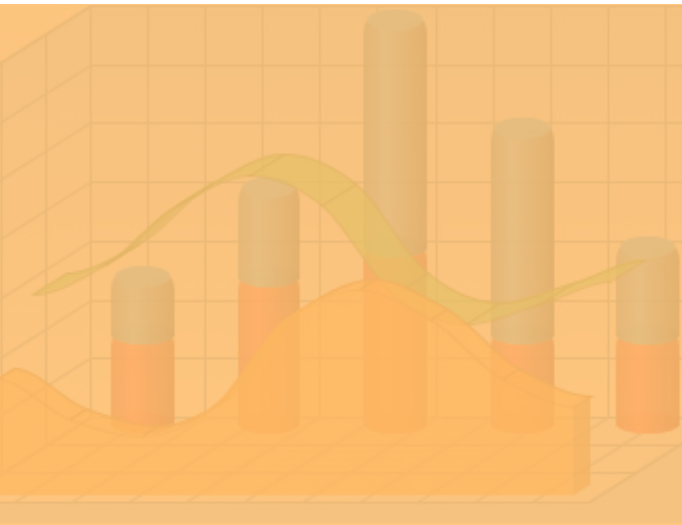


Comprehensive Annual Financial Report

Year Ended December 31, 2020

County of
Kent



County of Kent,
Michigan



Year Ended
December 31, 2020

Comprehensive
Annual Financial
Report

Prepared by: Fiscal Services Department

Fiscal Services Director
Jeff Dood

County Administrator/Controller
Wayman Britt

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COUNTY OF KENT, MICHIGAN

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INTRODUCTORY SECTION

COUNTY OF KENT, MICHIGAN

ELECTED OFFICERS

For the Year Ended December 31, 2020

BOARD OF COMMISSIONERS

Mandy Bolter

Chair

Stan Stek

Vice Chair

Jim Talen

Minority Party Vice-Chair

Tom Antor
David Bulkowski
Diane Jones
Betsy Melton
Stan Ponstein
Monica Sparks
Ted Vonk
Robert Womack

Emily Brieve
Carol Hennessy
Matt Kallman
Roger Morgan
Phil Skaggs
Lindsey Thiel
Harold Voorhees
Stephen Wooden

Lisa Posthumus Lyons
Clerk-Register of Deeds

Ken Yonker
Drain Commissioner

Christopher Becker
Prosecuting Attorney

Michelle LaJoye-Young
Sheriff

Kenneth Parrish
Treasurer



OFFICE OF THE ADMINISTRATOR

Wayman Britt, County Administrator/Controller

Kent County Administration Building • 300 Monroe Avenue, N.W. Grand Rapids, Michigan 49503-2206
Phone: (616) 632 - 7577 • Fax: (616) 632 - 7565 • e-mail: wayman.britt@kentcountymi.gov

June 21, 2021

To the Board of Commissioners and the Citizens of Kent County:

State law requires that all local governments, subject to certain size criteria, publish within six months of the close of each fiscal year a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP) and audited in conformity with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to those requirements, we hereby issue the comprehensive annual financial report for the County of Kent for the fiscal year ended December 31, 2020.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Rehmann Robson, Certified Public Accountants, has issued an unmodified (“clean”) opinion on the County’s financial statements for the year ended December 31, 2020. The independent auditors’ report is located at the front of the financial section of this report.

The Management Discussion and Analysis (MD&A) immediately follows the independent auditors’ report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and it should be read in conjunction with it.

Profile of the Government

The County of Kent encompasses an area of approximately 864 square miles and is located in the central west portion of Michigan’s Lower Peninsula. The County of Kent is the fourth most populous County in the state of Michigan (State) with a 2019 estimated population of 658,708. It is approximately 64 miles west of Lansing, the state capital. The County is empowered by the State to levy a property tax on real and personal properties located within the County.

The County is composed of twenty-one townships, five villages and nine cities. The 2010 census population of the County resides as follows: townships (223,746); cities (371,492); and villages (7,384). The County seat is located in the City of Grand Rapids, which is the second largest city in the State. The County was organized as a County by the territorial legislature on March 24, 1836.

The County is governed by a Board of Commissioners (Board) whose numbers ranged from three in 1836 up to 77 as recently as 1968. As a result of a United States Supreme Court decision in 1969, the number of commissioners was reduced to 21. The Board took action in 1992 to reduce further the number of members to 19 effective January 1993. The Board is responsible for establishing policies, adopting the budget, appointing committee memberships, and hiring the County Administrator/Controller. The Administrator/Controller is responsible for carrying out the policies set forth by the Board and overseeing the day-to-day operations of the County. The Board is elected on a partisan basis every two years from districts of approximately equal size. The other five elected officers of the County, which include the Sheriff, Clerk/Register of Deeds, Prosecuting Attorney, Drain Commissioner and Treasurer, are elected on a partisan basis serving four-year terms.

