339,147	36,138
Friend of the Court	444,896	448,696	392,451	56,245
Probate Court	288,785	301,702	279,835	21,867
County Administrator	328,506	348,020	341,533	6,487
County Auditing	35,400	38,250	38,250	--
Insurance	192,500	192,524	190,767	1,757
Elections	7,010	22,209	21,184	1,025
Unemployment	10,000	10,000	1,780	8,220
Clerk	235,457	236,967	210,843	26,124
Jury Board	1,210	1,674	1,509	165
Apportionment	650	910	750	160
Equalization	201,575	230,347	228,832	1,515
Circuit Court Probation/Parole	2,000	2,020	1,859	161
Prosecuting Attorney	403,426	405,021	374,631	30,390
Family Counseling	2,500	2,500	1,950	550
Data Processing	51,500	56,291	49,664	6,627
Technology Department	82,456	93,762	92,425	1,337
County Survey and Remonumentation	36,950	36,950	36,590	360
Treasurer	284,622	285,551	267,032	18,519
Tax Tribunal Refunds Ordered	3,500	8,353	8,347	6
Courthouse & Grounds	261,963	270,699	235,180	35,519
Drain Commissioner	139,574	142,141	139,332	2,809
General Services	620,211	743,612	744,132	(520)
Plat Board	335	335	98	237
Microfilming	1,500	1,500	1,218	282
<b>Total General Government</b>	<u>\$ 4,720,758</u>	<u>\$ 5,006,574</u>	<u>\$ 4,704,674</u>	<u>\$ 301,900</u>

Continued...

**Oceana County**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**General Fund**  
**For the Year Ended December 31, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance</b>
	<u>Original</u>	<u>Final</u>		<b>Favorable (Unfavorable) Final to Actual</b>
<b>Expenditures</b>				
<b>Public Safety</b>				
Sheriff	\$ 2,496,082	\$ 2,778,109	\$ 2,708,409	\$ 69,700
Marine Law	112,896	120,402	111,600	8,802
Snowmobile Enforcement	32,730	38,032	30,033	7,999
Secondary Road Patrol	90,936	99,099	88,230	10,869
Jail	1,199,973	1,305,405	1,271,274	34,131
Emergency Management	106,289	149,523	139,194	10,329
Animal Control	184,531	190,212	178,988	11,224
<b>Total Public Safety</b>	<u>4,223,437</u>	<u>4,680,782</u>	<u>4,527,728</u>	<u>153,054</u>
<b>Public Works</b>				
Drains - Public Benefit	600	6,600	6,542	58
Recycling	260,730	320,566	309,032	11,534
Soil Conservation District	18,000	18,000	18,000	--
Airport	101,033	101,824	82,591	19,233
<b>Total Public Works</b>	<u>380,363</u>	<u>446,990</u>	<u>416,165</u>	<u>30,825</u>
<b>Health and Welfare</b>				
Health Department	280,723	280,724	257,577	23,147
Medical Examiner	83,774	94,948	73,093	21,855
Mental Health	130,000	130,000	130,000	--
Contagious Diseases	2,000	22,491	22,955	(464)
<b>Total Health and Welfare</b>	<u>496,497</u>	<u>528,163</u>	<u>483,625</u>	<u>44,538</u>
<b>Community and Economic Development</b>				
Planning Commission	11,500	11,725	9,941	1,784
MSU Extension	145,380	145,495	144,990	505
Register of Deeds	195,354	195,713	193,902	1,811
Economic Development Corporation	45,000	63,381	63,245	136
<b>Total Community and Economic Development</b>	<u>397,234</u>	<u>416,314</u>	<u>412,078</u>	<u>4,236</u>
<b>Recreation and Culture</b>				
Parks and Recreation	38,220	56,471	42,425	14,046
<b>Total Expenditures</b>	<u>10,256,509</u>	<u>11,135,294</u>	<u>10,586,695</u>	<u>548,599</u>
<b>Other Financing Uses</b>				
Transfers Out	728,144	874,434	670,654	203,780
<b>Total Expenditures and Other Financing Uses</b>	<u>10,984,653</u>	<u>12,009,728</u>	<u>11,257,349</u>	<u>752,379</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<u>(449,094)</u>	<u>(459,762)</u>	<u>344,360</u>	<u>804,122</u>
<b>Net Change in Fund Balance</b>	<u>(449,094)</u>	<u>(459,762)</u>	<u>344,360</u>	<u>804,122</u>
<b>Fund Balance at Beginning of Period</b>	5,333,537	5,333,537	5,333,537	--
<b>Fund Balance at End of Period</b>	<u>\$ 4,884,443</u>	<u>\$ 4,873,775</u>	<u>\$ 5,677,897</u>	<u>\$ 804,122</u>

Concluded.

**Oceana County**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Ambulance Fund**  
**For the Year Ended December 31, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance</b>
	<u>Original</u>	<u>Final</u>		<b>Favorable (Unfavorable) Final to Actual</b>
<b>Revenues</b>				
Taxes	\$ 1,149,438	\$ 1,227,348	\$ 1,140,411	\$ (86,937)
Charges for Services	1,000	1,000	--	(1,000)
Interest and Rents	9,250	9,538	10,440	902
Other Revenue	107,350	107,350	84,416	(22,934)
<b>Total Revenues</b>	<u>1,267,038</u>	<u>1,345,236</u>	<u>1,235,267</u>	<u>(109,969)</u>
<b>Expenditures</b>				
Health and Welfare	1,084,600	1,107,938	1,079,029	28,909
<b>Total Expenditures</b>	<u>1,084,600</u>	<u>1,107,938</u>	<u>1,079,029</u>	<u>28,909</u>
<b>Other Financing Uses</b>				
Transfers Out	27,400	27,400	27,400	--
<b>Total Expenditures and Other Financing Uses</b>	<u>1,112,000</u>	<u>1,135,338</u>	<u>1,106,429</u>	<u>28,909</u>
<b>Excess (Deficiency) of Revenues Over Expenditures and Other Uses</b>	<u>155,038</u>	<u>209,898</u>	<u>128,838</u>	<u>(81,060)</u>
<b>Net Change in Fund Balance</b>	<b>155,038</b>	<b>209,898</b>	<b>128,838</b>	<b>(81,060)</b>
<i>Fund Balance at Beginning of Period</i>	798,978	798,978	798,978	--
<b>Fund Balance at End of Period</b>	<b>\$ 954,016</b>	<b>\$ 1,008,876</b>	<b>\$ 927,816</b>	<b>\$ (81,060)</b>

**Oceana County**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Senior Citizens' Tax**  
**For the Year Ended December 31, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance</b>
	<u>Original</u>	<u>Final</u>		<b>Favorable (Unfavorable) Final to Actual</b>
<b>Revenues</b>				
Taxes	\$ 1,276,487	\$ 1,362,987	\$ 1,263,467	\$ (99,520)
Interest and Rents	300	300	--	(300)
<b>Total Revenues</b>	<u>1,276,787</u>	<u>1,363,287</u>	<u>1,263,467</u>	<u>(99,820)</u>
<b>Expenditures</b>				
Health and Welfare	1,276,487	1,276,487	1,263,296	13,191
<b>Total Expenditures</b>	<u>1,276,487</u>	<u>1,276,487</u>	<u>1,263,296</u>	<u>13,191</u>
<b>Other Financing Uses</b>				
<b>Total Expenditures and Other Financing Uses</b>	<u>1,276,487</u>	<u>1,276,487</u>	<u>1,263,296</u>	<u>13,191</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>300</u>	<u>86,800</u>	<u>171</u>	<u>(86,629)</u>
<b>Net Change in Fund Balance</b>	<u>300</u>	<u>86,800</u>	<u>171</u>	<u>(86,629)</u>
<b>Fund Balance at Beginning of Period</b>	<u>2</u>	<u>2</u>	<u>2</u>	<u>--</u>
<b>Fund Balance at End of Period</b>	<u>\$ 302</u>	<u>\$ 86,802</u>	<u>\$ 173</u>	<u>\$ (86,629)</u>

**Oceana County**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**American Rescue Plan**  
**For the Year Ended December 31, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance</b>
	<u>Original</u>	<u>Final</u>		<b>Favorable (Unfavorable) Final to Actual</b>
<b>Revenues</b>				
Intergovernmental	\$ --	\$ --	\$ 106,110	\$ 106,110
Interest and Rents	--	--	6,369	6,369
<b><i>Total Revenues</i></b>	<u>--</u>	<u>--</u>	<u>112,479</u>	<u>112,479</u>
<b>Expenditures</b>				
General Services	2,400	2,400	2,400	--
<b><i>Total Expenditures</i></b>	<u>2,400</u>	<u>2,400</u>	<u>2,400</u>	<u>--</u>
<b>Other Financing Uses</b>				
Transfers Out	--	103,710	103,710	--
<b><i>Total Expenditures and Other Financing Uses</i></b>	<u>2,400</u>	<u>106,110</u>	<u>106,110</u>	<u>--</u>
<b><i>Excess (Deficiency) of Revenues Over Expenditures and Other Uses</i></b>	<u>(2,400)</u>	<u>(106,110)</u>	<u>6,369</u>	<u>112,479</u>
<b><i>Net Change in Fund Balance</i></b>	<u>(2,400)</u>	<u>(106,110)</u>	<u>6,369</u>	<u>112,479</u>
<i>Fund Balance at Beginning of Period</i>	--	--	--	--
<b><i>Fund Balance at End of Period</i></b>	<u>\$ (2,400)</u>	<u>\$ (106,110)</u>	<u>\$ 6,369</u>	<u>\$ 112,479</u>

