

County of Oceana

Annual Financial Report
Year Ended December 31, 2023



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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, 2023, 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, 2023, 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 59.0%, 70.0%, and 40.6%, respectively, of the assets and deferred outflows, net position, and revenues of the aggregate discretely presented component units as of December 31, 2023, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2024, on our consideration of County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Gabridge & Company".

Gabridge & Company, PLC
Grand Rapids, Michigan
June 28, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Oceana County
Management's Discussion and Analysis
December 31, 2023

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, 2023. 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, 2023 by \$25,393,799. Of this amount, \$12,021,460 is unrestricted and may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position increased \$6,942,413 during the year. Revenues increased by \$6,257,183 during the year and expenses for the County increased by \$1,459,420 from the prior fiscal year.
- At the close of the current fiscal year, the County's governmental funds reported combined fund balances of \$12,256,260, an increase of \$2,223,243 in comparison with the prior year. Approximately 52.9% of this amount (or \$6,484,217) is available for spending at the government's discretion (unassigned fund balance).
- At year-end, unassigned fund balance for the general fund was \$6,484,217, or 51.3% of the general fund's annualized expenditures and transfers out.
- The County increased investment in capital assets by \$2,682,380 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, American Rescue Plan ("ARPA"), Shelby township community park, and opioid settlement 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 \$25,393,799 at the close of the most recent fiscal year. A large portion of the County's net position (29.5% or \$7,491,537 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 (23.2% or \$5,880,802) 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 (47.3%, or \$12,021,460) 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	
	2023	2022	2023	2022	2023	2022
ASSETS						
<i>Current Assets</i>						
Cash and Investments	\$ 15,485,886	\$ 14,711,643	\$ 9,160,521	\$ 8,283,952	\$ 24,646,407	\$ 22,995,595
Taxes Receivable	3,452,509	3,157,832	1,210,047	1,186,201	4,662,556	4,344,033
Accounts Receivable, net	2,808,866	93,637	-	-	2,808,866	93,637
Due from Other Governments	326,139	335,523	4,390	-	330,529	335,523
Prepays	123,597	103,310	-	-	123,597	103,310
Total Current Assets	22,196,997	18,401,945	10,374,958	9,470,153	32,571,955	27,872,098
<i>Noncurrent Assets</i>						
Advances to Other Governmental Units	31,200	45,808	-	-	31,200	45,808
Long-term Leases Receivable	191,504	195,001	-	-	191,504	195,001
Capital Assets not Being Depreciated	4,702,212	1,730,509	-	-	4,702,212	1,730,509
Capital Assets Being Depreciated, net	3,779,203	4,068,526	-	-	3,779,203	4,068,526
Total Assets	30,901,116	24,441,789	10,374,958	9,470,153	41,276,074	33,911,942
DEFERRED OUTFLOWS OF RESOURCES						
Pension	2,725,801	1,428,847	-	-	2,725,801	1,428,847
OPEB	391,355	484,089	-	-	391,355	484,089
Total Deferred Outflows of Resources	3,117,156	1,912,936	-	-	3,117,156	1,912,936
LIABILITIES						
<i>Current Liabilities</i>						
Accounts Payable	1,711,322	193,075	302	-	1,711,624	193,075
Accrued Wages	127,606	101,496	-	-	127,606	101,496
Unearned Revenue	3,443,167	4,661,907	-	-	3,443,167	4,661,907
Accrued Interest	-	2,900	-	-	-	2,900
Current Portion of Long-term Debt	169,358	455,186	-	-	169,358	455,186
Other Liabilities	142,336	179,251	-	31,245	142,336	210,496
Current Portion of Compensated Absences	149,953	148,319	-	-	149,953	148,319
Total Current Liabilities	5,743,742	5,742,134	302	31,245	5,744,044	5,773,379
<i>Noncurrent Liabilities</i>						
Long-term Debt	820,520	989,253	-	-	820,520	989,253
Compensated Absences	449,860	444,958	-	-	449,860	444,958
Net OPEB Liability	348,858	366,349	-	-	348,858	366,349
Net Pension Liability	7,720,929	4,342,126	-	-	7,720,929	4,342,126
Total Liabilities	15,083,909	11,884,820	302	31,245	15,084,211	11,916,065
DEFERRED INFLOWS OF RESOURCES						
Pension	-	1,604,607	-	-	-	1,604,607
OPEB	821,927	904,484	-	-	821,927	904,484
Taxes Levied for a Subsequent Period	3,093,293	2,948,336	-	-	3,093,293	2,948,336
Total Deferred Inflows of Resources	3,915,220	5,457,427	-	-	3,915,220	5,457,427
NET POSITION						
Net Investment in Capital Assets	7,491,537	4,354,596	-	-	7,491,537	4,354,596
Restricted	5,880,802	3,841,057	-	-	5,880,802	3,841,057
Unrestricted	1,646,804	816,825	10,374,656	9,438,908	12,021,460	10,255,733
Total Net Position	\$ 15,019,143	\$ 9,012,478	\$ 10,374,656	\$ 9,438,908	\$ 25,393,799	\$ 18,451,386

Cash balances for the County increased by \$1,650,812. The largest reason for this increase in cash is the \$6,257,183 increase in revenue and change in fund balance of \$6,006,665. Unearned revenue decreased by \$1,218,740 as a result of the County using various grants as of year-end that were received in the prior year. The County's net pension liability increased by \$3,378,803 due to a variety of reasons. The larger contributor was a decrease in investment income of \$2,324,660 on the County's pension assets during 2022 (a one-year lag exists between the County's year-end and the valuation reports). The County's total net position increased by 37.6%, or \$6,942,413, from \$18,451,386 to \$25,393,799 for the year ended December 31, 2023. 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	
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues						
Charges for Services	\$ 6,045,940	\$ 2,551,792	\$ 687,296	\$ 677,892	\$ 6,733,236	\$ 3,229,684
Operating Grants and Contributions	5,185,482	3,443,675	22,033	-	5,207,515	3,443,675
Capital Grants and Contributions	-	43,694	-	-	-	43,694
General Revenues						
Taxes	11,349,706	10,981,558	-	-	11,349,706	10,981,558
Intergovernmental	610,825	581,379	-	-	610,825	581,379
Interest Income	464,219	139,623	417,919	106,624	882,138	246,247
Total Revenues	23,656,172	17,741,721	1,127,248	784,516	24,783,420	18,526,237
Expenses						
Judicial	2,450,650	2,191,812	-	-	2,450,650	2,191,812
General Government	4,042,780	3,666,063	-	-	4,042,780	3,666,063
Public Safety	6,235,836	5,676,437	-	-	6,235,836	5,676,437
Public Works	773,200	684,840	-	-	773,200	684,840
Health and Welfare	3,500,623	3,283,352	-	-	3,500,623	3,283,352
Community and Economic Development	534,245	495,349	-	-	534,245	495,349
Recreation and Culture	80,894	223,514	-	-	80,894	223,514
Interest on Long-term Debt	31,279	14,451	-	-	31,279	14,451
Other Expenses	-	-	191,500	145,769	191,500	145,769
Total Expenses	17,649,507	16,235,818	191,500	145,769	17,841,007	16,381,587
Changes in Net Position Before Transfers	6,006,665	1,505,903	935,748	638,747	6,942,413	2,144,650
Net Transfers	-	2,642	-	(2,642)	-	-
Changes in Net Position	6,006,665	1,508,545	935,748	636,105	6,942,413	2,144,650
<i>Net Position at the Beginning of Period</i>	<i>9,012,478</i>	<i>7,503,933</i>	<i>9,438,908</i>	<i>8,802,803</i>	<i>18,451,386</i>	<i>16,306,736</i>
Net Position at the End of Period	\$ 15,019,143	\$ 9,012,478	\$ 10,374,656	\$ 9,438,908	\$ 25,393,799	\$ 18,451,386

Governmental activities

Governmental activities increased the County's net position by \$6,006,665. The most significant changes between the current year and prior year were; 1) the increase in charges for services by \$3,494,148 and 2) the corresponding increase in public safety expenses of by \$559,399. This was due primarily to an increase in salaries/wages and hours worked.

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 \$935,748 compared to an increase in net position of \$636,105 in the prior year. There was one significant change in interest income. This was due to the change in the market rates.

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 52.4% of total general fund expenditures and transfers out.

General fund balance increased by \$1,237,266, from \$6,059,031 to \$7,296,297 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 \$91,238, from \$1,118,562 to \$1,209,800.

The senior citizens' tax fund had an increase in fund balance during the year of \$121,954, from \$0 to \$121,954.

The American Rescue Plan fund had an increase in fund balance during the year of \$139,873, from \$0 to \$139,873.

The Shelby Twp community park fund had no change in fund balance.

The opioid settlement fund had an increase in fund balance during the year of \$186,620, from \$0 to \$186,620

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 \$3,082,751 and for the delinquent tax revolving fund it was \$7,095,649. The foreclosure and the delinquent tax revolving funds experienced an increase in net position in the amount of \$232,403 and \$666,284, 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 the following expenditures in excess of appropriations during the year ended December 31, 2023:

<u>Fund / Activity</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance</u>
ARPA			
General Services	\$ 596,071	\$ 599,105	\$ (3,034)
Shelby Twp Community Park			
Parks and Recreation	1,528,153	2,971,703	(1,443,550)

Capital Asset and Debt Administration

Capital assets. As of December 31, 2023, the County’s investment in capital assets for its governmental activities amounted to \$8,481,415 (net of accumulated depreciation). The investment in capital assets includes land and land improvements, construction in progress, buildings and improvements, machinery and equipment, and vehicles. The net increase in the County’s capital assets for its governmental activities during the year was \$2,682,380, or 46.3%.

Significant capital asset additions during the year included:

- Server Upgrade
- Shelby Twp community park construction in progress
- Toyota Sienna
- Chevrolet Malibu

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

	<u>Capital Assets, Net</u>	
	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2022</u>
Land	\$ 1,730,509	\$ 1,730,509
Construction in Progress	2,971,703	-
Buildings and improvements	1,875,661	2,000,461
Land improvements	363,408	429,594
Equipment and furniture	371,130	304,988
Vehicles	480,425	585,031
Infrastructure	79,060	81,430
Right of use assets	609,519	667,022
Total	<u>\$ 8,481,415</u>	<u>\$ 5,799,035</u>

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, 2023, the County had long-term debt outstanding of \$989,878 in its governmental activities, exclusive of compensated absences. At a minimum, all bonds are backed by the County's full faith and credit.

Additional information on the County's long-term debt can be found in Note 8 to the financial statements.

Economic Factors and Next Year's Budgets and Rates

Management estimates that approximately \$12,000,000 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 2023. 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.

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:

Tracy L Byard, Oceana County Administrator/Fiscal Officer
100 State Street
Suite M-4
Hart, Michigan 49420

Phone | (231) 873-4835, extension 6702

BASIC FINANCIAL STATEMENTS

**County of Oceana
Statement of Net Position
December 31, 2023**

	Primary Government		Total	Component Units
	Governmental Activities	Business-type Activities		
ASSETS				
<i>Current Assets</i>				
Cash and Investments	\$ 15,485,886	\$ 9,160,521	\$ 24,646,407	\$ 9,139,085
Taxes Receivable	3,452,509	1,210,047	4,662,556	2,685,850
Accounts Receivable, net	2,805,372	--	2,805,372	2,449,273
Special Assessments Receivable	--	--	--	91,988
Leases Receivable	3,494	--	3,494	--
Due from Other Governments	326,139	4,390	330,529	3,319,450
Prepays	123,597	--	123,597	111,145
Inventory	--	--	--	771,041
Total Current Assets	22,196,997	10,374,958	32,571,955	18,567,832
<i>Noncurrent Assets</i>				
Restricted Cash and Investments	--	--	--	48,242
Advances to Other Governmental Units	31,200	--	31,200	--
Long-term Leases Receivable	191,504	--	191,504	--
Capital Asset not Being Depreciated	4,702,212	--	4,702,212	499,389
Capital Assets Being Depreciated, net	3,779,203	--	3,779,203	52,437,831
Long-term Special Assessments Receivable	--	--	--	161,508
Net OPEB Asset	--	--	--	106,916
Total Assets	30,901,116	10,374,958	41,276,074	71,821,718
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related	2,725,801	--	2,725,801	3,553,222
OPEB Related	391,355	--	391,355	46,511
Total Deferred Outflows of Resources	3,117,156	--	3,117,156	3,599,733
LIABILITIES				
<i>Current Liabilities</i>				
Accounts Payable	1,711,322	302	1,711,624	768,141
Accrued Wages	127,606	--	127,606	261,796
Unearned Revenue	3,443,167	--	3,443,167	45,260
Current Portion of Long-term Debt	169,358	--	169,358	570,153
Other Liabilities	142,336	--	142,336	805,501
Current Portion of Compensated Absences	149,953	--	149,953	590,587
Total Current Liabilities	5,743,742	302	5,744,044	3,041,438
<i>Noncurrent Liabilities</i>				
Advances from Other Governmental Units	--	--	--	31,200
Residents' Trust Payable	--	--	--	2,982
Compensated Absences	449,860	--	449,860	52,681
Long-term Debt	820,520	--	820,520	425,401
Net OPEB Liability	348,858	--	348,858	--
Net Pension Liability	7,720,929	--	7,720,929	7,585,074
Total Liabilities	15,083,909	302	15,084,211	11,138,776
DEFERRED INFLOWS OF RESOURCES				
Pension Related	--	--	--	211,343
OPEB Related	821,927	--	821,927	43,801
Taxes Levied for a Subsequent Period	3,093,293	--	3,093,293	2,922,241
Total Deferred Inflows of Resources	3,915,220	--	3,915,220	3,177,385
NET POSITION				
Net Investment in Capital Assets	7,491,537	--	7,491,537	52,048,582
<i>Restricted for:</i>				
Other Purposes	5,880,802	--	5,880,802	888,200
<i>Unrestricted</i>	1,646,804	10,374,656	12,021,460	8,168,508
Total Net Position	\$ 15,019,143	\$ 10,374,656	\$ 25,393,799	\$ 61,105,290

The Notes to the Financial Statements are an Integral part of these Financial Statements 1 -