The County provides a wide and varied range of services in the following areas: law enforcement, correctional facility, three court systems, fire prevention, social services, community and economic development, both State and County funded public health, and park system. The Department of Public Works manages a waste-to-energy incinerator and landfill. The Kent County Drain Commission, a component unit, is responsible for the construction and maintenance of County drains and the control of lake levels. The Airport Authority, a component unit, is responsible for the operation of the Gerald R. Ford International Airport. In addition, the Road Commission is a component unit providing maintenance to County roads.

Annually, the Board is required to adopt a final budget by December 31 for the subsequent fiscal year. This budget serves as the foundation for the County's financial planning and control. The budget is prepared by fund, function (e.g. public safety) and department (e.g. Sheriff). Department heads may transfer resources within the activities they manage. Transfers between departmental budgets and above administrative amounts set by the Board need special approval from the governing body.

Local Economy

Commercial/Industrial Base

The Grand Rapids-Wyoming Metropolitan Statistical Area (MSA), of which the County is the hub, has been one of the fastest growing regions of the United States. Numerous expansions, renovations, constructions, modernizations and developments have been completed, are in the process of being completed or are in the planning stages. Among the factors which have encouraged major projects and have attracted numerous firms from outside the area are: a strong but highly diversified base of industries, an excellent work force, educational opportunities, excellent employer/employee relations, good location and transportation facilities, utilities and possibly the most important, high quality of life.

Convention Facilities

The City of Grand Rapids and the County have jointly created the Grand Rapids-Kent County Convention/Arena Authority. The function of this independent authority is to own and operate the DeVos Place Convention Center and the Van Andel Arena. The Van Andel Arena was completed in 1996, has a capacity of 12,000 and is used for professional hockey games, concerts, family shows and other entertainment events. The DeVos Place Convention Center encompasses one million square feet of total gross floor area including a 40,000 square foot ballroom that is used for conventions and expos and a performing theater that hosts cultural entertainment events. DeVos Place is part of a vibrant downtown entertainment district featuring over 50 dining establishments, nightclubs, and museums, all within walking distance.

Regional Government Coordination

The Grand Valley Metropolitan Council is a Council of Governments dedicated to the advancing the current and future well-being of our metropolitan area by bringing together public and private sectors to cooperatively advocate, plan for, and coordinate the provision of services and investments which have environmental, economic and social impact. It is understood that the well-being of the metropolitan community relies on good government and springs from a shared vision that encompasses many elements, including, but not limited to, the following: preparing now for the challenges of the future; planning for orderly growth and development; preserving and enhancing the natural, social, and physical environments; promoting economic vitality and employment opportunities; equitably sharing responsibility for community needs; recognizing the strengths and benefits of diversity; promoting quality lifelong educational opportunities; promoting quality cultural and recreational institutions and facilities; effectively utilizing and enhancing existing infrastructure; eliminating unnecessary duplication of services; and promoting a high quality of life now and for future generations.

Medical Services

Clinical care is a top priority in West Michigan with one of the nation's top-ranked medical centers of excellence. With three fast-growing major hospitals and hundreds of physicians in every specialty imaginable, employers and employees alike can count on accessible, high-quality patient care and wellness programs. The public and nonprofit hospitals in the County have approximately 2,200 licensed beds. In 2000, the Van Andel Institute (VAI) opened, with the stated mission “. . . to become one of the world's preeminent private medical research institutions within the next decade” which has become a reality. The Van Andel Institute has three component parts: The Van Andel Research Institute (VARI), the Van Andel Education Institute (VAEI) and the Van Andel Institute (VAI). The VARI is an independent medical research organization dedicated to preserving, enhancing and expanding the frontiers of medical science. The VAEI is an independent education institute whose mission is to conduct the Van Andel Educational Technology School, and to achieve excellence by embracing and strengthening the fundamental issues of education. The research being conducted at the VARI is has served as a growth pole, anchoring and propelling growth of a newly developing bioscience industry cluster. This has and will continue to draw outside business and related sectors into the region to take advantage of economic opportunities created by the Institute. VARI has constructed a 240,000 square foot eight-story building expansion that opened in December 2009. This expansion nearly triples the Institute's laboratory space, allowing for growth of current laboratories and expanded research into neurological diseases.

The VAI supports the other two organizations. On July 11, 1999, legislation was adopted in support of investing \$50 million a year over the next 20 years to fund a Life Sciences Corridor—a joint venture between the State, several Michigan universities, and the VARI.

Michigan State University Medical School constructed a \$90 million, 180,000 square foot medical school which houses the MSU college of Human Medicine. In 2012, MSU also purchased the former Grand Rapids Press headquarters along with five parking properties for use as research space and additional parking. This new facility is in close proximity to the MSU College of Human Medicine medical facility.