**Oceana County**  
**Required Supplementary Information**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**Last Seven Plan Years**

	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>							
Service Cost	\$ 257,387	\$ 261,904	\$ 272,261	\$ 355,053	\$ 350,067	\$ 380,952	\$ 378,169
Interest	1,862,606	1,864,901	1,876,290	1,801,887	1,731,236	1,587,562	1,569,807
Changes in Benefits	(905,637)	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(94,019)	(38,059)	(778,021)	215,533	95,915	10,366	-
Changes in Assumptions	897,394	729,198	-	-	-	990,477	-
Benefit Payments, Including Refunds	(1,661,567)	(1,576,369)	(1,439,082)	(1,362,956)	(1,230,215)	(1,184,993)	(1,080,593)
Other Changes	-	-	-	-	-	49,610	-
<b>Net Change in Pension Liability</b>	<b>356,164</b>	<b>1,241,575</b>	<b>(68,552)</b>	<b>1,009,517</b>	<b>947,003</b>	<b>1,833,974</b>	<b>867,383</b>
<i>Total Pension Liability - Beginning</i>	<i>25,210,064</i>	<i>23,968,489</i>	<i>24,037,041</i>	<i>23,027,524</i>	<i>22,080,521</i>	<i>20,246,547</i>	<i>19,379,164</i>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 25,566,228</b>	<b>\$ 25,210,064</b>	<b>\$ 23,968,489</b>	<b>\$ 24,037,041</b>	<b>\$ 23,027,524</b>	<b>\$ 22,080,521</b>	<b>\$ 20,246,547</b>
<b>Plan Fiduciary Net Position</b>							
Contributions - Employer	\$ 1,371,618	\$ 1,104,508	\$ 1,290,637	\$ 722,778	\$ 637,568	\$ 602,676	\$ 527,348
Contributions - Member	125,350	129,905	161,417	168,039	180,419	184,915	201,226
Net Investment Income (Loss)	2,268,237	2,185,366	(656,052)	2,018,442	1,604,580	(219,435)	899,130
Benefit Payments, Including Refunds	(1,661,567)	(1,576,369)	(1,439,082)	(1,362,956)	(1,230,215)	(1,184,993)	(1,080,593)
Administrative Expenses	(35,914)	(37,588)	(32,513)	(31,967)	(31,697)	(32,313)	(33,011)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>2,067,724</b>	<b>1,805,822</b>	<b>(675,593)</b>	<b>1,514,336</b>	<b>1,160,655</b>	<b>(649,150)</b>	<b>514,100</b>
<i>Plan Fiduciary Net Position - Beginning</i>	<i>17,985,375</i>	<i>16,179,553</i>	<i>16,855,146</i>	<i>15,340,810</i>	<i>14,180,155</i>	<i>14,829,305</i>	<i>14,315,205</i>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 20,053,099</b>	<b>\$ 17,985,375</b>	<b>\$ 16,179,553</b>	<b>\$ 16,855,146</b>	<b>\$ 15,340,810</b>	<b>\$ 14,180,155</b>	<b>\$ 14,829,305</b>
<b>Net Pension Liability - Ending (a) - (b)</b>	<b>\$ 5,513,129</b>	<b>\$ 7,224,689</b>	<b>\$ 7,788,936</b>	<b>\$ 7,181,895</b>	<b>\$ 7,686,714</b>	<b>\$ 7,900,366</b>	<b>\$ 5,417,242</b>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	78.4%	71.3%	67.5%	70.1%	66.6%	64.2%	73.2%
Covered Payroll	\$ 2,443,269	\$ 2,521,630	\$ 2,620,903	\$ 3,362,605	\$ 3,320,656	\$ 3,623,872	\$ 3,600,041
Net Pension Liability as a Percentage of Covered Payroll	225.6%	286.5%	297.2%	213.6%	231.5%	218.0%	150.5%

**Notes to Schedule:**

\* Built prospectively upon implementation on GASB Statement No.68. An additional year will be added each year until ten years are presented.

\*\*The following were significant changes to economic and demographic assumptions:

2015 valuation - The investment rate of return assumption was reduced from 8.25% to 8.0%, the wage inflation assumption was reduced from 4.50% to 3.75%, inflation rates changed from 3.0-4.0% to 3.25%, and the mortality assumption was updated to be based on the RP-2014 tables.

2019 valuation - The investment rate of return assumption was reduced from 8.00% to 7.60%, the wage inflation assumption was reduced from 3.75% to 3.00%.

2020 valuation - Mortality rates were changed to the recently issued Pub-2010 mortality general rates as published by the Society of Actuaries along with a change to sex-distinct assumptions.

**Oceana County  
Required Supplementary Information  
Schedule of Contributions  
Last Seven Calendar Years**

	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	1,000,248	871,618	854,508	790,637	722,778	\$ 637,568	\$ 602,676
Contributions in Relation to the Actuarially Determined Contribution	1,200,248	1,371,618	1,104,508	1,290,637	722,778	637,568	602,676
Contribution Deficiency (Excess)	<u>\$ (200,000)</u>	<u>\$ (500,000)</u>	<u>\$ (250,000)</u>	<u>\$ (500,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	2,321,854	2,506,996	2,521,630	2,620,903	3,362,605	3,320,656	3,623,872
Contributions as a Percentage of Covered Payroll	51.7%	54.7%	43.8%	49.2%	21.5%	19.2%	16.6%

*Notes*

**Valuation Date: December 31, 2020**

Actuarially determined contribution amounts are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which the contributions are required.

**Methods and assumptions used to determine contribution rates**

Actuarial cost method	Entry-age Normal
Amortization method	Level percentage of pay, closed
Remaining amortization period	10 years
Asset valuation method	5-year smoothed
Inflation	2.50%
Salary increases	3.00% in the long-term
Investment rate of return	7.35%, Net of Investment Expense, including Inflation (7.75% for 2015 through 2019)
Retirement Age	Experience-based tables of rates that are specific to the type of eligibility condition
Mortality	Rates Used were Based on the Pub-2010 Group Annuity Mortality Table of a 50% Male and 50% Female Blend

\* Built prospectively upon implementation on GASB Statement No.68. An additional year will be added each year until ten years are presented.

**Oceana County**  
**Required Supplementary Information**  
**Schedule of Changes in Net OPEB Liability and Related Ratios**  
**Last Five Years**

	2021	2020	2019	2018	2017
<b>Total OPEB Liability</b>					
Service Cost	\$ 84,981	\$ 64,356	\$ 53,057	\$ 38,237	\$ 38,442
Interest	71,342	54,858	60,746	73,033	65,826
Changes in Benefit Terms	-	-	-	13,859	-
Differences Between Expected and Actual Experience	(39,395)	(3,146)	(8,573)	(164,836)	-
Changes in Assumptions	(103,266)	254,909	107,631	356,063	-
Benefit Payments, Including Refunds	(27,923)	(20,945)	(19,950)	(15,950)	(25,696)
<b>Net Change in total OPEB Liability</b>	<b>(14,261)</b>	<b>350,032</b>	<b>192,911</b>	<b>300,406</b>	<b>78,572</b>
<i>Total OPEB Liability - Beginning</i>	<i>1,786,854</i>	<i>1,436,822</i>	<i>1,243,911</i>	<i>943,505</i>	<i>864,933</i>
<b>Total OPEB Liability - Ending (a)</b>	<b>\$ 1,772,593</b>	<b>\$ 1,786,854</b>	<b>\$ 1,436,822</b>	<b>\$ 1,243,911</b>	<b>\$ 943,505</b>
<b>Plan Fiduciary Net Position</b>					
Contributions to OPEB Trust	\$ 21,300	\$ 22,456	\$ -	\$ 29,477	\$ 31,701
Contributions/Benefit Payments made from General Operating Funds	27,923	20,945	19,950	15,950	25,696
Net Investment Income (Loss)	101,139	83,486	71,589	(20,528)	58,022
Benefit Payments, Including Refunds	(27,923)	(20,945)	(19,950)	(15,950)	(25,696)
Administrative Expenses	(1,406)	(1,101)	(1,020)	(1,293)	(1,119)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>121,033</b>	<b>104,841</b>	<b>70,569</b>	<b>7,656</b>	<b>88,604</b>
<i>Plan Fiduciary Net Position - Beginning</i>	<i>705,440</i>	<i>600,599</i>	<i>530,030</i>	<i>522,374</i>	<i>433,770</i>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 826,473</b>	<b>\$ 705,440</b>	<b>\$ 600,599</b>	<b>\$ 530,030</b>	<b>\$ 522,374</b>
<b>Net OPEB Liability - Ending (a) - (b)</b>	<b>\$ 946,120</b>	<b>\$ 1,081,414</b>	<b>\$ 836,223</b>	<b>\$ 713,881</b>	<b>\$ 421,131</b>
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	46.6%	39.5%	41.8%	42.6%	55.4%
Covered Employee Payroll	\$ 5,083,073	\$ 4,979,964	\$ 4,297,851	\$ 5,856,373	\$ 3,429,857
Net OPEB Liability as a Percentage of Covered Employee Payroll	18.6%	21.7%	19.5%	12.2%	12.3%

\* Built prospectively upon implementation on GASB Statement No.75. An additional year will be added each year until ten years are presented.