**County of Oceana
Statement of Activities
For the Year Ended December 31, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-type Activities	Total	
Primary Government								
Governmental Activities:								
Judicial	\$ 2,450,650	\$ 513,012	\$ 18,042	\$ --	\$ (1,919,596)	\$ --	\$ (1,919,596)	\$ --
General Government	4,042,780	1,194,027	3,277,447	--	428,694	--	428,694	--
Public Safety	6,235,836	700,330	289,804	--	(5,245,702)	--	(5,245,702)	--
Public Works	773,200	322,636	--	--	(450,564)	--	(450,564)	--
Health and Welfare	3,500,623	4,355	1,584,093	--	(1,912,175)	--	(1,912,175)	--
Community and Economic Development	534,245	325,995	--	--	(208,250)	--	(208,250)	--
Recreation and Culture	80,894	2,985,585	16,096	--	2,920,787	--	2,920,787	--
Interest on Long-term Debt	31,279	--	--	--	(31,279)	--	(31,279)	--
Total Governmental Activities	17,649,507	6,045,940	5,185,482	--	(6,418,085)	--	(6,418,085)	--
Business-type Activities:								
Foreclosure	104,038	186,857	--	--	--	82,819	82,819	--
Homestead Denial	--	1,028	--	--	--	1,028	1,028	--
Delinquent Tax Revolving	8,908	407,071	--	--	--	398,163	398,163	--
Jail Commissary	78,554	92,340	22,033	--	--	35,819	35,819	--
Total Business-type Activities	191,500	687,296	22,033	--	--	517,829	517,829	--
Total Primary Government	\$ 17,841,007	\$ 6,733,236	\$ 5,207,515	\$ --	\$ (6,418,085)	\$ 517,829	\$ (5,900,256)	--
Component Units								
Road Commission	\$ 10,040,480	\$ 1,483,049	\$ 8,778,890	\$ 3,052,123	--	--	--	3,273,582
Land Bank	126	--	--	--	--	--	--	(126)
Brownfield Redevelopment Authority	60,313	--	60,122	--	--	--	--	(191)
Drainage Districts	223,634	91,338	31,406	--	--	--	--	(100,890)
Medical Care Facility	20,363,445	14,288,675	2,077,512	--	--	--	--	(3,997,258)
Total Component Units	\$ 30,687,998	\$ 15,863,062	\$ 10,947,930	\$ 3,052,123	--	--	--	(824,883)
General Purpose Revenues:								
					11,349,706	--	11,349,706	2,735,239
					610,825	--	610,825	--
					464,219	417,919	882,138	551,022
					12,424,750	417,919	12,842,669	3,286,261
					6,006,665	935,748	6,942,413	2,461,378
					9,012,478	9,438,908	18,451,386	58,643,912
					\$ 15,019,143	\$ 10,374,656	\$ 25,393,799	\$ 61,105,290

The Notes to the Financial Statements are an Integral part of these Financial Statements2 -

**County of Oceana
Balance Sheet
Governmental Funds
December 31, 2023**

	Special Revenue						Other Governmental Funds	Total Governmental Funds
	General	Ambulance Fund	Senior Citizens' Tax	American Rescue Plan	Shelby Twp Community Park	Opioid Settlement		
ASSETS								
Cash and Investments	\$ 6,715,023	\$ 1,329,979	\$ 211,272	\$ 2,892,039	\$ 150,773	\$ 186,620	\$ 4,000,180	\$ 15,485,886
Taxes Receivable	553,537	1,241,576	1,332,027	--	--	--	325,369	3,452,509
Accounts Receivable, net	419,706	11,139	--	--	1,292,777	1,063,285	18,465	2,805,372
Leases Receivable	3,494	--	--	--	--	--	--	3,494
Due from Other Governments	300,243	--	--	--	--	--	25,896	326,139
Prepays	106,772	--	--	--	--	--	16,825	123,597
Advances to Other Governmental Units	31,200	--	--	--	--	--	--	31,200
Long-term Leases Receivable	191,504	--	--	--	--	--	--	191,504
<i>Total Assets</i>	\$ 8,321,479	\$ 2,582,694	\$ 1,543,299	\$ 2,892,039	\$ 1,443,550	\$ 1,249,905	\$ 4,386,735	\$ 22,419,701
LIABILITIES								
Accounts Payable	\$ 179,945	\$ 48,117	\$ --	\$ 68	\$ 1,443,550	\$ --	\$ 39,642	\$ 1,711,322
Accrued Wages	120,469	--	--	--	--	--	7,137	127,606
Unearned Revenue	--	--	--	2,752,098	--	--	691,069	3,443,167
Other Liabilities	142,336	--	--	--	--	--	--	142,336
<i>Total Liabilities</i>	442,750	48,117	--	2,752,166	1,443,550	--	737,848	5,424,431
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenues	393,001	--	--	--	--	--	--	393,001
Unavailable Revenues - Opioid Settlement	--	--	--	--	--	1,063,285	--	1,063,285
Deferred Lease Revenues	189,431	--	--	--	--	--	--	189,431
Taxes Levied for a Subsequent Period	--	1,324,777	1,421,345	--	--	--	347,171	3,093,293
<i>Total Liabilities and Deferred Inflows of Resources</i>	1,025,182	1,372,894	1,421,345	2,752,166	1,443,550	1,063,285	1,085,019	10,163,441
FUND BALANCE								
Nonspendable	137,972	--	--	--	--	--	16,825	154,797
Restricted	74,108	1,209,800	121,954	139,873	--	186,620	3,068,165	4,800,520
Committed	600,000	--	--	--	--	--	216,726	816,726
Unassigned	6,484,217	--	--	--	--	--	--	6,484,217
<i>Total Fund Balance</i>	7,296,297	1,209,800	121,954	139,873	--	186,620	3,301,716	12,256,260
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	\$ 8,321,479	\$ 2,582,694	\$ 1,543,299	\$ 2,892,039	\$ 1,443,550	\$ 1,249,905	\$ 4,386,735	\$ 22,419,701

County of Oceana
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2023

Total Fund Balance - Governmental Funds	\$	12,256,260
General government capital assets of \$15,389,904, net of accumulated depreciation/amortization of \$6,908,489, are not financial resources and, accordingly, are not reported in the funds.		8,481,415
Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.		(599,813)
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.		(779,430)
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.		(4,995,128)
Unavailable revenues are not available to pay current period expenditures and, therefore, are deferred inflows of resources in the funds.		1,645,717
Long-term liabilities are not due any payable in the current period and, therefore, are not reported in the funds.		(989,878)
Total Net Position - Governmental Activities	\$	<u>15,019,143</u>

County of Oceana
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2023

	Special Revenue						Other Governmental Funds	Total Governmental Funds
	General	Ambulance Fund	Senior Citizens' Tax	American Rescue Plan	Shelby Twp Community Park	Opioid Settlement		
Revenues								
Taxes	\$ 8,398,009	\$ 1,233,897	\$ 1,348,780	\$ --	\$ --	\$ --	\$ 375,348	\$ 11,356,034
Licenses and Permits	52,299	--	--	--	--	--	528,103	580,402
Intergovernmental	2,270,536	10,279	41,317	1,239,145	--	182,784	853,294	4,597,355
Charges for Services	1,192,895	--	--	--	2,971,703	--	82,340	4,246,938
Fines and Forfeits	132,982	--	--	--	--	--	--	132,982
Interest and Rents	727,097	93,662	23,152	178,839	--	3,836	157,733	1,184,319
Other Revenue	380,809	150	--	--	--	--	57,138	438,097
Total Revenues	13,154,627	1,337,988	1,413,249	1,417,984	2,971,703	186,620	2,053,956	22,536,127
Expenditures								
Judicial	2,332,242	--	--	--	--	--	118,408	2,450,650
General Government	2,525,236	--	--	599,105	--	--	688,214	3,812,555
Public Safety	5,033,598	--	--	--	--	--	812,360	5,845,958
Public Works	703,876	--	--	--	--	--	2,366	706,242
Health and Welfare	446,391	1,216,300	1,291,295	--	--	--	479,895	3,433,881
Community and Economic Development	534,090	--	--	--	--	--	--	534,090
Recreation and Culture	52,968	--	--	--	2,971,703	--	16,097	3,040,768
Debt Service - Principal	164,561	--	--	--	--	--	290,000	454,561
Debt Service - Interest	25,479	--	--	--	--	--	8,700	34,179
Total Expenditures	11,818,441	1,216,300	1,291,295	599,105	2,971,703	--	2,416,040	20,312,884
Excess of Revenues Over (Under) Expenditures	1,336,186	121,688	121,954	818,879	--	186,620	(362,084)	2,223,243
Other Financing Sources (Uses)								
Transfers In	721,850	--	--	18,244	--	--	832,976	1,573,070
Transfers Out	(820,770)	(30,450)	--	(697,250)	--	--	(24,600)	(1,573,070)
Net Other Financing Sources (Uses)	(98,920)	(30,450)	--	(679,006)	--	--	808,376	--
Net Change in Fund Balance	1,237,266	91,238	121,954	139,873	--	186,620	446,292	2,223,243
<i>Fund Balance at Beginning of Period</i>	6,059,031	1,118,562	--	--	--	--	2,855,424	10,033,017
Fund Balance at End of Period	\$ 7,296,297	\$ 1,209,800	\$ 121,954	\$ 139,873	\$ --	\$ 186,620	\$ 3,301,716	\$ 12,256,260

The Notes to the Financial Statements are an Integral part of these Financial Statements5 -

County of Oceana
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and
Changes in Fund Balance with Statement of Activities
For the Year Ended December 31, 2023

Total Net Change in Fund Balances - Governmental Funds	\$	2,223,243
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/amortization expense. This is the amount by which capital outlay of \$3,135,178 exceeds depreciation/amortization expense of \$452,798.		2,682,380
Repayment of bond principal is an expenditure in the governmental funds but the payment reduces long-term liabilities in the statement of net position.		454,561
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.		7,314
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.		(6,536)
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.		(477,242)
Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows of resources		1,120,045
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.		2,900
Changes in Net Position - Governmental Activities	\$	<u>6,006,665</u>

**County of Oceana
Statement of Net Position
Proprietary Funds
December 31, 2023**

	Business-type Activities - Enterprise Funds			
	Foreclosure	Delinquent Tax Revolving	Other Enterprise Funds	Total Enterprise Funds
ASSETS				
<i>Current Assets</i>				
Cash and Investments	\$ 3,082,871	\$ 5,881,394	\$ 196,256	\$ 9,160,521
Taxes Receivable	--	1,210,047	--	1,210,047
Due from Other Governments	--	4,390	--	4,390
Total Assets	3,082,871	7,095,831	196,256	10,374,958
LIABILITIES				
<i>Current Liabilities</i>				
Accounts Payable	120	182	--	302
Total Liabilities	120	182	--	302
NET POSITION				
<i>Unrestricted</i>	3,082,751	7,095,649	196,256	10,374,656
Total Net Position	\$ 3,082,751	\$ 7,095,649	\$ 196,256	\$ 10,374,656

County of Oceana
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2023

	Business-type Activities - Enterprise Funds			
	Foreclosure	Delinquent Tax Revolving	Other Enterprise Funds	Total Enterprise Funds
Operating Revenues				
Interest and Penalties on Delinquent Taxes	\$ --	\$ 407,071	\$ --	\$ 407,071
Intergovernmental	--	--	22,033	22,033
Charges for Services	186,857	--	93,368	280,225
Total Operating Revenues	186,857	407,071	115,401	709,329
Operating Expenses				
Operations	104,038	8,908	78,554	191,500
Total Operating Expenses	104,038	8,908	78,554	191,500
Operating Income (Loss)	82,819	398,163	36,847	517,829
Non-Operating Revenues (Expenses)				
Interest Income	149,584	268,121	214	417,919
Net Non-Operating Revenues (Expenses)	149,584	268,121	214	417,919
Income Before Contributions	232,403	666,284	37,061	935,748
Change In Net Position	232,403	666,284	37,061	935,748
<i>Net Position at Beginning of Period</i>	2,850,348	6,429,365	159,195	9,438,908
Net Position at End of Period	\$ 3,082,751	\$ 7,095,649	\$ 196,256	\$ 10,374,656

The Notes to the Financial Statements are an Integral part of these Financial Statements8 -

**Oceana County
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023**

Business-type Activities - Enterprise Funds

	Foreclosure	Delinquent Tax Revolving	Other Enterprise Funds	Total Enterprise Funds
Cash Flows from Operating Activities				
Receipts from Customers	\$ 186,857	\$ 378,835	\$ 115,401	\$ 681,093
Cash Paid to Suppliers	(135,163)	(8,726)	(78,554)	(222,443)
Net Cash Provided by Operating Activities	51,694	370,109	36,847	458,650
Cash Flows from Investing Activities				
Interest Income	149,584	268,121	214	417,919
Net Cash Provided by Investing Activities	149,584	268,121	214	417,919
Net Increase in Cash Equivalents	201,278	638,230	37,061	876,569
Cash and Investments - Beginning of the Year	2,881,593	5,243,164	159,195	8,283,952
Cash and Investments - End of the Year	\$ 3,082,871	\$ 5,881,394	\$ 196,256	\$ 9,160,521
Reconciliation of Operating Income to Net Cash Provided by Operating Activities				
Operating Income	\$ 82,819	\$ 398,163	\$ 36,847	\$ 517,829
Adjustments to Reconcile Operating Income to Net Cash Change in Assets and Liabilities:				
Taxes Receivable	-	(23,846)	-	(23,846)
Due from Other Governments	-	(4,390)	-	(4,390)
Accounts Payable	120	182	-	302
Other Liabilities	(31,245)	-	-	(31,245)
Net Cash Provided by Operating Activities	\$ 51,694	\$ 370,109	\$ 36,847	\$ 458,650

Oceana County
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2023

	OPEB Trust Fund	Custodial Funds
ASSETS		
Cash and investments	\$ --	\$ 306,383
Interest in pooled investments	823,442	--
<i>Total Assets</i>	823,442	306,383
LIABILITIES		
Due to other governments	--	177,652
Undistributed collections	--	18,083
Bonds and other payables	--	59,155
<i>Total Liabilities</i>	--	254,890
NET POSITION		
Restricted for OPEB, individuals, organizations, and other governments	\$ 823,442	\$ 51,493

Oceana County
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2023

	<u>OPEB Trust Fund</u>	<u>Custodial Funds</u>
Additions		
Taxes collected for other governments	\$ --	\$ 8,561,400
Library penal fine collections	--	115,605
Inmate trust collections	--	504,805
Court collections	--	235,024
County clerk/register of deeds collections	--	243,653
Treasurer collections	--	1,102,108
Employer contributions	32,236	--
Investment Earnings (Losses)		
Interest, dividends, and other investment gains (losses)	85,935	--
Total Additions	<u>118,171</u>	<u>10,762,595</u>
Deductions		
Payments of property taxes to other governments	--	8,561,400
Library penal fine distributions	--	104,590
Inmate trust distributions	--	505,163
Court distributions	--	235,024
County clerk/register of deeds distributions	--	243,653
Treasurer distributions	--	1,102,108
Retirement benefits	32,236	--
Administration expense	1,544	--
Total Deductions	<u>33,780</u>	<u>10,751,938</u>
Change in Net Position	84,391	10,657
<i>Net Position at Beginning of Period</i>	739,051	40,836
<i>Net Position at End of Period</i>	<u>\$ 823,442</u>	<u>\$ 51,493</u>

The Notes to the Financial Statements are an Integral part of these Financial Statements 11 -

**County of Oceana
Combining Statement of Net Position
Component Units
December 31, 2023**

	<u>Road Commission</u>	<u>Land Bank</u>	<u>Brownfield Redevelopment Authority Fund</u>	<u>Drainage Districts</u>	<u>Medical Care Facility</u>	<u>Total Component Units</u>
ASSETS						
<i>Current Assets</i>						
Cash and Investments	\$ 2,690,699	\$ 212,750	\$ 9,888	\$ 452,139	\$ 5,773,609	\$ 9,139,085
Taxes Receivable	--	--	--	--	2,685,850	2,685,850
Accounts Receivable, net	--	--	--	--	2,449,273	2,449,273
Special Assessments Receivable	--	--	--	91,988	--	91,988
Due from Other Governments	1,707,725	--	--	--	1,611,725	3,319,450
Prepays	--	--	--	--	111,145	111,145
Inventory	654,593	600	--	--	115,848	771,041
Total Current Assets	5,053,017	213,350	9,888	544,127	12,747,450	18,567,832
<i>Noncurrent Assets</i>						
Restricted Cash and Investments	--	--	--	--	48,242	48,242
Capital Asset not Being Depreciated	339,568	--	--	--	159,821	499,389
Capital Assets Being Depreciated, net	38,961,982	--	--	1,866,149	11,609,700	52,437,831
Long-term Special Assessments Receivable	--	--	--	161,508	--	161,508
Net OPEB Asset	106,916	--	--	--	--	106,916
Total Assets	44,461,483	213,350	9,888	2,571,784	24,565,213	71,821,718
DEFERRED OUTFLOWS OF RESOURCES						
Pension	--	--	--	--	3,553,222	3,553,222
OPEB	46,511	--	--	--	--	46,511
Total Deferred Outflows of Resources	46,511	--	--	--	3,553,222	3,599,733
LIABILITIES						
<i>Current Liabilities</i>						
Accounts Payable	148,671	--	--	550	618,920	768,141
Accrued Wages	--	--	--	--	261,796	261,796
Unearned Revenue	--	--	--	--	45,260	45,260
Current Portion of Long-term Debt	566,487	--	--	--	3,666	570,153
Other Liabilities	401,356	--	--	--	404,145	805,501
Current Portion of Compensated Absences	141,228	--	--	2,231	447,128	590,587
Total Current Liabilities	1,257,742	--	--	2,781	1,780,915	3,041,438
<i>Noncurrent Liabilities</i>						
Advances from Other Governmental Units	--	--	--	31,200	--	31,200
Residents' Trust Payable	--	--	--	--	2,982	2,982
Compensated Absences	45,989	--	--	6,692	--	52,681
Long-term Debt	409,488	--	--	--	15,913	425,401
Net Pension Liability	--	--	--	--	7,585,074	7,585,074
Total Liabilities	1,713,219	--	--	40,673	9,384,884	11,138,776
DEFERRED INFLOWS OF RESOURCES						
Pension	--	--	--	--	211,343	211,343
OPEB	43,801	--	--	--	--	43,801
Taxes Levied for a Subsequent Period	--	--	--	--	2,922,241	2,922,241
Total Deferred Inflows of Resources	43,801	--	--	--	3,133,584	3,177,385
NET POSITION						
Net Investment in Capital Assets	38,432,491	--	--	1,866,149	11,749,942	52,048,582
<i>Restricted for:</i>						
Other Purposes	--	213,350	9,888	664,962	--	888,200
<i>Unrestricted</i>	4,318,483	--	--	--	3,850,025	8,168,508
Total Net Position	\$ 42,750,974	\$ 213,350	\$ 9,888	\$ 2,531,111	\$ 15,599,967	\$ 61,105,290

**County of Oceana
Combining Statement of Activities
Component Units
For the Year Ended December 31, 2023**

	<u>Road Commission</u>	<u>Land Bank</u>	<u>Brownfield Redevelopment Authority Fund</u>	<u>Drainage Districts</u>	<u>Medical Care Facility</u>	<u>Total Component Units</u>
Expenses						
General Government	\$ --	\$ 126	\$ 60,313	\$ --	\$ --	\$ 60,439
Public Works	10,040,480	--	--	223,542	--	10,264,022
Health and Welfare	--	--	--	--	20,363,379	20,363,379
Interest on Long-term Debt	--	--	--	92	66	158
Total Expenses	<u>10,040,480</u>	<u>126</u>	<u>60,313</u>	<u>223,634</u>	<u>20,363,445</u>	<u>30,687,998</u>
Program Revenues						
Charges for services	1,483,049	--	--	91,338	14,288,675	15,863,062
Operating grants and contributions	8,778,890	--	60,122	31,406	2,077,512	10,947,930
Capital grants and contributions	3,052,123	--	--	--	--	3,052,123
Total Program Revenues	<u>13,314,062</u>	<u>--</u>	<u>60,122</u>	<u>122,744</u>	<u>16,366,187</u>	<u>29,863,115</u>
Net Program Revenues (Expenses)	<u>3,273,582</u>	<u>(126)</u>	<u>(191)</u>	<u>(100,890)</u>	<u>(3,997,258)</u>	<u>(824,883)</u>
General Revenue						
Taxes	--	1,280	--	--	2,733,959	2,735,239
Interest Income	130,485	10,679	77	19,081	390,700	551,022
Total General Revenues	<u>130,485</u>	<u>11,959</u>	<u>77</u>	<u>19,081</u>	<u>3,124,659</u>	<u>3,286,261</u>
Change in Net Position	<u>3,404,067</u>	<u>11,833</u>	<u>(114)</u>	<u>(81,809)</u>	<u>(872,599)</u>	<u>2,461,378</u>
<i>Net Position at Beginning of Period</i>	39,346,907	201,517	10,002	2,612,920	16,472,566	58,643,912
Net Position at End of Period	<u>\$ 42,750,974</u>	<u>\$ 213,350</u>	<u>\$ 9,888</u>	<u>\$ 2,531,111</u>	<u>\$ 15,599,967</u>	<u>\$ 61,105,290</u>

The Notes to the Financial Statements are an Integral part of these Financial Statements 13 -

NOTES TO FINANCIAL STATEMENTS

Oceana County

Notes to the Financial Statements

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

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 \$171,155 for the year ended December 31, 2023. 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

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, 2023, the County passed through \$60,650. 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 contributed \$130,000 for the year ended December 31, 2023.

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, 2023.

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

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

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 2023 resources collected and expended.

The ***shelby township community park fund*** is used to account for the community park project in Shelby township.

The ***opioid settlement fund*** is used to account for the opioid settlement payments received from the State.

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.

Oceana County

Notes to the Financial Statements

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.

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.

Oceana County

Notes to the Financial Statements

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.

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.

Oceana County

Notes to the Financial Statements

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 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, 2022, including related payroll taxes, is

Oceana County

Notes to the Financial Statements

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. 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 2023 ad valorem taxes were levied and collectible on July 1, 2023. 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 2023 tax levy has been recognized as revenue in the current fiscal year. The 2023 adjusted taxable value of the County amounted to approximately \$1,481,115,387 on which ad valorem taxes levied for County general operating purposes consisted of 5.6571 mills. The Council on Aging levied 0.9838 mills, the ambulance fund levied 0.9885 mills, the soldiers' and sailors' relief fund levied 0.0986 mills, and the 9-1-1 fund levied 0.1374 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, 2022. Subsequent collections of delinquent taxes receivable, plus interest thereon and investment earnings, are used to repay the funds distributed by the delinquent tax revolving fund. This activity is accounted for in the delinquent tax revolving (enterprise) fund.

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.

Oceana County

Notes to the Financial Statements

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 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

Oceana County

Notes to the Financial Statements

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.

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

Oceana County

Notes to the Financial Statements

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) 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 the following expenditures in excess of the amounts appropriated during the year ended December 31, 2023:

<u>Fund / Activity</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance</u>
ARPA			
General Services	\$ 596,071	\$ 599,105	\$ (3,034)
Shelby Twp Community Park			
Parks and Recreation	1,528,153	2,971,703	(1,443,550)

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:

Oceana County

Notes to the Financial Statements

- 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.
- 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, 2023:

	Primary Government	Component Units	Total
Statement of Net Position			
Cash and Investments	\$ 24,646,407	\$ 9,139,085	\$ 33,785,492
Statement of Fiduciary Net Position			
Cash and Investments - Custodial funds	306,383	-	306,383
Cash and Investments - OPEB Trust	823,442	-	823,442
Total Deposits and Investments	25,776,232	9,139,085	34,915,317
<i>Less Units Separately Audited</i>			
Oceana County Medical Care Facility	-	(5,773,609)	(5,773,609)
Road Commission	-	(2,690,699)	(2,690,699)
Deposits and Investments Managed by the County	\$ 25,776,232	\$ 674,777	\$ 26,451,009
	Cash on Hand		\$ 1,498
	Checking and Savings Accounts		2,039,356
	Pooled Investments		24,410,155
	Total Deposits and Investments		\$ 26,451,009

Oceana County

Notes to the Financial Statements

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, \$2,068,567 of the County's bank balance of \$2,327,843 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.

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, 2023, the County had \$823,442 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 \$823,442 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.

Oceana County

Notes to the Financial Statements

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 \$823,442. 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 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, 2023 in the amount of \$31,200. 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 - Leases Receivable

The County is reporting total lease receivables of \$194,998 and deferred lease revenues of \$189,431 as of December 31, 2023. For fiscal year 2023, the County reported lease revenue of \$3,356 and interest revenue of \$4,232 related to lease payments received.

The following describes the County's leases receivable as of year-end:

Airport Leases: The County entered into several agreements with various individuals to provide them with an airport hangar to use. The leases all have different time frames and maturity schedules, but will all be over by 2051.

Oceana County

Notes to the Financial Statements

Note 6 - 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:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	\$ 24,600
General fund	American Rescue Plan	697,250
Nonmajor governmental funds	General fund	802,526
Nonmajor governmental funds	Ambulance	30,450
American Rescue Plan	General fund	18,244

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 7 - Capital Assets

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Capital assets not being depreciated/amortized				
Land	\$ 1,730,509	\$ -	\$ -	\$ 1,730,509
Construction in progress	-	2,971,703	-	2,971,703
<i>Subtotal</i>	<u>1,730,509</u>	<u>2,971,703</u>	<u>-</u>	<u>4,702,212</u>
Capital assets being depreciated/amortized				
Buildings and improvements	4,526,267	-	-	4,526,267
Land improvements	1,409,888	-	-	1,409,888
Equipment and furniture	2,505,066	124,622	-	2,629,688
Vehicles	1,281,151	38,853	(150,235)	1,169,769
Infrastructure	229,650	-	-	229,650
Right of use assets	722,430	-	-	722,430
<i>Subtotal</i>	<u>10,674,452</u>	<u>163,475</u>	<u>(150,235)</u>	<u>10,687,692</u>
Less accumulated depreciation/amortization for				
Buildings and improvements	2,525,806	124,800	-	2,650,606
Land improvements	980,294	66,186	-	1,046,480
Equipment and furniture	2,200,078	58,480	-	2,258,558
Vehicles	696,120	143,459	(150,235)	689,344
Infrastructure	148,220	2,370	-	150,590
Right of use assets	55,408	57,503	-	112,911
<i>Subtotal</i>	<u>6,605,926</u>	<u>452,798</u>	<u>(150,235)</u>	<u>6,908,489</u>
Capital assets being depreciated/amortized, net	<u>4,068,526</u>	<u>(289,323)</u>	<u>-</u>	<u>3,779,203</u>
Capital assets, net	<u><u>\$ 5,799,035</u></u>	<u><u>\$ 2,682,380</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 8,481,415</u></u>

Depreciation expense was charged to the following governmental activities:

General government	\$ 97,867
Public safety	195,729
Public works	80,632
Health and welfare	66,741
Recreation and culture	11,829
<i>Total depreciation/amortization expense</i>	<u><u>\$ 452,798</u></u>

Oceana County

Notes to the Financial Statements

Capital asset activity for the drainage districts for 2023 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	2,290,204	106,573	-	2,396,777
Capital assets being depreciated, net	2,079,295	(106,573)	-	1,866,149
Capital assets, net	\$ 2,079,295	\$ (106,573)	\$ -	\$ 1,866,149

Note 8 - 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, 2023:

<u>Primary government</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
Capital improvement refunding bonds					
- series 2012B	\$ 290,000	\$ -	\$ (290,000)	\$ -	\$ -
Lease liabilities	673,444	-	(50,678)	622,766	51,958
Installment loan - direct placement	480,995	-	(113,883)	367,112	117,400
Subtotal	1,444,439	-	(454,561)	989,878	169,358
Compensated absences	593,277	6,536	-	599,813	149,953
Total governmental activities	\$ 2,037,716	\$ 6,536	\$ (454,561)	\$ 1,589,691	\$ 319,311

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.

\$ -

\$15,962 postage meter lease with payment of \$278 due monthly through August 2027 which includes principal and interest.

11,673

\$706,738 health department lease for the right to use 9,759 square feet of office space area with payment of \$5,300 due monthly through December 2024 which includes principal and interest.

611,093

\$581,401 installment loans for 13 police vehicles with individual payments ranging from \$506 to \$1,061 each month including principal and interest.

367,112

\$ 989,878

Oceana County

Notes to the Financial Statements

Primary Government

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

<u>Year</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 169,358	\$ 22,590	\$ 191,948
2025	173,650	18,294	191,944
2026	169,174	13,911	183,085
2027	69,042	15,101	84,143
2028	54,015	9,585	63,600
2029-2033	291,268	26,732	318,000
2034	63,371	854	64,225
<i>Totals</i>	<u>\$ 989,878</u>	<u>\$ 107,067</u>	<u>\$ 1,096,945</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 their respective personnel policies and/or contracts. The dollar amount of these vested rights, including related payroll taxes, amounted to \$599,813 for vacation and sick at December 31, 2023. Of this liability, \$149,953 has been recorded as a current liability and \$449,860 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, 2023:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Component Units - Drainage Districts					
Freeman note	\$ 18,410	\$ -	\$ (18,410)	\$ -	\$ -
<i>Subtotal</i>	<u>18,410</u>	<u>-</u>	<u>(18,410)</u>	<u>-</u>	<u>-</u>
Compensated absences	7,927	996	-	8,923	2,231
<i>Total component units</i>	<u>\$ 26,337</u>	<u>\$ 996</u>	<u>\$ (18,410)</u>	<u>\$ 8,923</u>	<u>\$ 2,231</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.

Oceana County

Notes to the Financial Statements

Loan and notes payable at December 31, 2023, per respective drain projects serviced from the component unit funds, are as follows:

Component Unit - Drainage Districts

\$40,062, dated May 7, 2021, due in two payments. One of \$21,652 and the other of \$18,410 through May 1, 2023, with interest of .05%.

\$ -

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 \$8,923 for vacation and sick time at December 31, 2023. Of this liability, \$2,231 has been recorded as a current liability and \$6,692 has been recorded as a noncurrent liability.

Note 9 - 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 \$166,012 by the County and \$186,446 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.

Oceana County

Notes to the Financial Statements

Benefits Provided

Retirement benefits for employees are calculated as follows:

<u>Division</u>	<u>Benefit Multiplier</u>	<u>Benefit Maximum</u>	<u>Final Average Compensation (Years)</u>	<u>Normal Retirement Age</u>	<u>Unreduced Benefit (Age/Years of Service)</u>	<u>Reduced Benefit (Age/Years of Service)</u>	<u>Vesting (Years)</u>
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

Employees Covered by Benefit Terms

At the December 31, 2022 measurement date, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	92
Inactive plan members entitled to but not yet receiving benefits	24
Active plan members	33
<i>Total employees covered by MERS</i>	149

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 2023 were as follows:

<u>Division</u>	<u>Employee Contributions</u>	<u>Monthly Employer Contributions</u>
01 - General - Closed	5.00%	\$ 26,302
02 - Sheriff - Closed	5.00%	46,670
11 - Building Dept. - Closed	5.00%	2,369

Net Pension Liability

The County's net pension liability was measured as of December 31, 2021 and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of that date.