\*\*The following were significant changes to economic and demographic assumptions:

2020 valuation (2020 fiscal year) - The discount rate was increased from 3.68% to 3.84%. The medical trend rates were advanced and the current year rate was adjusted to reflect actual experience. Mortality improvement scale was updated from MP-2018 to MP-2020. Salary scale changed from 3.5% to 0%

2020 valuation (2021 fiscal year) - The discount rate was increased from 3.84% to 4.09%. The medical trend rates were advanced and the current year rate was adjusted to reflect actual experience.



**Oceana County**  
**Required Supplementary Information**  
**Schedule of Contributions - OPEB**  
**Last Five Years**

	2021	2020	2019	2018	2017
Actuarially Determined Contribution	\$ 170,175	\$ 125,230	\$ 117,196	\$ 73,997	\$ 133,100
Actuarially Determined Contribution	49,223	43,401	19,950	45,427	57,397
Contribution Deficiency (Excess)	<u>\$ 120,952</u>	<u>\$ 81,829</u>	<u>\$ 97,246</u>	<u>\$ 28,570</u>	<u>\$ 75,703</u>
Covered Employee Payroll	5,083,073	4,979,964	4,297,851	5,856,373	3,429,857
Covered Employee Payroll	1.0%	0.9%	0.5%	0.8%	1.7%

*Notes*

**Valuation Date: December 31, 2020**

**Methods and assumptions used to determine contribution rates**

Actuarial cost method	Entry age normal
Amortization method	Level percentage of compensation
Healthcare cost rate	8.25% graded down to 7.50% after one year and then by 0.25% per year to an ultimate rate of 4.50%
Remaining amortization period	14 years
Asset valuation method	Market value
Inflation	2.50%
Salary increases	0% (for purposes of allocating liability)
Investment rate of return	7.35%
Retirement age	Varies depending on plan adoption
Mortality	2010 Public General Employees and Healthy Retirees, Headcount weighted
Improvement scale	MP-2020

*\* Built prospectively upon implementation on GASB Statement No.75. An additional year will be added each year until ten years are presented.*

## **OTHER SUPPLEMENTARY INFORMATION**

**Oceana County**  
**General Fund Combining Balance Sheet**  
**All Funds Treated as General**  
**December 31, 2021**

	General Fund	Parks and Recreation	FOC Child Support	Fiduciary Escrow Trust	Payroll Clearing Account	Parks and Recreation Matching Grant	Parks and Recreation Capital Projects	District Court	Circuit Court	Total General Funds
<b>ASSETS</b>										
Cash and Investments	\$ 5,166,867	\$ 19,601	\$ 2,454	\$ 2	\$ 33,494	\$ 25,222	\$ 28,289	\$ 31,187	\$ 37,821	\$ 5,344,937
Taxes Receivable	538,612	--	--	--	--	--	--	--	--	538,612
Accounts Receivable	65,598	--	--	--	--	--	--	--	--	65,598
Due from Other Governments	224,777	--	--	--	--	--	--	--	--	224,777
Prepays	70,341	899	--	--	--	--	--	--	--	71,240
Advances to Other Governmental Units	60,808	--	--	--	--	--	--	--	--	60,808
<b>Total Assets</b>	<b>\$ 6,127,003</b>	<b>\$ 20,500</b>	<b>\$ 2,454</b>	<b>\$ 2</b>	<b>\$ 33,494</b>	<b>\$ 25,222</b>	<b>\$ 28,289</b>	<b>\$ 31,187</b>	<b>\$ 37,821</b>	<b>\$ 6,305,972</b>
<b>LIABILITIES</b>										
Accounts Payable	\$ 128,850	\$ 45	\$ --	\$ --	\$ --	\$ --	\$ 152	\$ --	\$ --	\$ 129,047
Accrued Wages	96,338	--	--	--	--	--	--	--	--	96,338
Other Liabilities	--	--	2,454	2	33,494	--	--	31,187	37,821	104,958
<b>Total Liabilities</b>	<b>225,188</b>	<b>45</b>	<b>2,454</b>	<b>2</b>	<b>33,494</b>	<b>--</b>	<b>152</b>	<b>31,187</b>	<b>37,821</b>	<b>330,343</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Unavailable Revenue	389,026	--	--	--	--	--	--	--	--	389,026
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>614,214</b>	<b>45</b>	<b>2,454</b>	<b>2</b>	<b>33,494</b>	<b>--</b>	<b>152</b>	<b>31,187</b>	<b>37,821</b>	<b>719,369</b>
<b>FUND BALANCE</b>										
Nonspendable	131,149	899	--	--	--	--	--	--	--	132,048
Restricted	--	19,556	--	--	--	25,222	28,137	--	--	72,915
Committed	600,000	--	--	--	--	--	--	--	--	600,000
Unassigned	4,781,640	--	--	--	--	--	--	--	--	4,781,640
<b>Total Fund Balance</b>	<b>5,512,789</b>	<b>20,455</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>25,222</b>	<b>28,137</b>	<b>--</b>	<b>--</b>	<b>5,586,603</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 6,127,003</b>	<b>\$ 20,500</b>	<b>\$ 2,454</b>	<b>\$ 2</b>	<b>\$ 33,494</b>	<b>\$ 25,222</b>	<b>\$ 28,289</b>	<b>\$ 31,187</b>	<b>\$ 37,821</b>	<b>\$ 6,305,972</b>

**Oceana County**  
**General Fund Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**All Funds Treated as General**  
**For the Year Ended December 31, 2021**

	<u>General Fund</u>	<u>Parks and Recreation</u>	<u>Parks and Recreation Matching Grant</u>	<u>Parks and Recreation Capital Projects</u>	<u>District Court</u>	<u>Circuit Court</u>	<u>Elimination*</u>	<u>Total General Funds</u>
<b>Revenues</b>								
Taxes	\$ 7,480,325	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 7,480,325
Licenses and Permits	49,001	--	--	--	--	--	--	49,001
Intergovernmental	2,047,681	--	--	--	--	--	--	2,047,681
Charges for Services	1,244,057	12,485	--	--	--	--	--	1,256,542
Fines and Forfeits	44,996	--	--	--	--	--	--	44,996
Interest and Rents	88,917	--	68	1	--	--	--	88,986
Other Revenue	340,403	--	--	20,130	66,146	21,794	--	448,473
<b>Total Revenues</b>	<u>11,295,380</u>	<u>12,485</u>	<u>68</u>	<u>20,131</u>	<u>66,146</u>	<u>21,794</u>	<u>--</u>	<u>11,416,004</u>
<b>Expenditures</b>								
General Government	4,616,734	--	--	--	66,146	21,794	--	4,704,674
Public Safety	4,527,728	--	--	--	--	--	--	4,527,728
Public Works	416,165	--	--	--	--	--	--	416,165
Health and Welfare	483,625	--	--	--	--	--	--	483,625
Community and Economic Development	412,078	--	--	--	--	--	--	412,078
Recreation and Culture	--	26,641	--	15,784	--	--	--	42,425
<b>Total Expenditures</b>	<u>10,456,330</u>	<u>26,641</u>	<u>--</u>	<u>15,784</u>	<u>66,146</u>	<u>21,794</u>	<u>--</u>	<u>10,586,695</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>839,050</u>	<u>(14,156)</u>	<u>68</u>	<u>4,347</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>829,309</u>
<b>Other Financing Sources (Uses)</b>								
Transfers In	185,705	20,000	15,000	15,000	--	--	(50,000)	185,705
Transfers Out	(690,654)	(30,000)	--	--	--	--	50,000	(670,654)
<b>Net Other Financing Sources (Uses)</b>	<u>(504,949)</u>	<u>(10,000)</u>	<u>15,000</u>	<u>15,000</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(484,949)</u>
<b>Net Change in Fund Balance</b>	<u>334,101</u>	<u>(24,156)</u>	<u>15,068</u>	<u>19,347</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>344,360</u>
<i>Fund Balance at Beginning of Period (restated, note 14)</i>	5,178,688	44,611	10,154	8,790	--	--	--	5,242,243
<b>Fund Balance at End of Period</b>	<u>\$ 5,512,789</u>	<u>\$ 20,455</u>	<u>\$ 25,222</u>	<u>\$ 28,137</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 5,586,603</u>

**Oceana County  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2021**

	Special Revenue						
	Animal Control Building	Building Department	Interim Elderly and Handicapped	Register of Deeds Automation	Emergency Management Reserves Corp	Victims Services	Local Correction Officer Training
<b>ASSETS</b>							
Cash and Investments	\$ 957	\$ 298,230	\$ --	\$ 76,369	\$ 6,011	\$ 6,312	\$ 28,946
Taxes Receivable	--	--	--	--	--	--	--
Accounts Receivable	--	--	--	--	--	--	260
Due from Other Governments	--	--	--	--	--	--	--
Prepays	--	3,998	--	--	--	--	--
<i>Total Assets</i>	<b>\$ 957</b>	<b>\$ 302,228</b>	<b>\$ --</b>	<b>\$ 76,369</b>	<b>\$ 6,011</b>	<b>\$ 6,312</b>	<b>\$ 29,206</b>
<b>LIABILITIES</b>							
Accounts Payable	\$ --	\$ 10,293	\$ --	\$ 2,763	\$ --	\$ --	\$ --
Accrued Wages	--	814	--	--	--	--	--
Unearned Revenue	--	--	--	--	--	--	--
<i>Total Liabilities</i>	<b>--</b>	<b>11,107</b>	<b>--</b>	<b>2,763</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Taxes Levied for a Subsequent Period	--	--	--	--	--	--	--
<i>Total Liabilities and Deferred Inflows of Resources</i>	<b>--</b>	<b>11,107</b>	<b>--</b>	<b>2,763</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>FUND BALANCE</b>							
Nonspendable	--	3,998	--	--	--	--	--
Restricted	957	287,123	--	73,606	6,011	6,312	29,206
Committed	--	--	--	--	--	--	--
<i>Total Fund Balance</i>	<b>957</b>	<b>291,121</b>	<b>--</b>	<b>73,606</b>	<b>6,011</b>	<b>6,312</b>	<b>29,206</b>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	<b>\$ 957</b>	<b>\$ 302,228</b>	<b>\$ --</b>	<b>\$ 76,369</b>	<b>\$ 6,011</b>	<b>\$ 6,312</b>	<b>\$ 29,206</b>

Continued...

**Oceana County  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2021**

	<b>Special Revenue</b>					
	<b>Drug Law Enforcement</b>	<b>Law Library</b>	<b>CDBG Housing</b>	<b>Child Care</b>	<b>Criminal Justice Training</b>	<b>Soldiers' and Sailors' Relief</b>
<b>ASSETS</b>						
Cash and Investments	\$ 273	\$ 20,420	\$ 56,118	\$ 18,207	\$ 19,002	\$ 264,317
Taxes Receivable	--	--	--	--	--	116,738
Accounts Receivable	--	--	--	--	--	--
Due from Other Governments	--	--	--	8,831	--	--
Prepays	--	--	--	352	--	73
<i>Total Assets</i>	<b>\$ 273</b>	<b>\$ 20,420</b>	<b>\$ 56,118</b>	<b>\$ 27,390</b>	<b>\$ 19,002</b>	<b>\$ 381,128</b>
<b>LIABILITIES</b>						
Accounts Payable	\$ --	\$ 320	\$ --	\$ 890	\$ --	\$ 6,576
Accrued Wages	--	--	--	2,215	--	546
Unearned Revenue	--	--	--	--	--	--
<i>Total Liabilities</i>	--	320	--	3,105	--	7,122
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Taxes Levied for a Subsequent Period	--	--	--	--	--	180,355
<i>Total Liabilities and Deferred Inflows of Resources</i>	--	320	--	3,105	--	187,477
<b>FUND BALANCE</b>						
Nonspendable	--	--	--	352	--	73
Restricted	273	20,100	56,118	23,933	19,002	193,578
Committed	--	--	--	--	--	--
<i>Total Fund Balance</i>	273	20,100	56,118	24,285	19,002	193,651
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	<b>\$ 273</b>	<b>\$ 20,420</b>	<b>\$ 56,118</b>	<b>\$ 27,390</b>	<b>\$ 19,002</b>	<b>\$ 381,128</b>

Continued...

**Oceana County  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2021**

	Special Revenue					
	Medical Care Facility Building Fund	Concealed Pistol	WM Field Rail Trail	K9 Unit	Technology and Innovation	Mason/Oceana 911
<b>ASSETS</b>						
Cash and Investments	\$ 223,190	\$ 70,831	\$ 9,220	\$ 12,127	\$ 16,746	\$ 19,001
Taxes Receivable	232,584	--	--	--	--	162,701
Accounts Receivable	--	--	--	--	--	--
Due from Other Governments	--	--	--	--	--	--
Prepays	--	--	--	--	16,701	--
<i>Total Assets</i>	<u>\$ 455,774</u>	<u>\$ 70,831</u>	<u>\$ 9,220</u>	<u>\$ 12,127</u>	<u>\$ 33,447</u>	<u>\$ 181,702</u>
<b>LIABILITIES</b>						
Accounts Payable	\$ --	\$ --	\$ --	\$ 180	\$ 11,176	\$ --
Accrued Wages	--	--	--	--	--	--
Unearned Revenue	--	--	--	--	--	--
<i>Total Liabilities</i>	<u>--</u>	<u>--</u>	<u>--</u>	<u>180</u>	<u>11,176</u>	<u>--</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Taxes Levied for a Subsequent Period	260,047	--	--	--	--	181,678
<i>Total Liabilities and Deferred Inflows of Resources</i>	<u>260,047</u>	<u>--</u>	<u>--</u>	<u>180</u>	<u>11,176</u>	<u>181,678</u>
<b>FUND BALANCE</b>						
Nonspendable	--	--	--	--	16,701	--
Restricted	195,727	70,831	9,220	11,947	5,570	24
Committed	--	--	--	--	--	--
<i>Total Fund Balance</i>	<u>195,727</u>	<u>70,831</u>	<u>9,220</u>	<u>11,947</u>	<u>22,271</u>	<u>24</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	<u>\$ 455,774</u>	<u>\$ 70,831</u>	<u>\$ 9,220</u>	<u>\$ 12,127</u>	<u>\$ 33,447</u>	<u>\$ 181,702</u>

Continued...

**Oceana County  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2021**

	Special Revenue					
	Court Improvement and Services Fund	Indigent Defense Fund	Pentwater Hart Trail	Shelby Twp Community Park	GIS	Friend of the Court
<b>ASSETS</b>						
Cash and Investments	\$ 20,586	\$ 171,994	\$ 524,736	\$ --	\$ 6,418	\$ 249,402
Taxes Receivable	--	--	--	--	--	--
Accounts Receivable	--	--	--	--	--	770
Due from Other Governments	2,170	--	--	--	--	2,608
Prepays	--	391	--	--	--	31
<i>Total Assets</i>	<u>\$ 22,756</u>	<u>\$ 172,385</u>	<u>\$ 524,736</u>	<u>\$ --</u>	<u>\$ 6,418</u>	<u>\$ 252,811</u>
<b>LIABILITIES</b>						
Accounts Payable	\$ --	\$ 16,763	\$ --	\$ --	\$ --	\$ 3,000
Accrued Wages	--	1,298	--	--	--	930
Unearned Revenue	--	153,933	524,665	--	--	--
<i>Total Liabilities</i>	<u>--</u>	<u>171,994</u>	<u>524,665</u>	<u>--</u>	<u>--</u>	<u>3,930</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Taxes Levied for a Subsequent Period	--	--	--	--	--	--
<i>Total Liabilities and Deferred Inflows of Resources</i>	<u>--</u>	<u>171,994</u>	<u>524,665</u>	<u>--</u>	<u>--</u>	<u>3,930</u>
<b>FUND BALANCE</b>						
Nonspendable	--	391	--	--	--	31
Restricted	22,756	--	71	--	6,418	248,850
Committed	--	--	--	--	--	--
<i>Total Fund Balance</i>	<u>22,756</u>	<u>391</u>	<u>71</u>	<u>--</u>	<u>6,418</u>	<u>248,881</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	<u>\$ 22,756</u>	<u>\$ 172,385</u>	<u>\$ 524,736</u>	<u>\$ --</u>	<u>\$ 6,418</u>	<u>\$ 252,811</u>

Continued...



**Oceana County  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2021**

	Special Revenue	Debt Service		Capital Projects		Permanent	Total Nonmajor Governmental Funds
	Animal Care	Airport Terminal	Ambulance Debt Retirement	Equipment Replacement	Public Improvement	Medical Care Endowment	
<b>ASSETS</b>							
Cash and Investments	\$ 22,136	\$ 91	\$ 2,962	\$ 159,982	\$ 831,858	\$ 319	\$ 3,136,761
Taxes Receivable	--	--	--	--	--	--	512,023
Accounts Receivable	--	--	--	--	--	--	1,030
Due from Other Governments	--	--	--	--	--	--	13,609
Prepays	--	--	--	--	--	--	21,546
<i>Total Assets</i>	<b>\$ 22,136</b>	<b>\$ 91</b>	<b>\$ 2,962</b>	<b>\$ 159,982</b>	<b>\$ 831,858</b>	<b>\$ 319</b>	<b>\$ 3,684,969</b>
<b>LIABILITIES</b>							
Accounts Payable	\$ 575	\$ --	\$ --	\$ 5,708	\$ --	\$ --	\$ 58,244
Accrued Wages	--	--	--	--	--	--	5,803
Unearned Revenue	--	--	--	--	--	--	728,598
<i>Total Liabilities</i>	<b>575</b>	<b>--</b>	<b>--</b>	<b>5,708</b>	<b>--</b>	<b>--</b>	<b>792,645</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Taxes Levied for a Subsequent Period	--	--	--	--	--	--	572,080
<i>Total Liabilities and Deferred Inflows of Resources</i>	<b>575</b>	<b>--</b>	<b>--</b>	<b>5,708</b>	<b>--</b>	<b>--</b>	<b>1,364,725</b>
<b>FUND BALANCE</b>							
Nonspendable	--	--	--	--	--	--	21,546
Restricted	21,561	91	2,962	--	831,858	319	2,144,424
Committed	--	--	--	154,274	--	--	154,274
<i>Total Fund Balance</i>	<b>21,561</b>	<b>91</b>	<b>2,962</b>	<b>154,274</b>	<b>831,858</b>	<b>319</b>	<b>2,320,244</b>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	<b>\$ 22,136</b>	<b>\$ 91</b>	<b>\$ 2,962</b>	<b>\$ 159,982</b>	<b>\$ 831,858</b>	<b>\$ 319</b>	<b>\$ 3,684,969</b>