Oceana County

Notes to the Financial Statements

Actuarial Assumptions

The total pension liability in the December 31, 2022 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	7.00% net of investment expense, including inflation

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:

Asset Class	Target Allocation	Target Allocation Gross Rate of Return	Long-term Expected Gross Rate of Return	Inflation Assumption	Long-term Expected Real Rate of Return
Global equity	60.00%	7.00%	4.20%	2.50%	2.70%
Global fixed income	20.00%	4.50%	0.90%	2.50%	0.40%
Private Investments	20.00%	9.50%	1.90%	2.50%	1.40%
Totals	100.00%		7.00%		4.50%

Discount Rate

The discount rate used to measure the total pension liability is 7.25%. 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

Oceana County

Notes to the Financial Statements

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.

Changes in Net Pension Liability

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

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
Balance at December 31, 2021	\$ 26,794,593	\$ 22,452,467	\$ 4,342,126
Service cost	256,897	-	256,897
Interest	1,890,215	-	1,890,215
Difference between expected and actual experience	(48,479)	-	(48,479)
Contributions - Employer	-	974,364	(974,364)
Contributions - Employee	-	111,240	(111,240)
Net investment loss	-	(2,324,660)	2,324,660
Benefit payments, including refunds	(1,702,244)	(1,702,244)	-
Administrative expenses	-	(41,114)	41,114
Other Charges	-	-	-
<i>Net changes</i>	396,389	(2,982,414)	3,378,803
<i>Balance at December 31, 2022</i>	\$ 27,190,982	\$ 19,470,053	\$ 7,720,929

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 7.25%, 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 (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net pension liability of the County	\$ 10,639,415	\$ 7,720,929	\$ 5,241,250

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, 2023, the County recognized pension expense of \$1,381,332.

Oceana County

Notes to the Financial Statements

At December 31, 2023, 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	\$ 1,821,709	\$ -
Differences in experience	-	-
Change in actuarial assumptions	-	-
Employer contributions to the plan subsequent to the measurement date *	904,092	-
Total	\$ 2,725,801	\$ -

* 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, 2024.

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

Years Ended December 31	Amount
2024	\$ 163,906
2025	345,143
2026	526,936
2027	785,724

Note 10 - 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, 2023), the plan is closed:

Inactive plan members or beneficiaries currently receiving benefits	7
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	110
<i>Total employees covered by the Plan</i>	<u>121</u>

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, 2023, with a December 31, 2023 measurement date, and the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Discount Rate	7.00%
Healthcare Cost Rate	8.25% graded down to 7.25% after one year and then by 0.25% per year to an ultimate rate of 4.50%
Salary Increases	3.00% (for purposes of allocating liability)
Investment Rate of Return	7.00%
20-year Aa Municipal bond rate	4.00%
Mortality	Public General and Public Safety 2010 Employee and Healthy Retiree, Headcount weighted
Improvement scale	MP-2021

Oceana County

Notes to the Financial Statements

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, 2023 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%	4.50%
Global Fixed Income	20.00%	2.00%
Private Investments	20.00%	7.00%

Discount Rate

The discount rate used to measure the total OPEB liability was 7.00%. 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, 2022 the discount rate used to value OPEB liabilities was 7.00%.

Oceana County

Notes to the Financial Statements

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

Changes in OPEB Liability	Increase (Decrease)		Net OPEB Liability
	Total OPEB Liability	Plan Net Position	
Balance at December 31, 2022	\$ 1,105,400	\$ 739,051	\$ 366,349
Service cost	41,108	-	41,108
Interest	79,128	-	79,128
Differences between expected and actual experience	(36,511)	-	(36,511)
Changes in assumptions	15,411	-	15,411
Contributions to OPEB trust	-	32,236	(32,236)
Contributions/benefit paid from general operating funds	-	-	-
Net investment income	-	85,935	(85,935)
Benefit payments, including refunds	(32,236)	(32,236)	-
Administrative expenses	-	(1,544)	1,544
<i>Net changes</i>	<u>66,900</u>	<u>84,391</u>	<u>(17,491)</u>
Balance at December 31, 2023	<u>\$ 1,172,300</u>	<u>\$ 823,442</u>	<u>\$ 348,858</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:

	1% Decrease	Current Rate	1% Increase
Total OPEB Liability	\$ 1,257,511	\$ 1,172,300	\$ 1,092,210
Plan Fiduciary Net Position	823,442	823,442	823,442
Net OPEB Liability of the County	<u>\$ 434,069</u>	<u>\$ 348,858</u>	<u>\$ 268,768</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:

	1% Decrease	Current Rate	1% Increase
Total OPEB Liability	\$ 1,084,962	\$ 1,172,300	\$ 1,269,928
Plan Fiduciary Net Position	823,442	823,442	823,442
Net OPEB Liability of the County	<u>\$ 261,520</u>	<u>\$ 348,858</u>	<u>\$ 446,486</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, 2023 the employer recognized OPEB expense of \$24,922. 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	\$ -	\$ 416,616
Change in actuarial assumptions	357,838	405,311
Net difference between projected and actual earnings on OPEB plan investments	88,056	54,539
Total	445,894	876,466

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

Years Ended December 31	Amount
2024	\$ (39,068)
2025	(31,353)
2026	(21,643)
2027	(50,995)
2028	(68,811)
Thereafter	(218,702)

Note 11 - 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

Note 12 - 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

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.

Oceana County

Notes to the Financial Statements

Note 13 - 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.

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

Fund Balances	General Fund	Ambulance	Senior Citizen's Tax	American Rescue Plan	Shelby Twp Community Park	Opioid Settlement	Nonmajor Funds	Total
Nonspendable								
Prepays	\$ 106,772	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,825	\$ 123,597
Advances to Other Governmental Units	31,200	-	-	-	-	-	-	31,200
<i>Subtotal</i>	<u>137,972</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,825</u>	<u>154,797</u>
Restricted								
Parks and Recreation - Recreation and Culture	74,108	-	-	-	-	-	-	74,108
Ambulance - Health and Welfare	-	1,209,800	-	-	-	-	-	1,209,800
Senior Citizens' Tax - Health and Welfare	-	-	121,954	-	-	-	-	121,954
American Rescue Plan - General Government	-	-	-	139,873	-	-	-	139,873
Opioid Settlement - Health and Welfare	-	-	-	-	-	186,620	-	186,620
Friend of the Court Activities - General Government	-	-	-	-	-	-	66,278	66,278
Public Improvement - Capital Outlay	-	-	-	-	-	-	1,438,053	1,438,053
Building Department Activities - Public Safety	-	-	-	-	-	-	433,503	433,503
Animal Control Building - Public Safety	-	-	-	-	-	-	965	965
Animal Care Activities - Public Safety	-	-	-	-	-	-	23,732	23,732
Register of Deeds Activities - General Government	-	-	-	-	-	-	79,673	79,673
Local Correction Officer Training - Public Safety	-	-	-	-	-	-	30,800	30,800
Drug Law Enforcement - Public Safety	-	-	-	-	-	-	275	275
Law Library Activities - General Government	-	-	-	-	-	-	14,410	14,410
Child Care - Health and Welfare	-	-	-	-	-	-	308,024	308,024
Soldiers' and Sailors' Relief - Health and Welfare	-	-	-	-	-	-	305,004	305,004
CDBG Housing - Comm. and Econ. Dev.	-	-	-	-	-	-	56,219	56,219
Criminal Justice Training - Public Safety	-	-	-	-	-	-	31,041	31,041
Emergency Mgmt. Reserves Corp - Public Safety	-	-	-	-	-	-	6,063	6,063
GIS Activities - General Government	-	-	-	-	-	-	12,665	12,665
Public Safety - Public Safety	-	-	-	-	-	-	3,998	3,998
Concealed Pistol - Public Safety	-	-	-	-	-	-	74,345	74,345
Mason/Oceana 911 - Public Safety	-	-	-	-	-	-	31	31
K9 Unit - Public Safety	-	-	-	-	-	-	8,281	8,281
Technology and Innovation - General Government	-	-	-	-	-	-	17,205	17,205
Court Improvement and Services - General Government	-	-	-	-	-	-	37,721	37,721
Indigent Defense Fund - General Government	-	-	-	-	-	-	-	-
Pentwater Hart Trail - Recreation and Culture	-	-	-	-	-	-	31,422	31,422
Victims Services - Public Safety	-	-	-	-	-	-	5,746	5,746
Medical Care Facility Building Fund - Health and Welfare	-	-	-	-	-	-	60,191	60,191
Medical Care Endowment - Health and Welfare	-	-	-	-	-	-	342	342
Airport Terminal - Debt Service	-	-	-	-	-	-	20,498	20,498
Ambulance Debt Retirement - Debt Service	-	-	-	-	-	-	1,680	1,680
<i>Subtotal</i>	<u>74,108</u>	<u>1,209,800</u>	<u>121,954</u>	<u>139,873</u>	<u>-</u>	<u>186,620</u>	<u>3,068,165</u>	<u>4,800,520</u>
Committed								
Equipment Replacement - Capital Outlay	-	-	-	-	-	-	216,726	216,726
Unfunded Pension and OPEB Liability	600,000	-	-	-	-	-	-	600,000
<i>Subtotal</i>	<u>600,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>216,726</u>	<u>816,726</u>
Unassigned								
	6,484,217	-	-	-	-	-	-	6,484,217
<i>Total fund balances</i>	<u>\$ 7,296,297</u>	<u>\$ 1,209,800</u>	<u>\$ 121,954</u>	<u>\$ 139,873</u>	<u>\$ -</u>	<u>\$ 186,620</u>	<u>\$ 3,301,716</u>	<u>\$ 12,256,260</u>

Oceana County

Notes to the Financial Statements

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, 2023:

PRIMARY GOVERNMENT

General Government	\$ 379,956
Public Safety	623,089
Health and Welfare	3,255,605
Community and Economic Development	56,219
Recreation and Culture	105,702
Debt Service	22,178
Capital Projects	1,438,053
<i>Total Restricted</i>	<u>\$ 5,880,802</u>

Note 14 - Subsequent Events

As of June 28, 2024, Management is not aware of any subsequent events that would have a significant impact on the financial condition of the County.

NOTE 15 - OPIOID SETTLEMENT

Janssen and Distributors Settlements

The County is part of a \$21 billion nationwide settlement reached in July 2021 to resolve all Opioids litigation brought by states and local political subdivisions against the three largest pharmaceutical distributors: McKesson, Cardinal Health, and AmerisourceBergen (Distributors), and a \$5 billion nationwide settlement with manufacturer Janssen Pharmaceuticals, Inc. and its parent company Johnson & Johnson (Janssen).

Pharmacy and Manufacturer Settlements

In 2022, additional settlements with pharmacies and manufacturers were announced, including CVS, Walgreens, Walmart, Allergan, and Teva. Sign-on for participation in settlements with CVS, Walmart, Allergan, and Teva are completed in Michigan, with payments anticipated by end of calendar year, 2023. These four settlements are expected to bring in over \$450 million to Michigan and are structured like Janssen and Distributors settlements with a 50/50 state/local split.

The Walgreens settlement is just beginning to move forward in Michigan and will bring about \$313 million into the State. Funds from Walgreens represent awards from both a national settlement (50/50 state/local split; payments received over 15 years) and an additional settlement (for state government, only; payments received over 18 years).

Oceana County

Notes to the Financial Statements

The term of the settlements varies by entity; however, the County expects to receive 18 installments from the Distributors with the first installments commencing in 2023 and the remaining 16 installments expected to be made annually beginning in 2024. Additionally, the County expects to receive annual installments from Janssen and the pharmacy and manufacturer settlements with the first installments being paid in 2023 and the remaining installments expected to be made annually through 2037. The County is currently allocated approximately 0.10% of the total State of Michigan local unit settlement and the total amount of the settlement is expected to be \$1,461,367.

As a result of the payment terms issued to the Directing Administrator of the National Opioid Settlements, the receivable for the settlement agreements was recorded at the net present value, using a discount rate for payments to be received subsequent to 2023 of 3%. The net present value of the combined settlement payments to be received as of December 31, 2023 was \$1,063,285.

NOTE 19: UPCOMING GASB PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that will become effective in the upcoming fiscal years. These pronouncements may have an impact on the financial reporting of the County. The following is a summary of the most significant pronouncements:

GASB Statement No. 100, "Accounting Changes and Error Corrections"

Effective Date: Fiscal years beginning after June 15, 2023

Summary: This statement improves the accounting and financial reporting for accounting changes and error corrections, enhancing comparability and consistency.

GASB Statement No. 101, "Compensated Absences"

Effective Date: Fiscal years beginning after December 15, 2023

Summary: This statement updates the recognition and measurement guidance for compensated absences, simplifying and improving the consistency of accounting and reporting.

Management is currently in the process of determining the impact, if any, that the adoption of these GASB pronouncements will have on the financial statements of the County. As this assessment is ongoing, the potential financial impact of these standards on the County's financial position and results of operations has not yet been quantified.

REQUIRED SUPPLEMENTARY INFORMATION

County of Oceana
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance
	Original	Final		Positive (Negative) Final to Actual
Revenues				
Taxes	\$ 7,730,074	\$ 8,754,206	\$ 8,398,009	\$ (356,197)
Licenses and Permits	54,655	61,080	52,299	(8,781)
Intergovernmental	1,948,773	2,347,309	2,270,536	(76,773)
Charges for Services	1,132,277	1,290,609	1,192,895	(97,714)
Fines and Forfeits	31,200	138,325	132,982	(5,343)
Interest and Rents	89,080	477,981	727,097	249,116
Other Revenue	422,041	445,370	380,809	(64,561)
Total Revenues	11,408,100	13,514,880	13,154,627	(360,253)
Other Financing Sources				
Transfers In	781,708	771,264	721,850	(49,414)
Total Revenues and Other Financing Sources	12,189,808	14,286,144	13,876,477	(409,667)
Expenditures				
Judicial				
Circuit Court	612,083	750,443	674,541	75,902
District Court	390,857	417,821	375,449	42,372
Friend of the Court	512,899	519,552	499,077	20,475
Probate Court	304,015	347,440	305,732	41,708
Circuit Court Probation/Parole	2,200	2,200	1,228	972
Prosecuting Attorney	511,553	538,207	476,215	61,992
Total Judicial	2,333,607	2,575,663	2,332,242	243,421
General Government				
Board of Commissioners	219,193	222,368	205,955	16,413
County Administrator	361,409	404,174	393,664	10,510
County Auditing	35,400	39,200	39,200	--
Insurance	185,574	185,574	182,875	2,699
Elections	24,851	24,851	18,821	6,030
Unemployment	3,000	3,000	296	2,704
Clerk	211,660	218,345	200,121	18,224
Equalization	223,520	301,874	248,915	52,959
Family Counseling	2,500	3,317	3,316	1
Data Processing	44,900	47,525	41,276	6,249
Technology Department	109,170	153,433	148,312	5,121
County Survey and Remonumentation	36,950	49,147	49,147	--
Treasurer	288,427	307,625	261,683	45,942
Tax Tribunal Refunds Ordered	5,000	5,000	--	5,000
Courthouse & Grounds	271,948	294,517	283,832	10,685
General Services	368,541	486,126	446,381	39,745
Plat Board	582	586	165	421
Microfilming	1,500	1,500	1,277	223
Total General Government	2,394,125	2,748,162	2,525,236	222,926

Continued...