**Oceana County**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2021**

	Special Revenue						
	Animal Control Building	Building Department	Interim Elderly and Handicapped	Register of Deeds Automation	Emergency Management Reserves Corp	Victims Services	Local Correction Officer Training
<b>Revenues</b>							
Taxes	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Licenses and Permits	--	489,421	--	--	--	--	--
Intergovernmental	--	--	39,309	--	5,000	900	--
Charges for Services	--	--	--	43,445	--	--	5,320
Interest and Rents	--	817	--	1	--	--	--
Other Revenue	--	--	--	--	--	--	--
<b>Total Revenues</b>	<u>--</u>	<u>490,238</u>	<u>39,309</u>	<u>43,446</u>	<u>5,000</u>	<u>900</u>	<u>5,320</u>
<b>Expenditures</b>							
General Government	--	--	--	43,649	--	--	--
Public Safety	--	424,652	--	--	--	--	2,108
Health and Welfare	--	--	39,309	--	--	--	--
Community and Economic Development	--	--	--	--	--	--	--
Recreation and Culture	--	--	--	--	--	--	--
Debt Service - Principal	--	--	--	--	--	--	--
Debt Service - Interest	--	--	--	--	--	--	--
Capital Outlay	--	--	--	--	--	--	--
<b>Total Expenditures</b>	<u>--</u>	<u>424,652</u>	<u>39,309</u>	<u>43,649</u>	<u>--</u>	<u>--</u>	<u>2,108</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>--</u>	<u>65,586</u>	<u>--</u>	<u>(203)</u>	<u>5,000</u>	<u>900</u>	<u>3,212</u>
<b>Other Financing Sources (Uses)</b>							
Transfers In	--	--	--	--	--	--	--
Transfers Out	--	--	--	--	--	--	--
<b>Net Other Financing Sources (Uses)</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Net Change in Fund Balance</b>	<u>--</u>	<u>65,586</u>	<u>--</u>	<u>(203)</u>	<u>5,000</u>	<u>900</u>	<u>3,212</u>
<b>Fund Balance at Beginning of Period (restated, note 14)</b>	<u>957</u>	<u>225,535</u>	<u>--</u>	<u>73,809</u>	<u>1,011</u>	<u>5,412</u>	<u>25,994</u>
<b>Fund Balance at End of Period</b>	<u>\$ 957</u>	<u>\$ 291,121</u>	<u>\$ --</u>	<u>\$ 73,606</u>	<u>\$ 6,011</u>	<u>\$ 6,312</u>	<u>\$ 29,206</u>

Continued...

**Oceana County**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2021**

	<b>Special Revenue</b>					
	<b>Drug Law Enforcement</b>	<b>Law Library</b>	<b>CDBG Housing</b>	<b>Child Care</b>	<b>Criminal Justice Training</b>	<b>Soldiers' and Sailors' Relief</b>
<b>Revenues</b>						
Taxes	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 127,345
Licenses and Permits	--	--	--	--	--	--
Intergovernmental	--	--	--	19,161	2,374	50,000
Charges for Services	--	--	26,265	11,874	--	--
Interest and Rents	--	--	--	--	--	1,153
Other Revenue	--	3,500	--	--	--	16,290
<b>Total Revenues</b>	<b>--</b>	<b>3,500</b>	<b>26,265</b>	<b>31,035</b>	<b>2,374</b>	<b>194,788</b>
<b>Expenditures</b>						
General Government	--	4,642	--	--	--	--
Public Safety	--	--	--	--	2,424	897
Health and Welfare	--	--	--	203,565	--	156,599
Community and Economic Development	--	--	80,931	--	--	--
Recreation and Culture	--	--	--	--	--	--
Debt Service - Principal	--	--	--	--	--	--
Debt Service - Interest	--	--	--	--	--	--
Capital Outlay	--	--	--	--	--	--
<b>Total Expenditures</b>	<b>--</b>	<b>4,642</b>	<b>80,931</b>	<b>203,565</b>	<b>2,424</b>	<b>157,496</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>--</b>	<b>(1,142)</b>	<b>(54,666)</b>	<b>(172,530)</b>	<b>(50)</b>	<b>37,292</b>
<b>Other Financing Sources (Uses)</b>						
Transfers In	--	--	--	--	3,500	--
Transfers Out	--	--	(20,000)	--	--	--
<b>Net Other Financing Sources (Uses)</b>	<b>--</b>	<b>--</b>	<b>(20,000)</b>	<b>--</b>	<b>3,500</b>	<b>--</b>
<b>Net Change in Fund Balance</b>	<b>--</b>	<b>(1,142)</b>	<b>(74,666)</b>	<b>(172,530)</b>	<b>3,450</b>	<b>37,292</b>
<b>Fund Balance at Beginning of Period (restated, note 14)</b>	<b>273</b>	<b>21,242</b>	<b>130,784</b>	<b>196,815</b>	<b>15,552</b>	<b>156,359</b>
<b>Fund Balance at End of Period</b>	<b>\$ 273</b>	<b>\$ 20,100</b>	<b>\$ 56,118</b>	<b>\$ 24,285</b>	<b>\$ 19,002</b>	<b>\$ 193,651</b>

Continued...

**Oceana County**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2021**

	<b>Special Revenue</b>					
	<b>Medical Care Facility Building Fund</b>	<b>Concealed Pistol</b>	<b>WM Field Rail Trail</b>	<b>K9 Unit</b>	<b>Technology and Innovation</b>	<b>Mason/Oceana 911</b>
<b>Revenues</b>						
Taxes	\$ 255,283	\$ --	\$ --	\$ --	\$ --	\$ 177,625
Licenses and Permits	--	17,430	--	--	--	--
Intergovernmental	--	--	--	--	--	154,711
Charges for Services	--	--	--	--	--	--
Interest and Rents	1,543	--	--	1	--	--
Other Revenue	--	--	--	7,370	75	--
<b>Total Revenues</b>	<b>256,826</b>	<b>17,430</b>	<b>--</b>	<b>7,371</b>	<b>75</b>	<b>332,336</b>
<b>Expenditures</b>						
General Government	--	--	--	--	114,751	--
Public Safety	--	1,479	--	4,924	--	332,333
Health and Welfare	78	--	--	--	--	--
Community and Economic Development	--	--	--	--	--	--
Recreation and Culture	--	--	--	--	--	--
Debt Service - Principal	225,000	--	--	--	--	--
Debt Service - Interest	21,060	--	--	--	--	--
Capital Outlay	--	--	--	--	--	--
<b>Total Expenditures</b>	<b>246,138</b>	<b>1,479</b>	<b>--</b>	<b>4,924</b>	<b>114,751</b>	<b>332,333</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>10,688</b>	<b>15,951</b>	<b>--</b>	<b>2,447</b>	<b>(114,676)</b>	<b>3</b>
<b>Other Financing Sources (Uses)</b>						
Transfers In	--	--	--	--	111,337	--
Transfers Out	--	(30,000)	--	--	--	--
<b>Net Other Financing Sources (Uses)</b>	<b>--</b>	<b>(30,000)</b>	<b>--</b>	<b>--</b>	<b>111,337</b>	<b>--</b>
<b>Net Change in Fund Balance</b>	<b>10,688</b>	<b>(14,049)</b>	<b>--</b>	<b>2,447</b>	<b>(3,339)</b>	<b>3</b>
<i>Fund Balance at Beginning of Period (restated, note 14)</i>	185,039	84,880	9,220	9,500	25,610	21
<b>Fund Balance at End of Period</b>	<b>\$ 195,727</b>	<b>\$ 70,831</b>	<b>\$ 9,220</b>	<b>\$ 11,947</b>	<b>\$ 22,271</b>	<b>\$ 24</b>

Continued...

**Oceana County**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2021**

	<b>Special Revenue</b>					
	<b>Court Improvement and Services Fund</b>	<b>Indigent Defense Fund</b>	<b>Pentwater Hart Trail</b>	<b>Shelby Twp Community Park</b>	<b>GIS</b>	<b>Friend of the Court</b>
<b>Revenues</b>						
Taxes	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Licenses and Permits	--	--	--	--	--	--
Intergovernmental	--	334,636	32,061	--	--	5,914
Charges for Services	11,586	761	--	--	--	13,860
Interest and Rents	--	577	71	--	--	5,375
Other Revenue	--	--	--	49,806	--	--
<b>Total Revenues</b>	<b>11,586</b>	<b>335,974</b>	<b>32,132</b>	<b>49,806</b>	<b>--</b>	<b>25,149</b>
<b>Expenditures</b>						
General Government	589	427,432	--	--	7,000	154,648
Public Safety	--	--	--	--	--	--
Health and Welfare	--	--	--	--	--	--
Community and Economic Development	--	--	--	--	--	--
Recreation and Culture	--	--	32,061	49,806	--	--
Debt Service - Principal	--	--	--	--	--	--
Debt Service - Interest	--	--	--	--	--	--
Capital Outlay	--	--	--	--	--	--
<b>Total Expenditures</b>	<b>589</b>	<b>427,432</b>	<b>32,061</b>	<b>49,806</b>	<b>7,000</b>	<b>154,648</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>10,997</b>	<b>(91,458)</b>	<b>71</b>	<b>--</b>	<b>(7,000)</b>	<b>(129,499)</b>
<b>Other Financing Sources (Uses)</b>						
Transfers In	--	92,864	--	--	--	--
Transfers Out	(1,860)	--	--	--	--	(165)
<b>Net Other Financing Sources (Uses)</b>	<b>(1,860)</b>	<b>92,864</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>(165)</b>
<b>Net Change in Fund Balance</b>	<b>9,137</b>	<b>1,406</b>	<b>71</b>	<b>--</b>	<b>(7,000)</b>	<b>(129,664)</b>
<b>Fund Balance at Beginning of Period (restated, note 14)</b>	<b>13,619</b>	<b>(1,015)</b>	<b>--</b>	<b>--</b>	<b>13,418</b>	<b>378,545</b>
<b>Fund Balance at End of Period</b>	<b>\$ 22,756</b>	<b>\$ 391</b>	<b>\$ 71</b>	<b>\$ --</b>	<b>\$ 6,418</b>	<b>\$ 248,881</b>

Continued...

**Oceana County**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2021**

	<u>Special Revenue</u>	<u>Debt Service</u>		<u>Capital Projects</u>		<u>Permanent</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Animal Care</u>	<u>Airport Terminal</u>	<u>Ambulance Debt Retirement</u>	<u>Equipment Replacement</u>	<u>Public Improvement</u>	<u>Medical Care Endowment</u>	
<b>Revenues</b>							
Taxes	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 560,253
Licenses and Permits	--	--	--	--	--	--	506,851
Intergovernmental	--	--	--	--	--	--	644,066
Charges for Services	10,364	--	--	--	--	--	123,475
Interest and Rents	--	--	--	1,033	2,892	1	13,464
Other Revenue	--	--	--	--	--	--	77,041
<b>Total Revenues</b>	<u>10,364</u>	<u>--</u>	<u>--</u>	<u>1,033</u>	<u>2,892</u>	<u>1</u>	<u>1,925,150</u>
<b>Expenditures</b>							
General Government	--	--	--	--	--	--	752,711
Public Safety	9,870	--	--	--	--	--	778,687
Health and Welfare	--	--	--	--	--	--	399,551
Community and Economic Development	--	--	--	--	--	--	80,931
Recreation and Culture	--	--	--	--	--	--	81,867
Debt Service - Principal	--	20,000	25,000	--	--	--	270,000
Debt Service - Interest	--	1,818	2,423	--	--	--	25,301
Capital Outlay	--	--	--	150,696	--	--	150,696
<b>Total Expenditures</b>	<u>9,870</u>	<u>21,818</u>	<u>27,423</u>	<u>150,696</u>	<u>--</u>	<u>--</u>	<u>2,539,744</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>494</u>	<u>(21,818)</u>	<u>(27,423)</u>	<u>(149,663)</u>	<u>2,892</u>	<u>1</u>	<u>(614,594)</u>
<b>Other Financing Sources (Uses)</b>							
Transfers In	--	21,800	27,400	248,093	200,000	--	704,994
Transfers Out	--	--	--	(31,000)	--	--	(83,025)
<b>Net Other Financing Sources (Uses)</b>	<u>--</u>	<u>21,800</u>	<u>27,400</u>	<u>217,093</u>	<u>200,000</u>	<u>--</u>	<u>621,969</u>
<b>Net Change in Fund Balance</b>	<b>494</b>	<b>(18)</b>	<b>(23)</b>	<b>67,430</b>	<b>202,892</b>	<b>1</b>	<b>7,375</b>
<i>Fund Balance at Beginning of Period (restated, note 14)</i>	21,067	109	2,985	86,844	628,966	318	2,312,869
<b>Fund Balance at End of Period</b>	<b>\$ 21,561</b>	<b>\$ 91</b>	<b>\$ 2,962</b>	<b>\$ 154,274</b>	<b>\$ 831,858</b>	<b>\$ 319</b>	<b>\$ 2,320,244</b>

Concluded.

**Oceana County  
Combining Statement of Net Position  
Nonmajor Enterprise Funds  
December 31, 2021**

	<b>Enterprise</b>		
	<b>Homestead Denial</b>	<b>Jail Commissary</b>	<b>Total Enterprise Funds</b>
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and Investments	\$ 5,033	\$ 95,556	\$ 100,589
<b>Total Current Assets</b>	<b>5,033</b>	<b>95,556</b>	<b>100,589</b>
<b>NET POSITION</b>			
<i>Unrestricted</i>	5,033	95,556	100,589
<b>Total Net Position</b>	<b>\$ 5,033</b>	<b>\$ 95,556</b>	<b>\$ 100,589</b>

**Oceana County**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2021**

	<u>Enterprise</u>		<u>Total Enterprise Funds</u>
	<u>Homestead Denial</u>	<u>Jail Commissary</u>	
<b>Operating Revenues</b>			
Charges for Services	\$ 1,663	\$ 119,927	\$ 121,590
<b><i>Total Operating Revenues</i></b>	<u>1,663</u>	<u>119,927</u>	<u>121,590</u>
<b>Operating Expenses</b>			
Operations	--	48,867	48,867
<b><i>Total Operating Expenses</i></b>	<u>--</u>	<u>48,867</u>	<u>48,867</u>
<b><i>Operating Income (Loss)</i></b>	<u>1,663</u>	<u>71,060</u>	<u>72,723</u>
Transfers Out	(994)	(4,916)	(5,910)
<b><i>Change In Net Position</i></b>	<b>669</b>	<b>66,144</b>	<b>66,813</b>
<i>Net Position at Beginning of Period</i>	4,364	29,412	33,776
<b><i>Net Position at End of Period</i></b>	<b><u>\$ 5,033</u></b>	<b><u>\$ 95,556</u></b>	<b><u>\$ 100,589</u></b>



**Oceana County**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2021**

	<b>Business-type Activities - Enterprise Funds</b>		<b>Total Enterprise Funds</b>
	<b>Homestead Denial</b>	<b>Jail Commissary</b>	
<b>Cash Flows from Operating Activities</b>			
Receipts from Customers	\$ 1,663	\$ 119,927	\$ 121,590
Cash Paid to Suppliers	-	(48,867)	(48,867)
<b><i>Net Cash Provided by Operating Activities</i></b>	<b>1,663</b>	<b>71,060</b>	<b>72,723</b>
<b>Cash Flows from Noncapital and Related Financing Activities</b>			
Transfers Out	(994)	(4,916)	(5,910)
<b><i>Net Cash (Used) by Noncapital and Related Financing Activities</i></b>	<b>(994)</b>	<b>(4,916)</b>	<b>(5,910)</b>
Net Increase in Cash and Investments	669	66,144	66,813
Cash and Investments - Beginning of the Year	4,364	29,412	33,776
<b>Cash and Investments - End of the Year</b>	<b>\$ 5,033</b>	<b>\$ 95,556</b>	<b>\$ 100,589</b>
<b>Reconciliation of Operating Income to</b>			
<b>Net Cash Provided by Operating Activities</b>			
Operating Income	\$ 1,663	\$ 71,060	\$ 72,723
<b><i>Net Cash Provided by Operating Activities</i></b>	<b>\$ 1,663</b>	<b>\$ 71,060</b>	<b>\$ 72,723</b>

**Oceana County  
Combining Statement of Fiduciary Net Position  
Custodial Funds  
December 31, 2021**

	<u>General Custodial</u>	<u>Library</u>	<u>Inmate Custodial Fund</u>	<u>District Court</u>	<u>Probate Court</u>	<u>Trial Court</u>	<u>Total Custodial Funds</u>
<b>ASSETS</b>							
Cash and investments	\$ 209,728	\$ 50,460	\$ 23,840	\$ 9,974	\$ 2,736	\$ 3,381	\$ 300,119
<i>Total Assets</i>	<u>209,728</u>	<u>50,460</u>	<u>23,840</u>	<u>9,974</u>	<u>2,736</u>	<u>3,381</u>	<u>300,119</u>
<b>LIABILITIES</b>							
Due to other governments	180,068	--	--	2,616	2,736	--	185,420
Undistributed collections	--	15,500	--	--	--	--	15,500
Other payables	29,660	--	--	7,358	--	3,381	40,399
<i>Total Liabilities</i>	<u>209,728</u>	<u>15,500</u>	<u>--</u>	<u>9,974</u>	<u>2,736</u>	<u>3,381</u>	<u>241,319</u>
<b>NET POSITION</b>							
and other governments	<u>\$ --</u>	<u>\$ 34,960</u>	<u>\$ 23,840</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 58,800</u>

**Oceana County**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Custodial Funds**  
**For the Year Ended December 31, 2021**