County of Oceana
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund - Continued
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Positive (Negative) Final to Actual
Public Safety				
Sheriff	2,808,419	3,234,907	2,922,065	312,842
Marine Law	61,784	91,013	79,941	11,072
Snowmobile Enforcement	36,367	36,464	28,925	7,539
Secondary Road Patrol	92,997	104,259	102,957	1,302
Jail	1,484,098	1,756,313	1,623,466	132,847
Emergency Management	104,668	116,738	103,128	13,610
Animal Control	186,168	187,009	173,116	13,893
Total Public Safety	<u>4,774,501</u>	<u>5,526,703</u>	<u>5,033,598</u>	<u>493,105</u>
Public Works				
Drain Commissioner	157,807	170,262	166,560	3,702
Drains - Public Benefit	1,820	1,820	1,817	3
Recycling	308,190	475,974	423,912	52,062
Soil Conservation District	20,000	20,000	20,000	--
Airport	122,104	123,169	91,587	31,582
Total Public Works	<u>609,921</u>	<u>791,225</u>	<u>703,876</u>	<u>87,349</u>
Health and Welfare				
Health Department	280,820	262,318	239,855	22,463
Medical Examiner	65,685	78,024	75,684	2,340
Mental Health	130,000	130,000	130,000	--
Contagious Diseases	2,000	2,000	852	1,148
Total Health and Welfare	<u>478,505</u>	<u>472,342</u>	<u>446,391</u>	<u>25,951</u>
Community and Economic Development				
Planning Commission	22,600	22,980	12,500	10,480
MSU Extension	150,462	150,562	142,229	8,333
Register of Deeds	208,028	237,140	219,334	17,806
Economic Development Corporation	53,334	168,960	160,027	8,933
Total Community and Economic Development	<u>434,424</u>	<u>579,642</u>	<u>534,090</u>	<u>45,552</u>
Parks and Recreation	77,485	87,186	52,968	34,218
Debt Service	190,040	190,040	190,040	--
Total Expenditures	<u>11,292,608</u>	<u>12,970,963</u>	<u>11,818,441</u>	<u>1,152,522</u>
Other Financing Uses				
Transfers Out	910,082	925,729	820,770	104,959
Total Expenditures and Other Financing Uses	<u>12,202,690</u>	<u>13,896,692</u>	<u>12,639,211</u>	<u>1,257,481</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(12,882)	389,452	1,237,266	847,814
Net Change in Fund Balance	<u>(12,882)</u>	<u>389,452</u>	<u>1,237,266</u>	<u>847,814</u>
<i>Fund Balance at Beginning of Period</i>	6,059,031	6,059,031	6,059,031	--
Fund Balance at End of Period	<u>\$ 6,046,149</u>	<u>\$ 6,448,483</u>	<u>\$ 7,296,297</u>	<u>\$ 847,814</u>

Concluded.

County of Oceana
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Ambulance Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance
	Original	Final		Positive (Negative) Final to Actual
Revenues				
Taxes	\$ 1,203,936	\$ 1,236,349	\$ 1,233,897	\$ (2,452)
Intergovernmental	--	10,300	10,279	(21)
Interest and Rents	12,520	90,138	93,662	3,524
Other Revenue	2,081	2,081	150	(1,931)
Total Revenues	1,218,537	1,338,868	1,337,988	(880)
Expenditures				
Health and Welfare	1,186,951	1,294,706	1,216,300	78,406
Total Expenditures	1,186,951	1,294,706	1,216,300	78,406
Other Financing Uses				
Transfers Out	30,900	30,900	30,450	450
Total Expenditures and Other Financing Uses	1,217,851	1,325,606	1,246,750	78,856
Excess (Deficiency) of Revenues Over Expenditures and Other Uses	686	13,262	91,238	77,976
Net Change in Fund Balance	686	13,262	91,238	77,976
<i>Fund Balance at Beginning of Period</i>	1,118,562	1,118,562	1,118,562	--
Fund Balance at End of Period	\$ 1,119,248	\$ 1,131,824	\$ 1,209,800	\$ 77,976

County of Oceana
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Senior Citizens' Tax
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance
	Original	Final		Positive (Negative) Final to Actual
Revenues				
Taxes	\$ 1,334,165	\$ 1,441,802	\$ 1,348,780	\$ (93,022)
Intergovernmental	8,411	41,411	41,317	(94)
Interest and Rents	--	25,400	23,152	(2,248)
Total Revenues	<u>1,342,576</u>	<u>1,508,613</u>	<u>1,413,249</u>	<u>(95,364)</u>
Expenditures				
Health and Welfare	1,301,650	1,301,950	1,291,295	10,655
Total Expenditures	<u>1,301,650</u>	<u>1,301,950</u>	<u>1,291,295</u>	<u>10,655</u>
Excess (Deficiency) of Revenues				
Over Expenditures	40,926	206,663	121,954	(84,709)
Net Change in Fund Balance	<u>40,926</u>	<u>206,663</u>	<u>121,954</u>	<u>(84,709)</u>
<i>Fund Balance at Beginning of Period</i>	--	--	--	--
Fund Balance at End of Period	<u>\$ 40,926</u>	<u>\$ 206,663</u>	<u>\$ 121,954</u>	<u>\$ (84,709)</u>

County of Oceana
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
American Rescue Plan
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance
	Original	Final		Positive (Negative) Final to Actual
Revenues				
Intergovernmental	\$ 721,208	\$ 3,997,755	\$ 1,239,145	\$ (2,758,610)
Interest and Rents	--	178,841	178,839	(2)
Total Revenues	<u>721,208</u>	<u>4,176,596</u>	<u>1,417,984</u>	<u>(2,758,612)</u>
Other Financing Sources				
Transfers In	--	18,244	18,244	--
Total Revenues and Other Financing Sources	<u>721,208</u>	<u>4,194,840</u>	<u>1,436,228</u>	<u>(2,758,612)</u>
Expenditures				
General Services	--	596,071	599,105	(3,034)
Total Expenditures	<u>--</u>	<u>596,071</u>	<u>599,105</u>	<u>(3,034)</u>
Other Financing Uses				
Transfers Out	721,208	726,257	697,250	29,007
Total Expenditures and Other Financing Uses	<u>721,208</u>	<u>1,322,328</u>	<u>1,296,355</u>	<u>25,973</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>--</u>	<u>2,872,512</u>	<u>139,873</u>	<u>(2,732,639)</u>
Net Change in Fund Balance	<u>--</u>	<u>2,872,512</u>	<u>139,873</u>	<u>(2,732,639)</u>
Fund Balance at Beginning of Period	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balance at End of Period	<u>\$ --</u>	<u>\$ 2,872,512</u>	<u>\$ 139,873</u>	<u>\$ (2,732,639)</u>

County of Oceana
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Shelby Twp Community Park
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance
	Original	Final		Positive (Negative) Final to Actual
Revenues				
Charges for Services	\$ 50,000	\$ 1,528,154	\$ 2,971,703	\$ 1,443,549
Total Revenues	<u>50,000</u>	<u>1,528,154</u>	<u>2,971,703</u>	<u>1,443,549</u>
Expenditures				
Parks and Recreation	50,000	1,528,153	2,971,703	(1,443,550)
Total Expenditures	<u>50,000</u>	<u>1,528,153</u>	<u>2,971,703</u>	<u>(1,443,550)</u>
Other Financing Uses				
Transfers Out	--	1	--	1
Total Expenditures and Other Financing Uses	<u>50,000</u>	<u>1,528,154</u>	<u>2,971,703</u>	<u>(1,443,549)</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Uses	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balance	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balance at Beginning of Period	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balance at End of Period	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

County of Oceana
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Opioid Settlement
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Positive (Negative) Final to Actual
Revenues				
Charges for Services	\$ --	\$ --	\$ 182,784	\$ 182,784
Interest and Rents	--	--	3,836	3,836
<i>Total Revenues</i>	<u>--</u>	<u>--</u>	<u>186,620</u>	<u>186,20</u>
Expenditures				
Health and Welfare	--	--	--	--
<i>Total Expenditures</i>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	<u>--</u>	<u>--</u>	<u>186,620</u>	<u>186,620</u>
<i>Net Change in Fund Balance</i>	<u>--</u>	<u>--</u>	<u>186,620</u>	<u>186,620</u>
<i>Fund Balance at Beginning of Period</i>	--	--	--	--
<i>Fund Balance at End of Period</i>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 186,620</u>	<u>\$ 186,620</u>

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service Cost	\$ 256,897	\$ 243,350	\$ 257,387	\$ 261,904	\$ 272,261	\$ 355,053	\$ 350,067	\$ 380,952	\$ 378,169
Interest	1,890,215	1,888,158	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	(48,479)	(124,670)	(94,019)	(38,059)	(778,021)	215,533	95,915	10,366	-
Changes in Assumptions	-	908,965	897,394	729,198	-	-	-	990,477	-
Benefit Payments, Including Refunds	(1,702,244)	(1,687,439)	(1,661,567)	(1,576,369)	(1,439,082)	(1,362,956)	(1,230,215)	(1,184,993)	(1,080,593)
Other Changes	-	1	-	-	-	-	-	49,610	-
Net Change in Pension Liability	396,389	1,228,365	356,164	1,241,575	(68,552)	1,009,517	947,003	1,833,974	867,383
<i>Total Pension Liability - Beginning</i>	26,794,593	25,566,228	25,210,064	23,968,489	24,037,041	23,027,524	22,080,521	20,246,547	19,379,164
Total Pension Liability - Ending (a)	\$ 27,190,982	\$ 26,794,593	\$ 25,566,228	\$ 25,210,064	\$ 23,968,489	\$ 24,037,041	\$ 23,027,524	\$ 22,080,521	\$ 20,246,547
Plan Fiduciary Net Position									
Contributions - Employer	\$ 974,364	\$ 1,200,248	\$ 1,371,618	\$ 1,104,508	\$ 1,290,637	\$ 722,778	\$ 637,568	\$ 602,676	\$ 527,348
Contributions - Member	111,240	116,093	125,350	129,905	161,417	168,039	180,419	184,915	201,226
Net Investment Income (Loss)	(2,324,660)	2,802,650	2,268,237	2,185,366	(656,052)	2,018,442	1,604,580	(219,435)	899,130
Benefit Payments, Including Refunds	(1,702,244)	(1,687,439)	(1,661,567)	(1,576,369)	(1,439,082)	(1,362,956)	(1,230,215)	(1,184,993)	(1,080,593)
Administrative Expenses	(41,114)	(32,184)	(35,914)	(37,588)	(32,513)	(31,967)	(31,697)	(32,313)	(33,011)
Net Change in Plan Fiduciary Net Position	(2,982,414)	2,399,368	2,067,724	1,805,822	(675,593)	1,514,336	1,160,655	(649,150)	514,100
<i>Plan Fiduciary Net Position - Beginning</i>	22,452,467	20,053,099	17,985,375	16,179,553	16,855,146	15,340,810	14,180,155	14,829,305	14,315,205
Plan Fiduciary Net Position - Ending (b)	\$ 19,470,053	\$ 22,452,467	\$ 20,053,099	\$ 17,985,375	\$ 16,179,553	\$ 16,855,146	\$ 15,340,810	\$ 14,180,155	\$ 14,829,305
Net Pension Liability - Ending (a) - (b)	\$ 7,720,929	\$ 4,342,126	\$ 5,513,129	\$ 7,224,689	\$ 7,788,936	\$ 7,181,895	\$ 7,686,714	\$ 7,900,366	\$ 5,417,242
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	71.6%	83.8%	78.4%	71.3%	67.5%	70.1%	66.6%	64.2%	73.2%
Covered Payroll	\$ 2,228,800	\$ 2,158,962	\$ 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	346.4%	201.1%	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.

2021 valuation - The investment rate of return assumption was reduced from 7.60% to 7.25%.

Oceana County
Required Supplementary Information
Schedule of Contributions
Last Nine Calendar Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	904,092	974,364	1,000,248	871,618	854,508	790,637	722,778	\$ 637,568	\$ 602,676
Contributions in Relation to the Actuarially Determined Contribution	904,092	974,364	1,200,248	1,371,618	1,104,508	1,290,637	722,778	637,568	602,676
Contribution Deficiency (Excess)	\$ -	\$ -	\$ (200,000)	\$ (500,000)	\$ (250,000)	\$ (500,000)	\$ -	\$ -	\$ -
Covered Payroll	2,125,861	2,228,800	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	42.5%	43.7%	51.7%	54.7%	43.8%	49.2%	21.5%	19.2%	16.6%

Notes

Valuation Date:

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	9 years
Asset valuation method	5-year smoothed
Inflation	2.50%
Salary increases	3.00% in the long-term
Investment rate of return	7.00%, Net of Investment Expense, including Inflation (7.75% for 2015 through 2019 and 7.35% for 2020 and 2021)
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 Seven Years

	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability							
Service Cost	\$ 41,108	\$ 75,249	\$ 84,981	\$ 64,356	\$ 53,057	\$ 38,237	\$ 38,442
Interest	79,128	74,914	71,342	54,858	60,746	73,033	65,826
Changes in Benefit Terms	-	-	-	-	-	13,859	-
Differences Between Expected and Actual Experience	(36,511)	(359,372)	(39,395)	(3,146)	(8,573)	(164,836)	-
Changes in Assumptions	15,411	(425,561)	(103,266)	254,909	107,631	356,063	-
Benefit Payments, Including Refunds	(32,236)	(32,423)	(27,923)	(20,945)	(19,950)	(15,950)	(25,696)
Net Change in total OPEB Liability	<u>66,900</u>	<u>(667,193)</u>	<u>(14,261)</u>	<u>350,032</u>	<u>192,911</u>	<u>300,406</u>	<u>78,572</u>
<i>Total OPEB Liability - Beginning</i>	1,105,400	1,772,593	1,786,854	1,436,822	1,243,911	943,505	864,933
Total OPEB Liability - Ending (a)	<u>\$ 1,172,300</u>	<u>\$ 1,105,400</u>	<u>\$ 1,772,593</u>	<u>\$ 1,786,854</u>	<u>\$ 1,436,822</u>	<u>\$ 1,243,911</u>	<u>\$ 943,505</u>
Plan Fiduciary Net Position							
Contributions to OPEB Trust	\$ 32,236	\$ 32,423	\$ 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)	85,935	(86,064)	101,139	83,486	71,589	(20,528)	58,022
Benefit Payments, Including Refunds	(32,236)	(32,423)	(27,923)	(20,945)	(19,950)	(15,950)	(25,696)
Administrative Expenses	(1,544)	(1,358)	(1,406)	(1,101)	(1,020)	(1,293)	(1,119)
Net Change in Plan Fiduciary Net Position	<u>84,391</u>	<u>(87,422)</u>	<u>121,033</u>	<u>104,841</u>	<u>70,569</u>	<u>7,656</u>	<u>88,604</u>
<i>Plan Fiduciary Net Position - Beginning</i>	739,051	826,473	705,440	600,599	530,030	522,374	433,770
Plan Fiduciary Net Position - Ending (b)	<u>\$ 823,442</u>	<u>\$ 739,051</u>	<u>\$ 826,473</u>	<u>\$ 705,440</u>	<u>\$ 600,599</u>	<u>\$ 530,030</u>	<u>\$ 522,374</u>
Net OPEB Liability - Ending (a) - (b)	\$ 348,858	\$ 366,349	\$ 946,120	\$ 1,081,414	\$ 836,223	\$ 713,881	\$ 421,131
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	70.2%	66.9%	46.6%	39.5%	41.8%	42.6%	55.4%
Covered Employee Payroll	\$ 5,643,100	\$ 5,337,614	\$ 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	6.2%	6.9%	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.