	<u>General Custodial</u>	<u>Library</u>	<u>Inmate Custodial Fund</u>	<u>District Court</u>	<u>Probate Court</u>	<u>Trial Court</u>	<u>Total Custodial Funds</u>
<b>Additions</b>							
Taxes collected for other governments	\$ 7,598,224	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 7,598,224
Library penal fine collections	--	113,545	--	--	--	--	113,545
Inmate trust collections	--	--	622,474	--	--	--	622,474
Court collections	64,481	--	--	386,601	8,903	125,064	585,049
County clerk/register of deeds collections	1,974,772	--	--	--	--	--	1,974,772
Treasurer collections	70,362	--	--	--	--	--	70,362
<b>Total Additions</b>	<u>9,707,839</u>	<u>113,545</u>	<u>622,474</u>	<u>386,601</u>	<u>8,903</u>	<u>125,064</u>	<u>10,964,426</u>
<b>Deductions</b>							
Payments of property taxes to other governments	7,598,224	--	--	--	--	--	7,598,224
Library penal fine distributions	--	208,382	--	--	--	--	208,382
Inmate trust distributions	--	--	618,568	--	--	--	618,568
Court distributions	64,481	--	--	386,601	8,903	125,064	585,049
County clerk/register of deeds distributions	1,974,772	--	--	--	--	--	1,974,772
Treasure distributions	70,362	--	--	--	--	--	70,362
<b>Total Deductions</b>	<u>9,707,839</u>	<u>208,382</u>	<u>618,568</u>	<u>386,601</u>	<u>8,903</u>	<u>125,064</u>	<u>11,055,357</u>
<b>Change in Net Position</b>	<u>--</u>	<u>(94,837)</u>	<u>3,906</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(90,931)</u>
<i>Net Position at Beginning of Period</i>	<u>--</u>	<u>129,797</u>	<u>19,934</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>149,731</u>
<b>Net Position at End of Period</b>	<u>\$ --</u>	<u>\$ 34,960</u>	<u>\$ 23,840</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 58,800</u>

**Oceana County Drainage Districts**  
**Statement of Net Position**  
**December 31, 2021**

**ASSETS**

*Current Assets*

Cash and Investments	\$	427,896
Special Assessments Receivable		352,682
<b>Total Current Assets</b>		<b>780,578</b>

*Noncurrent Assets*

Capital Assets, net of Accumulated Depreciation		2,079,295
<b>Total Assets</b>		<b>2,859,873</b>

**LIABILITIES**

*Current Liabilities*

Accounts Payable		3,375
Current Portion of Compensated Absences		1,788
Current Portion of Long-term Debt		9,154
Accrued Interest		465
<b>Total Current Liabilities</b>		<b>14,782</b>

*Noncurrent Liabilities*

Advances from Other Governmental Units		60,808
Compensated Absences		5,365
<b>Total Liabilities</b>		<b>80,955</b>

**NET POSITION**

Net Investment in Capital Assets		2,070,141
----------------------------------	--	-----------

*Restricted for:*

Restricted for Debt Service		39
Restricted for Capital Improvements		708,738

*Unrestricted*

		--
<b>Total Net Position</b>	<b>\$</b>	<b>2,778,918</b>

**Oceana County Drainage Districts  
Statement of Activities  
For the Year Ended December 31, 2021**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>			<b>Net (Expense) Revenue</b>
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	
Public Works	\$ 213,329	\$ 279,406	\$ 6,000	\$ --	\$ 72,077
Interest on Long-term Debt	1,295	--	--	--	(1,295)
<b>Total</b>	<b>\$ 214,624</b>	<b>\$ 279,406</b>	<b>\$ 6,000</b>	<b>\$ --</b>	<b>70,782</b>

**General Purpose Revenues:**

Interest Revenue	520
<b>Total General Revenues</b>	<b>520</b>
<b>Change in Net Position</b>	<b>71,302</b>
<i>Net Position at Beginning of Period</i>	2,707,616
<b>Net Position at End of Period</b>	<b>\$ 2,778,918</b>

**Oceana County Drainage Districts  
Balance Sheet  
Governmental Funds  
December 31, 2021**

	Debt Service		Capital Projects					Total Governmental Funds
	Drain Debt	Lake Level	Drain Equipment Revolving	Regular Drain	Drain Revolving	Crystal Lake Improvement	Stony Lake Board	
<b>ASSETS</b>								
Cash and Investments	\$ 39	\$ 38,572	\$ 2,876	\$ 352,316	\$ 20,970	\$ 5,168	\$ 7,955	\$ 427,896
Special Assessments Receivable	--	78,323	--	76,353	--	--	198,006	352,682
Due from Other Funds	--	--	--	7,482	15,634	--	--	23,116
<i>Total Assets</i>	<b>\$ 39</b>	<b>\$ 116,895</b>	<b>\$ 2,876</b>	<b>\$ 436,151</b>	<b>\$ 36,604</b>	<b>\$ 5,168</b>	<b>\$ 205,961</b>	<b>\$ 803,694</b>
<b>LIABILITIES</b>								
Accounts Payable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 3,375	\$ 3,375
Due to Other Funds	--	--	--	23,116	--	--	--	23,116
Advances from Other Governmental Units	--	--	--	29,608	31,200	--	--	60,808
<i>Total Liabilities</i>	--	--	--	52,724	31,200	--	3,375	87,299
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable Revenue - Special Assessments	--	78,645	--	77,351	--	--	202,500	358,496
<i>Total Liabilities and Deferred Inflows of Resources</i>	--	78,645	--	130,075	31,200	--	205,875	445,795
<b>FUND BALANCE</b>								
Restricted	39	38,250	2,876	306,076	5,404	5,168	86	357,899
Unassigned	--	--	--	--	--	--	--	--
<i>Total Fund Balance</i>	39	38,250	2,876	306,076	5,404	5,168	86	357,899
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	<b>\$ 39</b>	<b>\$ 116,895</b>	<b>\$ 2,876</b>	<b>\$ 436,151</b>	<b>\$ 36,604</b>	<b>\$ 5,168</b>	<b>\$ 205,961</b>	<b>\$ 803,694</b>

**Oceana County Drainage Districts**  
**Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position**  
**December 31, 2021**

Total Fund Balance - Governmental Funds	\$	357,899
Capital assets used in governmental activities of \$4,262,926, net of accumulated depreciation of \$2,183,631, are not financial resources and therefore are not reported as assets in the governmental funds.		2,079,295
Long-term receivables are not available to pay for current period expenditures and are therefore reported as deferred inflows of resources in the funds.		358,496
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of bonds and notes payable of \$9,154.		(9,154)
In the statement of activities, interest is accrued on outstanding bonds and notes payable, whereas in governmental funds, the interest expenditure is reported when due.		(465)
Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.		(7,153)
<b>Total Net Position - Governmental Activities</b>	<b>\$</b>	<b><u>2,778,918</u></b>

**Oceana County Drainage Districts**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended December 31, 2021**

	Debt Service		Capital Projects					Total Governmental Funds
	Drain Debt	Lake Level	Drain Equipment Revolving	Regular Drain	Drain Revolving	Crystal Lake Improvement	Stony Lake Board	
<b>Revenues</b>								
Special Assessments	\$ --	\$ --	\$ --	\$ 65,132	\$ --	\$ --	\$ --	\$ 65,132
Operating Grants and Contributions	--	6,000	--	--	--	--	--	6,000
Other Revenue	--	--	1,000	42,706	--	--	--	43,706
Interest Revenue	--	47	2	471	--	--	--	520
<b>Total Revenues</b>	<b>--</b>	<b>6,047</b>	<b>1,002</b>	<b>108,309</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>115,358</b>
<b>Expenditures</b>								
Public Works	--	2,401	198	50,608	46	--	50,722	103,975
Debt Service - Principal	22,578	--	--	--	--	--	--	22,578
Debt Service - Interest	1,394	--	--	--	--	--	--	1,394
<b>Total Expenditures</b>	<b>23,972</b>	<b>2,401</b>	<b>198</b>	<b>50,608</b>	<b>46</b>	<b>--</b>	<b>50,722</b>	<b>127,947</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(23,972)</b>	<b>3,646</b>	<b>804</b>	<b>57,701</b>	<b>(46)</b>	<b>--</b>	<b>(50,722)</b>	<b>(12,589)</b>
<b>Other Financing Sources (Uses)</b>								
Transfers In	24,000	34,604	--	--	--	--	--	58,604
Transfers Out	--	--	--	(58,604)	--	--	--	(58,604)
<b>Net Other Financing Sources (Uses)</b>	<b>24,000</b>	<b>34,604</b>	<b>--</b>	<b>(58,604)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Net Change in Fund Balance</b>	<b>28</b>	<b>38,250</b>	<b>804</b>	<b>(903)</b>	<b>(46)</b>	<b>--</b>	<b>(50,722)</b>	<b>(12,589)</b>
<i>Fund Balance at Beginning of Period</i>	11	--	2,072	306,979	5,450	5,168	50,808	370,488
<b>Fund Balance at End of Period</b>	<b>\$ 39</b>	<b>\$ 38,250</b>	<b>\$ 2,876</b>	<b>\$ 306,076</b>	<b>\$ 5,404</b>	<b>\$ 5,168</b>	<b>\$ 86</b>	<b>\$ 357,899</b>



**Oceana County Drainage Districts**  
**Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance with Statement of Activities**  
**For the Year Ended December 31, 2021**

Total Net Change in Fund Balances - Governmental Funds	\$	(12,589)
Capital outlays are reported as expenditures in the governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. This amount represents current year depreciation expense of \$106,573.		(106,573)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		170,568
Repayment of long-term debt and borrowing of long-term debt is reported as expenditures and other financing sources in governmental funds, but the repayment reduces long-term liabilities and the borrowings increase long-term liabilities in the statement of net position. In the current year, these amounts consist of note principal retirement of \$22,578.		22,578
Changes to accrued interest are not shown in the fund financial statements. The net effect of the current year decrease is to increase net position.		99
Change to compensated absences are not shown in the fund financial statements. The net effect of the current year increase in compensated absences is to decrease net position.		(2,781)
<b>Changes in Net Position - Governmental Activities</b>	<b>\$</b>	<b><u>71,302</u></b>

# Oceana County

Annual Continuing Disclosure  
(UNAUDITED)  
Year Ended December 31, 2021



**Oceana County**  
Continuing Disclosure – Unaudited  
December 31, 2021

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**ANNUAL REPORT COVER SHEET**

This cover sheet and the attached Annual Report or portion thereof is filed electronically with the Municipal Securities Rulemaking Board through the EMMA Dataport at <http://www.emma.msrb.org> pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(A) and (B).