2022 valuation (2022 fiscal year) - The discount rate was increased from 4.09% to 7.00%. 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 Seven Years

	2023	2022	2021	2020	2019	2018	2017
Actuarially Determined Contribution	\$ 77,648	\$ 173,605	\$ 170,175	\$ 125,230	\$ 117,196	\$ 73,997	\$ 133,100
Contributions in Relation to the Actuarially Determined Contribution	32,236	32,423	49,223	43,401	19,950	45,427	57,397
Contribution Deficiency (Excess)	<u>\$ 45,412</u>	<u>\$ 141,182</u>	<u>\$ 120,952</u>	<u>\$ 81,829</u>	<u>\$ 97,246</u>	<u>\$ 28,570</u>	<u>\$ 75,703</u>
Covered Employee Payroll	5,643,100	5,337,614	5,083,073	4,979,964	4,297,851	5,856,373	3,429,857
Contributions as a Percentage of Covered Employee Payroll	0.6%	0.6%	1.0%	0.9%	0.5%	0.8%	1.7%

Notes

Valuation Date: December 31, 2023

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 7.25% after one year and then by 0.25% per year to an ultimate rate of 4.50%
Remaining amortization period	12 years
Asset valuation method	Market value
Inflation	2.50%
Salary increases	3.50% (for purposes of allocating liability)
Investment rate of return	7.00%
Retirement age	Varies depending on plan adoption
Mortality	2010 Public General Employees and Healthy Retirees, Headcount weighted
Improvement scale	MP-2021

* 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

County of Oceana
General Fund Combining Balance Sheet
All Funds Treated as General
December 31, 2023

	General Fund	Parks and Recreation	FOC Child Support	Payroll Clearing Account	Parks and Recreation Matching Grant	Parks and Recreation Capital Projects	District Court	Circuit Court	Elimination	Total General Funds
ASSETS										
Cash and Investments	\$ 6,497,630	\$ 13,303	\$ 234	\$ 89,163	\$ 36,988	\$ 23,975	\$ 32,959	\$ 20,771	\$ --	\$ 6,715,023
Taxes Receivable	553,537	--	--	--	--	--	--	--	--	553,537
Accounts Receivable, net	419,706	--	--	--	--	--	--	--	--	419,706
Leases Receivable	3,494	--	--	--	--	--	--	--	--	3,494
Due from Other Governments	300,243	--	--	--	--	--	--	--	--	300,243
Prepays	106,600	172	--	--	--	--	--	--	--	106,772
Advances to Other Governmental Units	31,200	--	--	--	--	--	--	--	--	31,200
Long-term Leases Receivable	191,504	--	--	--	--	--	--	--	--	191,504
<i>Total Assets</i>	\$ 8,103,914	\$ 13,475	\$ 234	\$ 89,163	\$ 36,988	\$ 23,975	\$ 32,959	\$ 20,771	\$ --	\$ 8,321,479
LIABILITIES										
Accounts Payable	\$ 178,996	\$ 158	\$ --	\$ 591	\$ --	\$ --	\$ 200	\$ --	\$ --	\$ 179,945
Accrued Wages	120,469	--	--	--	--	--	--	--	--	120,469
Other Liabilities	--	--	234	88,572	--	--	32,759	20,771	--	142,336
<i>Total Liabilities</i>	299,465	158	234	89,163	--	--	32,959	20,771	--	442,750
DEFERRED INFLOWS OF RESOURCES										
Taxes Levied for a Subsequent Period	582,432	--	--	--	--	--	--	--	--	582,432
<i>Total Liabilities and Deferred Inflows of Resources</i>	881,897	158	234	89,163	--	--	32,959	20,771	--	1,025,182
FUND BALANCE										
Nonspendable	137,800	172	--	--	--	--	--	--	--	137,972
Restricted	--	13,145	--	--	36,988	23,975	--	--	--	74,108
Committed	600,000	--	--	--	--	--	--	--	--	600,000
Unassigned	6,484,217	--	--	--	--	--	--	--	--	6,484,217
<i>Total Fund Balance</i>	7,222,017	13,317	--	--	36,988	23,975	--	--	--	7,296,297
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	\$ 8,103,914	\$ 13,475	\$ 234	\$ 89,163	\$ 36,988	\$ 23,975	\$ 32,959	\$ 20,771	\$ --	\$ 8,321,479

County of Oceana
General Fund Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
All Funds Treated as General
For the Year Ended December 31, 2023

	General Fund	Parks and Recreation	FOC Child Support	Payroll Clearing Account	Parks and Recreation Matching Grant	Parks and Recreation Capital Projects	District Court	Circuit Court	Elimination	Total General Funds
Revenues										
Taxes	\$ 8,398,009	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 8,398,009
Licenses and Permits	52,299	--	--	--	--	--	--	--	--	52,299
Intergovernmental	2,270,536	--	--	--	--	--	--	--	--	2,270,536
Charges for Services	1,182,305	10,590	--	--	--	--	--	--	--	1,192,895
Fines and Forfeits	132,982	--	--	--	--	--	--	--	--	132,982
Interest and Rents	725,274	292	--	--	1,356	175	--	--	--	727,097
Other Revenue	334,218	3,000	--	--	--	--	14,761	28,830	--	380,809
Total Revenues	13,095,623	13,882	--	--	1,356	175	14,761	28,830	--	13,154,627
Expenditures										
Judicial	2,288,651	--	--	--	--	--	14,761	28,830	--	2,332,242
General Government	2,525,236	--	--	--	--	--	--	--	--	2,525,236
Public Safety	5,033,598	--	--	--	--	--	--	--	--	5,033,598
Public Works	703,876	--	--	--	--	--	--	--	--	703,876
Health and Welfare	446,391	--	--	--	--	--	--	--	--	446,391
Community and Economic Development	534,090	--	--	--	--	--	--	--	--	534,090
Recreation and Culture	--	52,515	--	--	--	453	--	--	--	52,968
Debt Service - Principal	164,561	--	--	--	--	--	--	--	--	164,561
Debt Service - Interest	25,479	--	--	--	--	--	--	--	--	25,479
Total Expenditures	11,721,882	52,515	--	--	--	453	14,761	28,830	--	11,818,441
Excess of Revenues Over (Under) Expenditures	1,373,741	(38,633)	--	--	1,356	(278)	--	--	--	1,336,186
Other Financing Sources (Uses)										
Transfers In	721,850	45,000	--	--	10,000	3,000	--	--	(58,000)	721,850
Transfers Out	(865,770)	(13,000)	--	--	--	--	--	--	58,000	(820,770)
Net Other Financing Sources (Uses)	(143,920)	32,000	--	--	10,000	3,000	--	--	--	(98,920)
Net Change in Fund Balance	1,229,821	(6,633)	--	--	11,356	2,722	--	--	--	1,237,266
<i>Fund Balance at Beginning of Period</i>	<i>5,992,196</i>	<i>19,950</i>	<i>--</i>	<i>--</i>	<i>25,632</i>	<i>21,253</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>6,059,031</i>
Fund Balance at End of Period	\$ 7,222,017	\$ 13,317	\$ --	\$ --	\$ 36,988	\$ 23,975	\$ --	\$ --	\$ --	\$ 7,296,297

**County of Oceana
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023**

	Special Revenue					
	Animal Control Building	Building Department	Interim Elderly and Handicapped	Register of Deeds Automation	Emergency Management Reserves Corp	Victims Services
ASSETS						
Cash and Investments	\$ 965	\$ 437,826	\$ --	\$ 86,653	\$ 6,063	\$ 5,746
Taxes Receivable	--	--	--	--	--	--
Accounts Receivable, net	--	3,634	--	--	--	--
Due from Other Governments	--	--	--	--	--	--
Prepays	--	4,309	--	--	--	--
<i>Total Assets</i>	<u>\$ 965</u>	<u>\$ 445,769</u>	<u>\$ --</u>	<u>\$ 86,653</u>	<u>\$ 6,063</u>	<u>\$ 5,746</u>
LIABILITIES						
Accounts Payable	\$ --	\$ 6,523	\$ --	\$ 6,980	\$ --	\$ --
Accrued Wages	--	1,434	--	--	--	--
Unearned Revenue	--	--	--	--	--	--
<i>Total Liabilities</i>	<u>--</u>	<u>7,957</u>	<u>--</u>	<u>6,980</u>	<u>--</u>	<u>--</u>
DEFERRED INFLOWS OF RESOURCES						
Taxes Levied for a Subsequent Period	--	--	--	--	--	--
<i>Total Liabilities and Deferred Inflows of Resources</i>	<u>--</u>	<u>7,957</u>	<u>--</u>	<u>6,980</u>	<u>--</u>	<u>--</u>
FUND BALANCE						
Nonspendable	--	4,309	--	--	--	--
Restricted	965	433,503	--	79,673	6,063	5,746
Committed	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--
<i>Total Fund Balance</i>	<u>965</u>	<u>437,812</u>	<u>--</u>	<u>79,673</u>	<u>6,063</u>	<u>5,746</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	<u>\$ 965</u>	<u>\$ 445,769</u>	<u>\$ --</u>	<u>\$ 86,653</u>	<u>\$ 6,063</u>	<u>\$ 5,746</u>

**County of Oceana
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023**

	Special Revenue					
	Local Correction Officer Training	Drug Law Enforcement	Law Library	CDBG Housing	Child Care	Criminal Justice Training
ASSETS						
Cash and Investments	\$ 30,264	\$ 275	\$ 14,410	\$ 56,219	\$ 286,786	\$ 31,041
Taxes Receivable	--	--	--	--	--	--
Accounts Receivable, net	620	--	--	--	5,452	--
Due from Other Governments	--	--	--	--	19,822	--
Prepays	--	--	--	--	316	--
<i>Total Assets</i>	\$ 30,884	\$ 275	\$ 14,410	\$ 56,219	\$ 312,376	\$ 31,041
LIABILITIES						
Accounts Payable	\$ 84	\$ --	\$ --	\$ --	\$ 2,112	\$ --
Accrued Wages	--	--	--	--	1,924	--
Unearned Revenue	--	--	--	--	--	--
<i>Total Liabilities</i>	84	--	--	--	4,036	--
DEFERRED INFLOWS OF RESOURCES						
Taxes Levied for a Subsequent Period	--	--	--	--	--	--
<i>Total Liabilities and Deferred Inflows of Resources</i>	84	--	--	--	4,036	--
FUND BALANCE						
Nonspendable	--	--	--	--	316	--
Restricted	30,800	275	14,410	56,219	308,024	31,041
Committed	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--
<i>Total Fund Balance</i>	30,800	275	14,410	56,219	308,340	31,041
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	\$ 30,884	\$ 275	\$ 14,410	\$ 56,219	\$ 312,376	\$ 31,041

**County of Oceana
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023**

	Special Revenue					
	Soldiers' and Sailors' Relief	Medical Care Facility Building Fund	Concealed Pistol	K9 Unit	Technology and Innovation	Mason/Oceana 911
ASSETS						
Cash and Investments	\$ 312,698	\$ 60,191	\$ 74,345	\$ 9,241	\$ 19,548	\$ 12,725
Taxes Receivable	135,919	--	--	--	--	189,450
Accounts Receivable, net	4,010	--	--	--	--	--
Due from Other Governments	--	--	--	--	--	--
Prepays	69	--	--	--	12,131	--
<i>Total Assets</i>	\$ 452,696	\$ 60,191	\$ 74,345	\$ 9,241	\$ 31,679	\$ 202,175
LIABILITIES						
Accounts Payable	\$ 666	\$ --	\$ --	\$ 960	\$ 2,343	\$ --
Accrued Wages	1,930	--	--	--	--	--
Unearned Revenue	--	--	--	--	--	--
<i>Total Liabilities</i>	<u>2,596</u>	<u>--</u>	<u>--</u>	<u>960</u>	<u>2,343</u>	<u>--</u>
DEFERRED INFLOWS OF RESOURCES						
Taxes Levied for a Subsequent Period	145,027	--	--	--	--	202,144
<i>Total Liabilities and Deferred Inflows of Resources</i>	<u>147,623</u>	<u>--</u>	<u>--</u>	<u>960</u>	<u>2,343</u>	<u>202,144</u>
FUND BALANCE						
Nonspendable	69	--	--	--	12,131	--
Restricted	305,004	60,191	74,345	8,281	17,205	31
Committed	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--
<i>Total Fund Balance</i>	<u>305,073</u>	<u>60,191</u>	<u>74,345</u>	<u>8,281</u>	<u>29,336</u>	<u>31</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	\$ 452,696	\$ 60,191	\$ 74,345	\$ 9,241	\$ 31,679	\$ 202,175

**County of Oceana
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023**

	Special Revenue					
	Court Improvement and Services Fund	Indigent Defense Fund	Pentwater Hart Trail	Public Safety	GIS	Friend of the Court
ASSETS						
Cash and Investments	\$ 33,908	\$ 267,494	\$ 464,585	\$ 3,998	\$ 12,665	\$ 66,211
Taxes Receivable	--	--	--	--	--	--
Accounts Receivable, net	--	3,634	--	--	--	--
Due from Other Governments	3,813	--	--	--	--	2,261
Prepays	--	--	--	--	--	--
<i>Total Assets</i>	\$ 37,721	\$ 271,128	\$ 464,585	\$ 3,998	\$ 12,665	\$ 68,472
LIABILITIES						
Accounts Payable	\$ --	\$ 11,373	\$ --	\$ --	\$ --	\$ 2,194
Accrued Wages	--	1,849	--	--	--	--
Unearned Revenue	--	257,906	433,163	--	--	--
<i>Total Liabilities</i>	--	271,128	433,163	--	--	2,194
DEFERRED INFLOWS OF RESOURCES						
Taxes Levied for a Subsequent Period	--	--	--	--	--	--
<i>Total Liabilities and Deferred Inflows of Resources</i>	--	271,128	433,163	--	--	2,194
FUND BALANCE						
Nonspendable	--	--	--	--	--	--
Restricted	37,721	--	31,422	3,998	12,665	66,278
Committed	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--
<i>Total Fund Balance</i>	37,721	--	31,422	3,998	12,665	66,278
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	\$ 37,721	\$ 271,128	\$ 464,585	\$ 3,998	\$ 12,665	\$ 68,472

**County of Oceana
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023**

	<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>	
ASSETS							
Cash and Investments	\$ 23,669	\$ 20,498	\$ 1,680	\$ 222,081	\$ 1,438,053	\$ 342	\$ 4,000,180
Taxes Receivable	--	--	--	--	--	--	325,369
Accounts Receivable, net	1,115	--	--	--	--	--	18,465
Due from Other Governments	--	--	--	--	--	--	25,896
Prepays	--	--	--	--	--	--	16,825
<i>Total Assets</i>	<u>\$ 24,784</u>	<u>\$ 20,498</u>	<u>\$ 1,680</u>	<u>\$ 222,081</u>	<u>\$ 1,438,053</u>	<u>\$ 342</u>	<u>\$ 4,386,735</u>
LIABILITIES							
Accounts Payable	\$ 1,052	\$ --	\$ --	\$ 5,355	\$ --	\$ --	\$ 39,642
Accrued Wages	--	--	--	--	--	--	7,137
Unearned Revenue	--	--	--	--	--	--	691,069
<i>Total Liabilities</i>	<u>1,052</u>	<u>--</u>	<u>--</u>	<u>5,355</u>	<u>--</u>	<u>--</u>	<u>737,848</u>
DEFERRED INFLOWS OF RESOURCES							
Taxes Levied for a Subsequent Period	--	--	--	--	--	--	347,171
<i>Total Liabilities and Deferred Inflows of Resources</i>	<u>1,052</u>	<u>--</u>	<u>--</u>	<u>5,355</u>	<u>--</u>	<u>--</u>	<u>1,085,019</u>
FUND BALANCE							
Nonspendable	--	--	--	--	--	--	16,825
Restricted	23,732	20,498	1,680	--	1,438,053	342	3,068,165
Committed	--	--	--	216,726	--	--	216,726
Unassigned	--	--	--	--	--	--	--
<i>Total Fund Balance</i>	<u>23,732</u>	<u>20,498</u>	<u>1,680</u>	<u>216,726</u>	<u>1,438,053</u>	<u>342</u>	<u>3,301,716</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	<u>\$ 24,784</u>	<u>\$ 20,498</u>	<u>\$ 1,680</u>	<u>\$ 222,081</u>	<u>\$ 1,438,053</u>	<u>\$ 342</u>	<u>\$ 4,386,735</u>

County of Oceana
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

	Special Revenue					
	Animal Control Building	Building Department	Interim Elderly and Handicapped	Register of Deeds Automation	Emergency Management Reserves Corp	
Revenues						
Taxes	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Licenses and Permits	--	510,677	--	--	--	--
Intergovernmental	--	--	32,578	--	--	--
Charges for Services	--	--	--	31,310	--	--
Interest and Rents	8	16,522	--	767	48	48
Other Revenue	--	6,101	--	--	--	--
Total Revenues	8	533,300	32,578	32,077	48	48
Expenditures						
Judicial	--	--	--	--	--	--
General Government	--	--	--	26,903	--	--
Public Safety	--	431,050	--	--	--	786
Public Works	--	--	--	--	--	--
Health and Welfare	--	--	32,578	--	--	--
Recreation and Culture	--	--	--	--	--	--
Debt Service - Principal	--	--	--	--	--	--
Debt Service - Interest	--	--	--	--	--	--
Total Expenditures	--	431,050	32,578	26,903	--	786
Excess of Revenues Over (Under) Expenditures	8	102,250	--	5,174	48	(738)
Other Financing Sources (Uses)						
Transfers In	--	--	--	--	--	--
Transfers Out	--	--	--	--	--	--
Net Other Financing Sources (Uses)	--	--	--	--	--	--
Net Change in Fund Balance	8	102,250	--	5,174	48	(738)
<i>Fund Balance at Beginning of Period</i>	957	335,562	--	74,499	6,015	6,484
Fund Balance at End of Period	\$ 965	\$ 437,812	\$ --	\$ 79,673	\$ 6,063	\$ 5,746

County of Oceana
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

	Special Revenue					
	Local Correction Officer Training	Drug Law Enforcement	Law Library	CDBG Housing	Child Care	Criminal Justice Training
Revenues						
Taxes	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Licenses and Permits	--	--	--	--	--	--
Intergovernmental	--	--	--	--	98,224	7,392
Charges for Services	6,940	--	--	3,240	788	--
Interest and Rents	240	2	121	427	1,740	225
Other Revenue	--	--	3,500	--	6,026	--
Total Revenues	7,180	2	3,621	3,667	106,778	7,617
Expenditures						
Judicial	--	--	6,278	--	--	--
General Government	--	--	--	--	--	--
Public Safety	7,642	--	--	--	--	3,760
Public Works	--	--	--	--	--	--
Health and Welfare	--	--	--	--	275,227	--
Recreation and Culture	--	--	--	--	--	--
Debt Service - Principal	--	--	--	--	--	--
Debt Service - Interest	--	--	--	--	--	--
Total Expenditures	7,642	--	6,278	--	275,227	3,760
Excess of Revenues Over (Under) Expenditures	(462)	2	(2,657)	3,667	(168,449)	3,857
Other Financing Sources (Uses)						
Transfers In	--	--	--	--	300,000	3,500
Transfers Out	--	--	--	--	--	--
Net Other Financing Sources (Uses)	--	--	--	--	300,000	3,500
Net Change in Fund Balance	(462)	2	(2,657)	3,667	131,551	7,357
<i>Fund Balance at Beginning of Period</i>	31,262	273	17,067	52,552	176,789	23,684
Fund Balance at End of Period	\$ 30,800	\$ 275	\$ 14,410	\$ 56,219	\$ 308,340	\$ 31,041

County of Oceana
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

	Special Revenue					
	Soldiers' and Sailors' Relief	Medical Care Facility Building Fund	Concealed Pistol	K9 Unit	Technology and Innovation	Mason/Oceana 911
Revenues						
Taxes	\$ 135,070	\$ 51,992	\$ --	\$ --	\$ --	\$ 188,286
Licenses and Permits	--	--	17,426	--	--	--
Intergovernmental	116,171	21,313	--	--	--	160,889
Charges for Services	--	--	--	--	--	--
Interest and Rents	14,311	9,432	2,699	80	449	269
Other Revenue	15,533	--	--	3,970	3,425	--
Total Revenues	281,085	82,737	20,125	4,050	3,874	349,444
Expenditures						
Judicial	--	--	--	--	--	--
General Government	--	--	--	--	145,656	--
Public Safety	--	--	800	3,294	--	349,447
Public Works	--	--	--	--	--	--
Health and Welfare	172,090	--	--	--	--	--
Recreation and Culture	--	--	--	--	--	--
Debt Service - Principal	--	240,000	--	--	--	--
Debt Service - Interest	--	7,200	--	--	--	--
Total Expenditures	172,090	247,200	800	3,294	145,656	349,447
Excess of Revenues Over (Under) Expenditures	108,995	(164,463)	19,325	756	(141,782)	(3)
Other Financing Sources (Uses)						
Transfers In	--	--	--	--	142,700	--
Transfers Out	--	--	(15,000)	--	--	--
Net Other Financing Sources (Uses)	--	--	(15,000)	--	142,700	--
Net Change in Fund Balance	108,995	(164,463)	4,325	756	918	(3)
<i>Fund Balance at Beginning of Period</i>	196,078	224,654	70,020	7,525	28,418	34
Fund Balance at End of Period	\$ 305,073	\$ 60,191	\$ 74,345	\$ 8,281	\$ 29,336	\$ 31

County of Oceana
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

	Special Revenue					
	Court Improvement and Services Fund	Indigent Defense Fund	Pentwater Hart Trail	Public Safety	GIS	Friend of the Court
Revenues						
Taxes	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Licenses and Permits	--	--	--	--	--	--
Intergovernmental	--	383,779	16,096	3,998	--	12,854
Charges for Services	10,287	--	--	--	--	12,550
Interest and Rents	254	7,513	23,615	--	99	3,383
Other Revenue	--	3,634	--	--	6,000	--
Total Revenues	<u>10,541</u>	<u>394,926</u>	<u>39,711</u>	<u>3,998</u>	<u>6,099</u>	<u>28,787</u>
Expenditures						
Judicial	909	--	--	--	--	111,221
General Government	--	486,490	--	--	6,359	--
Public Safety	--	--	--	--	--	--
Public Works	--	--	--	--	--	--
Health and Welfare	--	--	--	--	--	--
Recreation and Culture	--	--	16,097	--	--	--
Debt Service - Principal	--	--	--	--	--	--
Debt Service - Interest	--	--	--	--	--	--
Total Expenditures	<u>909</u>	<u>486,490</u>	<u>16,097</u>	<u>--</u>	<u>6,359</u>	<u>111,221</u>
Excess of Revenues Over (Under) Expenditures	<u>9,632</u>	<u>(91,564)</u>	<u>23,614</u>	<u>3,998</u>	<u>(260)</u>	<u>(82,434)</u>
Other Financing Sources (Uses)						
Transfers In	--	95,426	--	--	--	--
Transfers Out	(5,000)	(4,600)	--	--	--	--
Net Other Financing Sources (Uses)	<u>(5,000)</u>	<u>90,826</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balance	<u>4,632</u>	<u>(738)</u>	<u>23,614</u>	<u>3,998</u>	<u>(260)</u>	<u>(82,434)</u>
<i>Fund Balance at Beginning of Period</i>	33,089	738	7,808	--	12,925	148,712
Fund Balance at End of Period	<u>\$ 37,721</u>	<u>\$ --</u>	<u>\$ 31,422</u>	<u>\$ 3,998</u>	<u>\$ 12,665</u>	<u>\$ 66,278</u>

County of Oceana
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

	<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>	
Revenues							
Taxes	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 375,348
Licenses and Permits	--	--	--	--	--	--	528,103
Intergovernmental	--	--	--	--	--	--	853,294
Charges for Services	17,225	--	--	--	--	--	82,340
Interest and Rents	193	124	14	10,819	64,313	18	157,733
Other Revenue	--	--	--	8,949	--	--	57,138
Total Revenues	<u>17,418</u>	<u>124</u>	<u>14</u>	<u>19,768</u>	<u>64,313</u>	<u>18</u>	<u>2,053,956</u>
Expenditures							
Judicial	--	--	--	--	--	--	118,408
General Government	--	--	--	22,806	--	--	688,214
Public Safety	15,581	--	--	--	--	--	812,360
Public Works	--	--	--	--	2,366	--	2,366
Health and Welfare	--	--	--	--	--	--	479,895
Recreation and Culture	--	--	--	--	--	--	16,097
Debt Service - Principal	--	20,000	30,000	--	--	--	290,000
Debt Service - Interest	--	600	900	--	--	--	8,700
Total Expenditures	<u>15,581</u>	<u>20,600</u>	<u>30,900</u>	<u>22,806</u>	<u>2,366</u>	<u>--</u>	<u>2,416,040</u>
Excess of Revenues Over (Under) Expenditures	<u>1,837</u>	<u>(20,476)</u>	<u>(30,886)</u>	<u>(3,038)</u>	<u>61,947</u>	<u>18</u>	<u>(362,084)</u>
Other Financing Sources (Uses)							
Transfers In	--	40,900	30,450	20,000	200,000	--	832,976
Transfers Out	--	--	--	--	--	--	(24,600)
Net Other Financing Sources (Uses)	<u>--</u>	<u>40,900</u>	<u>30,450</u>	<u>20,000</u>	<u>200,000</u>	<u>--</u>	<u>808,376</u>
Net Change in Fund Balance	<u>1,837</u>	<u>20,424</u>	<u>(436)</u>	<u>16,962</u>	<u>261,947</u>	<u>18</u>	<u>446,292</u>
Fund Balance at Beginning of Period	<u>21,895</u>	<u>74</u>	<u>2,116</u>	<u>199,764</u>	<u>1,176,106</u>	<u>324</u>	<u>2,855,424</u>
Fund Balance at End of Period	<u>\$ 23,732</u>	<u>\$ 20,498</u>	<u>\$ 1,680</u>	<u>\$ 216,726</u>	<u>\$ 1,438,053</u>	<u>\$ 342</u>	<u>\$ 3,301,716</u>

**County of Oceana
Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2023**

	Enterprise		
	Homestead Denial	Jail Commissary	Total Enterprise Funds
ASSETS			
<i>Current Assets</i>			
Cash and Investments	\$ 5,014	\$ 191,242	\$ 196,256
Total Assets	5,014	191,242	196,256
NET POSITION			
<i>Unrestricted</i>	5,014	191,242	196,256
Total Net Position	\$ 5,014	\$ 191,242	\$ 196,256

County of Oceana
Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended December 31, 2023

	<u>Enterprise</u>		<u>Total Enterprise Funds</u>
	<u>Homestead Denial</u>	<u>Jail Commissary</u>	
Operating Revenues			
Intergovernmental	\$ --	\$ 22,033	\$ 22,033
Charges for Services	1,028	92,340	93,368
<i>Total Operating Revenues</i>	<u>1,028</u>	<u>114,373</u>	<u>115,401</u>
Operating Expenses			
Operations	--	78,554	78,554
<i>Total Operating Expenses</i>	<u>--</u>	<u>78,554</u>	<u>78,554</u>
<i>Operating Income (Loss)</i>	<u>1,028</u>	<u>35,819</u>	<u>36,847</u>
Non-Operating Revenues (Expenses)			
Interest Income	214	--	214
<i>Net Non-Operating Revenues (Expenses)</i>	<u>214</u>	<u>--</u>	<u>214</u>
<i>Change In Net Position</i>	<u>1,242</u>	<u>35,819</u>	<u>37,061</u>
<i>Net Position at Beginning of Period</i>	3,772	155,423	159,195
<i>Net Position at End of Period</i>	<u>\$ 5,014</u>	<u>\$ 191,242</u>	<u>\$ 196,256</u>

Oceana County
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2023

	Business-type Activities - Enterprise Funds		Total Enterprise Funds
	Homestead Denial	Jail Commissary	
Cash Flows from Operating Activities			
Receipts from Customers	\$ 1,028	\$ 114,373	\$ 115,401
Cash Paid to Suppliers	-	(78,554)	(78,554)
<i>Net Cash Provided (Used) by Operating Activities</i>	1,028	35,819	36,847
Cash Flows from Investing Activities			
Interest Income	214	-	214
<i>Net Cash Provided by Investing Activities</i>	214	-	214
Net Increase (Decrease) in Cash and Investments	1,242	35,819	37,061
Cash and Investments - Beginning of the Year	3,772	155,423	159,195
Cash and Investments - End of the Year	\$ 5,014	\$ 191,242	\$ 196,256
Reconciliation of Operating Income (Loss) to			
Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	\$ 1,028	\$ 35,819	\$ 36,847
Net Cash Provided (Used) by Operating Activities	\$ 1,028	\$ 35,819	\$ 36,847