Issuer's Name: County of Oceana, State of Michigan  
Issuer's Six-Digit CUSIP Number(s): 675175 and 428073  
Number of pages of the attached Annual Report or portion thereof: four pages  
Fiscal Period: January 1, 2021 to December 31, 2021

Name of Bond Issues to which the attached Annual Report relates:

Hesperia Intercounty Drainage District, dated July 12, 2001	CUSIP 428073
County of Oceana, Capital Improvement Refunding Bonds, Series 2012B	675175

I hereby represent that I am authorized by the Issuer to distribute this information publicly.

Signature:

**/s/ Robert J. Sobie, Ph.D.**

Name: Robert J. Sobie, Ph.D.  
Title: Administrator/Fiscal Officer  
Employer: County of Oceana  
Address: 100 State Street, Suite M-4  
Hart, Michigan 49420  
Telephone: 231.873.4835

**Oceana County**  
 Continuing Disclosure – Unaudited  
 December 31, 2021

**COUNTY TAXATION AND LIMITATIONS**

**Property Tax Levy History**

<u>Purpose</u>	<u>7/1/2021</u>	<u>12/1/2021</u>
County Operating <sup>(1)</sup>	5.6999	-
Ambulance Service <sup>(1)(2)</sup>	-	0.9940
Medical Care Facility <sup>(1)(2)</sup>	-	1.9880
Council on Aging <sup>(2)</sup>	-	0.9913
Veterans <sup>(2)</sup>	-	0.0994
911 <sup>(1)</sup>	-	0.1385
<b>Total County</b>	<b><u>5.6999</u></b>	<b><u>4.2112</u></b>

- (1) Reduced from allocated amounts as a result of the 1994 State Constitutional Amendment.  
 (2) Voter approved millages.

**SEV and Taxable Valuation History**

<u>Year of Valuation</u>	<u>SEV</u>	<u>Taxable Valuation</u>	<u>SEV Percentage Over Prior Year</u>	<u>Taxable Valuation Percent Over Prior Year</u>
2021	\$ 1,847,926,940	\$ 1,310,623,765	2.61%	2.80%

**Property Tax Collection History**

<u>Year of Levy</u>	<u>Total Tax Levy as of December 1</u>	<u>Collections to March 1 Year Following Levy</u>	<u>% Collected</u>	<u>Collections to July 1 Year Following Levy</u>
2021	\$ 47,876,043	\$ 44,624,674	93.2%	\$ 2,976,377

**Oceana County**  
Continuing Disclosure – Unaudited  
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**REVENUES FROM THE STATE OF MICHIGAN**

<u>Fiscal Year Ended/Ending</u>	<u>Revenue Sharing/CIP Payments</u>
December 31, 2021	\$ 563,301

**COUNTY DEBT as of December 31, 2021**

**Statement of Legal Debt Margin**

2021 State Equalized Valuation	\$ 1,847,926,940
Legal Debt Limit (10% of SEV)	184,792,694
Debt Outstanding	<u>565,000</u>
Additional debt that can legally be incurred	<u>\$ 184,227,694</u>

**Debt Statement**

The following table reflects a breakdown of the County’s direct and overlapping debt as of December 31, 2021:

<u>Direct Debt</u>	<u>Gross</u>	<u>Self-supporting or Portion Paid Directly by Benefited Municipalities</u>	<u>Net</u>	<u>Net Debt</u>	
				<u>Per Capita <sup>(1)</sup></u>	<u>Percent of SEV</u>
Capital Improvement Bonds (L.T.G.O.)	\$ 3,140,000	\$ -	\$ 565,000	\$ 21	0.03%
<b><u>Overlapping Debt of County <sup>(2)</sup></u></b>					
School Districts			\$ 53,374,188		
Intermediate School Districts			39,648		
Cities			135,000		
Villages			4,751,067		
Library			75,108		
Township			<u>78</u>		
Total Overlapping Debt			<u>58,375,089</u>	<u>2,197</u>	<u>3.42%</u>
Total County Net and Overlapping Debt			<u>\$ 58,940,089</u>	<u>\$ 2,218</u>	<u>3.45%</u>

(1) Census figures are obtained directly from the U.S. Census Bureau

(2) Overlapping debt is the issuer's proportionate share of the debt of other local governmental units that either overlap it (the issuer is located either wholly or partly within the geographic limits of the other units) or underlie it (the other units are located within the geographic limits of the issuer, i.e. School District to City). The debt is generally apportioned based upon relative assessed values.

Source: County of Oceana, Municipal Advisory Council of Michigan

**Oceana County**  
Continuing Disclosure – Unaudited  
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**Debt History**

There is no record of default on any obligation of the County.

**Short-term Financing**

The County has not issued short-term obligations for cash flow purposes.

**Lease Obligations**

As of December 31, 2021 the County had no capital lease obligations.

**Retirement System**

For a description of the retirement benefits of the County employees as of December 31, 2021 see the County’s GENERAL PURPOSE FINANCIAL STATEMENTS – Notes to General Purpose Financial Statements – Note 8 at the link shown below:

<https://treas-secure.state.mi.us/LAFDocSearch/>

**LABOR CONTRACTS**

Some of the County's employees are represented by labor organizations. The following table illustrates the various labor organizations that represent County employees, the number of members and non-members and the current contract date.

<u><b>Bargaining Unit</b></u>	<u><b>Employees at December 31, 2021</b></u>	<u><b>Current Contract Expiration Date</b></u>
County Sheriff Department Command	2	12/31/2024
County Sheriff Department Non-Command	31	12/31/2025
Medical Care Facility	213	12/31/2022
Ambulance	0	n/a
Non-Union	65	n/a
<b><i>Total</i></b>	<u>311</u>	

**Oceana County**  
Continuing Disclosure – Unaudited  
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**Major Taxpayers**

<u>Taxpayer</u>	<u>Product or Service</u>	<u>2021 Taxable Value</u>	<u>Percent of Total 2021 Taxable Value</u>
Oceana Co Freezer Storage, Inc.	Agriculture	\$ 12,519,507	0.96%
E & L Peterson Land, Inc.	Agriculture	12,085,655	0.92%
Great Lakes Energy	Utilities	11,212,109	0.86%
Consumers Energy	Utilities	8,524,204	0.65%
OPC Arbre Farms LLC	Agriculture	6,936,259	0.53%
Michigan Electric Transmission	Utilities	4,999,600	0.38%
DTE Gas	Utilities	4,919,294	0.38%
Wolverine Power Cooperative In	Utilities	4,589,092	0.35%
Double JJ Propco, LLC	Hospitality	4,711,053	0.36%
Wolverine Power Cooperative	Utilities	3,688,629	0.28%
	Totals	<u>\$ 74,185,402</u>	<u>5.66%</u>

SOURCE: County of Oceana

June 17, 2022

To the Board of Commissioners  
Oceana County, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Oceana County, Michigan (the "County") as of and for the year ended December 31, 2021. Our report includes a reference to other auditors. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 12, 2022. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Findings

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the County are described in Note 1 to the financial statements. No new accounting policies were adopted and, the application of existing policies was not changed during 2021. We noted no transactions entered into by the County during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the County's financial statements were:

- Management's estimate of the useful lives of depreciable capital assets is based on the length of time it is believed that those assets will provide some economic benefit in the future.
- Management's estimate of the accrued compensated absences and the related pay rates as of December 31, 2021.
- Management's estimate of the allowance for uncollectible receivable balances is based on past experience and future expectation for collection of various account balances.



- Management’s assumptions used to calculate the actuarial report and the net present value of post-employment benefits, including health and pension benefits.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit’s financial statements taken as a whole.

#### *Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor’s report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated June 17, 2022.

#### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the governmental unit’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

*Other Matters*

We applied certain limited procedures to the budgetary comparison schedules, the required pension and OPEB schedules, and management's discussion and analysis, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual general fund, nonmajor, custodial, and Drain Commission fund statements, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the County's continuing disclosure filing, which accompanies the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

*Restriction on Use*

This information is intended solely for the use of management, the Board of Commissioners, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Gabridge & Company". The signature is written in dark ink and is positioned above the printed name of the firm.

Gabridge & Company, PLC  
Grand Rapids, MI