**Oceana County
Combining Statement of Fiduciary Net Position
Custodial Funds
December 31, 2023**

	<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>
ASSETS							
Cash and investments	\$ 220,764	\$ 58,253	\$ 12,512	\$ 8,516	\$ 3,718	\$ 2,620	\$ 306,383
<i>Total Assets</i>	<u>220,764</u>	<u>58,253</u>	<u>12,512</u>	<u>8,516</u>	<u>3,718</u>	<u>2,620</u>	<u>306,383</u>
LIABILITIES							
Due to other governments	165,418	--	--	8,516	3,718	--	177,652
Undistributed collections	--	18,083	--	--	--	--	18,083
Other payables	55,346	--	1,189	--	--	2,620	59,155
<i>Total Liabilities</i>	<u>220,764</u>	<u>18,083</u>	<u>1,189</u>	<u>8,516</u>	<u>3,718</u>	<u>2,620</u>	<u>254,890</u>
NET POSITION							
and other governments	<u>\$ --</u>	<u>\$ 40,170</u>	<u>\$ 11,323</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 51,493</u>

Oceana County
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2023

	<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>
Additions							
Taxes collected for other governments	\$ 8,561,400	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 8,561,400
Library penal fine collections	--	115,605	--	--	--	--	115,605
Inmate trust collections	--	--	504,805	--	--	--	504,805
Court collections	--	--	--	158,152	29,378	47,494	235,024
County clerk/register of deeds collections	243,653	--	--	--	--	--	243,653
Treasurer collections	1,102,108	--	--	--	--	--	1,102,108
Total Additions	<u>9,907,161</u>	<u>115,605</u>	<u>504,805</u>	<u>158,152</u>	<u>29,378</u>	<u>47,494</u>	<u>10,762,595</u>
Deductions							
Payments of property taxes to other governments	8,561,400	--	--	--	--	--	8,561,400
Library penal fine distributions	--	104,590	--	--	--	--	104,590
Inmate trust distributions	--	--	505,163	--	--	--	505,163
Court distributions	--	--	--	158,152	29,378	47,494	235,024
County clerk/register of deeds distributions	243,653	--	--	--	--	--	243,653
Treasure distributions	1,102,108	--	--	--	--	--	1,102,108
Total Deductions	<u>9,907,161</u>	<u>104,590</u>	<u>505,163</u>	<u>158,152</u>	<u>29,378</u>	<u>47,494</u>	<u>10,751,938</u>
Change in Net Position	<u>--</u>	<u>11,015</u>	<u>(358)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>10,657</u>
<i>Net Position at Beginning of Period</i>	<u>--</u>	<u>29,155</u>	<u>11,681</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>40,836</u>
Net Position at End of Period	<u>\$ --</u>	<u>\$ 40,170</u>	<u>\$ 11,323</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 51,493</u>

Oceana County Drainage Districts
Statement of Net Position
December 31, 2023

ASSETS

Current Assets

Cash and Investments	\$	452,139
Special Assessments Receivable		91,988
Total Current Assets		544,127

Noncurrent Assets

Capital Assets, net of Accumulated Depreciation		1,866,149
Long-term Receivables		161,508
Total Assets		2,571,784

LIABILITIES

Current Liabilities

Accounts Payable		550
Current Portion of Compensated Absences		2,231
Total Current Liabilities		2,781

Noncurrent Liabilities

Advances from Other Governmental Units		31,200
Compensated Absences		6,692
Total Liabilities		40,673

NET POSITION

Net Investment in Capital Assets		1,866,149
<i>Restricted for:</i>		
Restricted for Debt Service		301
Restricted for Capital Improvements		664,661
<i>Unrestricted</i>		--
Total Net Position	\$	2,531,111

**Oceana County Drainage Districts
Statement of Activities
For the Year Ended December 31, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Public Works	\$ 223,542	\$ 91,338	\$ 31,406	\$ --	\$ (100,798)
Interest on Long-Term Debt	92	--	--	--	(92)
Total	\$ 223,634	\$ 91,338	\$ 31,406	\$ --	(100,890)
General Purpose Revenues:					
					19,081
					19,081
					(81,809)
					2,612,920
					\$ 2,531,111

**Oceana County Drainage Districts
Balance Sheet
Governmental Funds
December 31, 2023**

	Debt Service		Capital Projects					Total Governmental Funds
	Drain Debt	Lake Level	Drain Equipment Revolving	Regular Drain	Drain Revolving	Crystal Lake Improvement	Stony Lake Board	
ASSETS								
Cash and Investments	\$ 301	\$ 60,975	\$ 11,746	\$ 359,521	\$ 6,880	\$ 5,212	\$ 7,504	\$ 452,139
Special Assessments Receivable	--	13,310	--	38,587	--	--	40,091	91,988
Due from Other Funds	--	--	--	46,018	79,859	--	--	125,877
Long-term Receivables	--	43,096	--	37,853	--	--	80,559	161,508
<i>Total Assets</i>	\$ 301	\$ 117,381	\$ 11,746	\$ 481,979	\$ 86,739	\$ 5,212	\$ 128,154	\$ 831,512
LIABILITIES								
Accounts Payable	\$ --	\$ --	\$ --	\$ 550	\$ --	\$ --	\$ --	\$ 550
Due to Other Funds	--	6,712	--	119,165	--	--	--	125,877
Advances from Other Governmental Units	--	--	--	--	31,200	--	--	31,200
<i>Total Liabilities</i>	--	6,712	--	119,715	31,200	--	--	157,627
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenue - Special Assessments	--	56,950	--	88,116	--	--	127,520	272,586
<i>Total Liabilities and Deferred Inflows of Resources</i>	--	63,662	--	207,831	31,200	--	127,520	430,213
FUND BALANCE								
Restricted	301	53,719	11,746	274,148	55,539	5,212	634	401,299
Unassigned	--	--	--	--	--	--	--	--
<i>Total Fund Balance</i>	301	53,719	11,746	274,148	55,539	5,212	634	401,299
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	\$ 301	\$ 117,381	\$ 11,746	\$ 481,979	\$ 86,739	\$ 5,212	\$ 128,154	\$ 831,512

Oceana County Drainage Districts
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2023

Total Fund Balance - Governmental Funds	\$	401,299
Capital assets used in governmental activities of \$4,262,926, net of accumulated depreciation of \$2,396,777, are not financial resources and therefore are not reported as assets in the governmental funds.		1,866,149
Long-term receivables are not available to pay for current period expenditures and are therefore reported as deferred inflows of resources in the funds.		272,586
Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.		(8,923)
Total Net Position - Governmental Activities	\$	<u>2,531,111</u>

Oceana County Drainage Districts
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2023

	Debt Service		Capital Projects				Total Governmental Funds	
	Drain Debt	Lake Level	Drain Equipment Revolving	Regular Drain	Drain Revolving	Crystal Lake Improvement		Stony Lake Board
Revenues								
Special Assessments	\$ --	\$ 16,781	\$ --	\$ 36,635	\$ --	\$ --	\$ 35,601	\$ 89,017
Operating Grants and Contributions	--	--	--	--	29,006	2,400	--	31,406
Other Revenue	--	--	8,548	--	--	--	--	8,548
Interest Revenue	--	1,549	261	16,930	120	40	181	19,081
Total Revenues	--	18,330	8,809	53,565	29,126	2,440	35,782	148,052
Expenditures								
Public Works	--	7,157	210	66,805	--	2,400	39,401	115,973
Debt Service - Principal	--	--	--	18,410	--	--	--	18,410
Debt Service - Interest	--	--	--	92	--	--	--	92
Total Expenditures	--	7,157	210	85,307	--	2,400	39,401	134,475
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>--</i>	<i>11,173</i>	<i>8,599</i>	<i>(31,742)</i>	<i>29,126</i>	<i>40</i>	<i>(3,619)</i>	<i>13,577</i>
Net Change in Fund Balance	--	11,173	8,599	(31,742)	29,126	40	(3,619)	13,577
<i>Fund Balance at Beginning of Period</i>	<i>301</i>	<i>42,546</i>	<i>3,147</i>	<i>305,890</i>	<i>26,413</i>	<i>5,172</i>	<i>4,253</i>	<i>387,722</i>
Fund Balance at End of Period	\$ 301	\$ 53,719	\$ 11,746	\$ 274,148	\$ 55,539	\$ 5,212	\$ 634	\$ 401,299

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, 2023

Total Net Change in Fund Balances - Governmental Funds	\$	13,577
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.		(6,227)
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 \$18,410.		18,410
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.		(996)
Changes in Net Position - Governmental Activities	\$	<u>(81,809)</u>

County of Oceana

Annual Continuing Disclosure
(UNAUDITED)
Year Ended December 31, 2023



Oceana County
Continuing Disclosure – Unaudited
December 31, 2023

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, 2023 to December 31, 2023

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/ Tracy L. Byard

Name: Tracy L. Byard
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, 2023

COUNTY TAXATION AND LIMITATIONS

Property Tax Levy History

<u>Purpose</u>	<u>7/1/2023</u>	<u>12/1/2023</u>
County Operating ⁽¹⁾	5.6571	-
Ambulance Service ^{(1) (2)}	-	0.9000
Medical Care Facility ^{(1) (2)}	-	1.9730
Council on Aging ⁽²⁾	-	0.9838
Veterans ⁽²⁾	-	0.0986
911 ⁽¹⁾	-	0.1374
Total County	<u>5.6571</u>	<u>4.0928</u>

(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>
2023	\$ 2,236,938,500	\$ 1,481,115,387	15.56%	7.71%

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>
2023	\$ 56,733,737	\$ 53,505,886	94.3%	\$ 3,222,709

Oceana County
Continuing Disclosure – Unaudited
December 31, 2023

REVENUES FROM THE STATE OF MICHIGAN

<u>Fiscal Year Ended/Ending</u>	<u>Revenue Sharing/CIP Payments</u>
December 31, 2023	\$ 610,825

COUNTY DEBT as of December 31, 2023

Statement of Legal Debt Margin

2022 State Equalized Valuation	\$ 2,236,938,500
Legal Debt Limit (10% of SEV)	223,693,850
Debt Outstanding	-
Additional debt that can legally be incurred	\$ 223,693,850

Debt Statement

The following table reflects a breakdown of the County’s direct and overlapping debt as of December 31, 2023:

<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 ⁽¹⁾</u>	<u>Percent of SEV</u>
Capital Improvement Bonds (L.T.G.O.)	\$ 3,140,000	\$ -	\$ -	\$ 0	0.00%
<u>Overlapping Debt of County ⁽²⁾</u>					
School Districts			\$ 77,751,757		
Intermediate School Districts			10,199		
Cities			4,502,500		
Villages			4,830,888		
Library			-		
Township			3,831,295		
Total Overlapping Debt			90,926,639	3,391	5.32%
Total County Net and Overlapping Debt			\$ 90,926,639	\$ 3,391	5.32%

(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
December 31, 2023

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, 2023 the County had no capital lease obligations.

Retirement System

For a description of the retirement benefits of the County employees as of December 31, 2023 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>Bargaining Unit</u>	<u>Employees at December 31, 2023</u>	<u>Current Contract Expiration Date</u>
County Sheriff Department Command	2	12/31/2024
County Sheriff Department Non-Command	31	12/31/2025
Medical Care Facility	180	12/31/2025
Ambulance	0	n/a
Non-Union	64	n/a
<i>Total</i>	<u>277</u>	

Oceana County
Continuing Disclosure – Unaudited
December 31, 2023

Major Taxpayers

<u>Taxpayer</u>	<u>Product or Service</u>	<u>2023 Taxable Value</u>	<u>Percent of Total 2023 Taxable Value</u>
Wolverine Power Supply Cooperative	Agriculture	\$ 18,358,447	1.24%
Oceana Co Freezer Storage, Inc.	Agriculture	13,524,379	0.91%
E & L Peterson Land, Inc.	Agriculture	12,992,938	0.88%
Great Lakes Energy	Utilities	12,506,481	0.84%
OPC Arbre Farms LLC	Agriculture	10,730,398	0.72%
Consumers Energy	Utilities	10,204,842	0.69%
Michigan Electric Transmission	Utilities	8,107,000	0.55%
Jack Pine Holdings LLC	Agriculture	6,257,579	0.42%
DTE Gas Co	Utilities	6,084,446	0.41%
Double JJ Propco, LLC	Utilities	4,984,088	0.34%
Heritage Farm Properties LLC	Agriculture	3,038,590	0.21%
Peterson Mark V Trust	Agriculture	2,440,403	0.16%
	Totals	<u>\$ 109,229,591</u>	<u>7.37%</u>

Source: County of Oceana

County of Oceana

Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) Alternative Compliance Examination

Year Ended December 31, 2023



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INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE FOR THE U.S.
DEPARTMENT OF TREASURY CORONAVIRUS STATE AND LOCAL FISCAL
RECOVERY FUNDS PROGRAM (CLFRF) REQUIREMENTS FOR AN ALTERNATIVE
CLFRF COMPLIANCE EXAMINATION ENGAGEMENT

To the Board of Commissioners
Oceana County, Michigan

We have examined Oceana County, Michigan's (the "County") compliance with the compliance requirements “activities allowed or unallowed” and “allowable cost/cost principles” (the specified requirements) as described in Part IV “Requirements for an Alternative Compliance Examination Engagement for Recipients That Would Otherwise be Required to Undergo a Single Audit or Program - Specific Audit as a Result of Receiving Coronavirus State and Local Fiscal Recovery Funds” of the CSLFRF section of the 2023 OMB *Compliance Supplement* (referred to herein as “Requirements for an Alternative CSLFRF Compliance Examination Engagement”) during the year ended December 31, 2023. Management of the County is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA; the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in the “Requirements for an Alternative CSLFRF Compliance Examination Engagement.” Those standards and requirements require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the County's compliance with specified requirements.

In our opinion, the County complied, in all material respects, with the specified requirements referenced above during the year ended December 31, 2023.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud, and noncompliance with provisions of laws, regulations, contracts, or grant agreements that have a material effect on the County's compliance with the specified requirements and any other instances that warrant the attention of those charged with governance. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. We performed our examination to express an opinion on the County's compliance with the specified requirements and not for the purpose of expressing an opinion on the internal control over the specified requirements or on compliance and other matters; accordingly, we express no such opinions. The results of our tests disclosed no matters that are required to be reported under *Government Auditing Standards*.

Intended Purpose

The purpose of this examination report is solely to express an opinion on whether the County complied, in all material respects with the specified requirements referenced above during the year ended December 31, 2023. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Gabridge & Company".

Gabridge & Company, PLC
Grand Rapids, MI
June 28, 2024

Oceana County
Schedule of Findings and Responses
For the Year Ended December 31, 2023

FEDERAL AWARD FINDINGS AND RESPONSES

None reported.

June 28, 2024

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, 2023. 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 January 24, 2024. 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 2023. 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, 2023.
- 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 28, 2024.

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 company.

Gabridge & Company, PLC
Grand Rapids, MI