Employment

Major industries that are located within the boundaries of Kent County, or in close proximity, include manufacturers of office equipment and furniture, heating controls, automotive parts, financial institutions, education, health care, retail food/merchandise and leisure and hospitality. This diversified employment base adds to the strength of the local economy. Since 2005 the unemployment rate in Kent County has ranged from 2.1% to 21.3%, as a result of the COVID-19 pandemic, in April 2020. The unemployment rate as of December 2020, for Kent County, is 5.9% and is expected to continue to improve as the economy recovers from the pandemic.

Long-Term Financial Planning/Financial Policies

Budgeting and Forecasting

As stated earlier, the budget serves as the foundation for the County's financial planning and control. As part of the budget process, management prepares an annual budget for the General Fund. The Kent County metro area maintains an optimistic economic outlook with continued growth expected in the Commercial, Industrial and Residential sectors. Based on the current financial forecast, the County will be able to continue most current service levels without raising its tax rate while retaining a projected fund balance of \$82.5 million at December 31, 2021, supported by an increase in property tax values and generated tax revenues.

Establishment and Use of General Fund Fund Balance

It is the Board of Commissioner's strategy that the County shall maintain adequate General Fund equity, to provide for contingent liabilities not covered by the County's insurance programs, provide for cash flow needs resulting from a midyear tax levy and to insulate the County from any other swift unforeseen events. As part of that strategy, the County's Fund Balance policy outlines the protocols and restrictions regarding the maintenance and utilization of fund balance.

The County maintains nonspendable General Fund fund balance equal to the balance of any long-term outstanding balances due from other County funds and component units as well as an amount equal to the value of its inventory balances and prepaid expenses.

The County commits annually a portion of fund balance, equal to 10% of the subsequent year's General Fund and subsidized governmental fund budgets, for budget stabilization. In addition, the County also maintains a minimum fund balance equal to at least 40% of

the subsequent year's adopted General Fund budgeted expenditures and transfers out. Both of these elements work to ensure the continued operation of County programs and service levels in the event cash flow shortfalls or a large and unanticipated one-time General Fund expenditure requirement.

Capital Improvement Program

The County established the Capital Improvement Projects Fund to account for the acquisition or construction of major capital items not otherwise provided for in enterprise or trust funds. The Capital Improvement Program (CIP) consists mainly of one-time or non-recurring capital expenditures. The CIP is a primary tool for evaluating the physical improvement, tangible personal property or real property improvements for the County. The CIP outlines the schedule of County needs over a five-year period and contains funding recommendations on an annual basis. The County has annually deposited to this fund a not-less-than sum of monies equivalent to the revenues to be generated from 0.2 mills of the general property tax levy. For 2020, an additional \$8.6 Million was appropriated to the County's Strategic Capital Project in the Capital Improvement Fund for future capital needs.

None of the other fiscal policies had a significant impact on the current period financial statements.

Future Financing

In March of 2021, the County issued \$1.8 million in general obligation limited tax notes to finance drain infrastructure projects. In addition, in April of 2021, the County issued \$15.8 million in general obligation limited tax notes in the Delinquent Tax Revolving enterprise fund.

Major Initiatives

Given the continued pressure for providing more services despite finite resources, Kent County's focus has been on long-term sustainability. This includes the long-term financial stability of Kent County along with supporting our local governmental partners and taking a leadership role with respect to innovative strategies that yield a more cost-effective and efficient delivery of services.

Kent County's Strategic Plan serves as a roadmap that guides our professional staff in creating objectives for each of these goals to ensure the County is meeting its overall strategic priorities. The strategic plan is reflected in the policies adopted by the Board of Commissioners and embodied by the County's budget and department-level strategic initiatives. Progress toward the strategic plan outcomes are measured by tracking performance outcomes in each department and are reported on the County's website.

The County's strategic priorities are as follows:

- Economic Prosperity - We will focus on sound fiscal management and policies to support the economic prosperity of the County as well as the West Michigan region.
- High Quality of Life - We will foster a high quality of life that promotes safe and healthy communities, strategic growth, and world-class outdoor resources.
- Excellence in Service Delivery - We will adopt innovative ways to deliver services that maximize efficiency and provide an exceptional experience to those we serve.
- Inclusive Participation - We will provide innovative and inclusive ways to engage residents and involve them in County government.
- Effective Communications - We will be transparent and clear in the communications and decisions of the County. The County continues to work towards generating additional revenues along with shifting and reducing costs and utilizing technology to contain costs.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Kent for its Comprehensive Annual Financial Report (AFR) for the fiscal year ended December 31, 2019. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized AFR. This report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated effort of the entire staff of the Fiscal Services Department. We express our appreciation to all employees of the County who assisted and contributed to its preparation. We also express our gratitude to the Board of Commissioners for their interest and support in planning and conducting the financial operations and management of the County of Kent in a responsible and progressive manner.

Respectfully submitted,



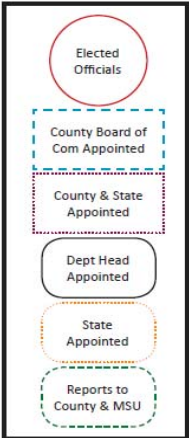
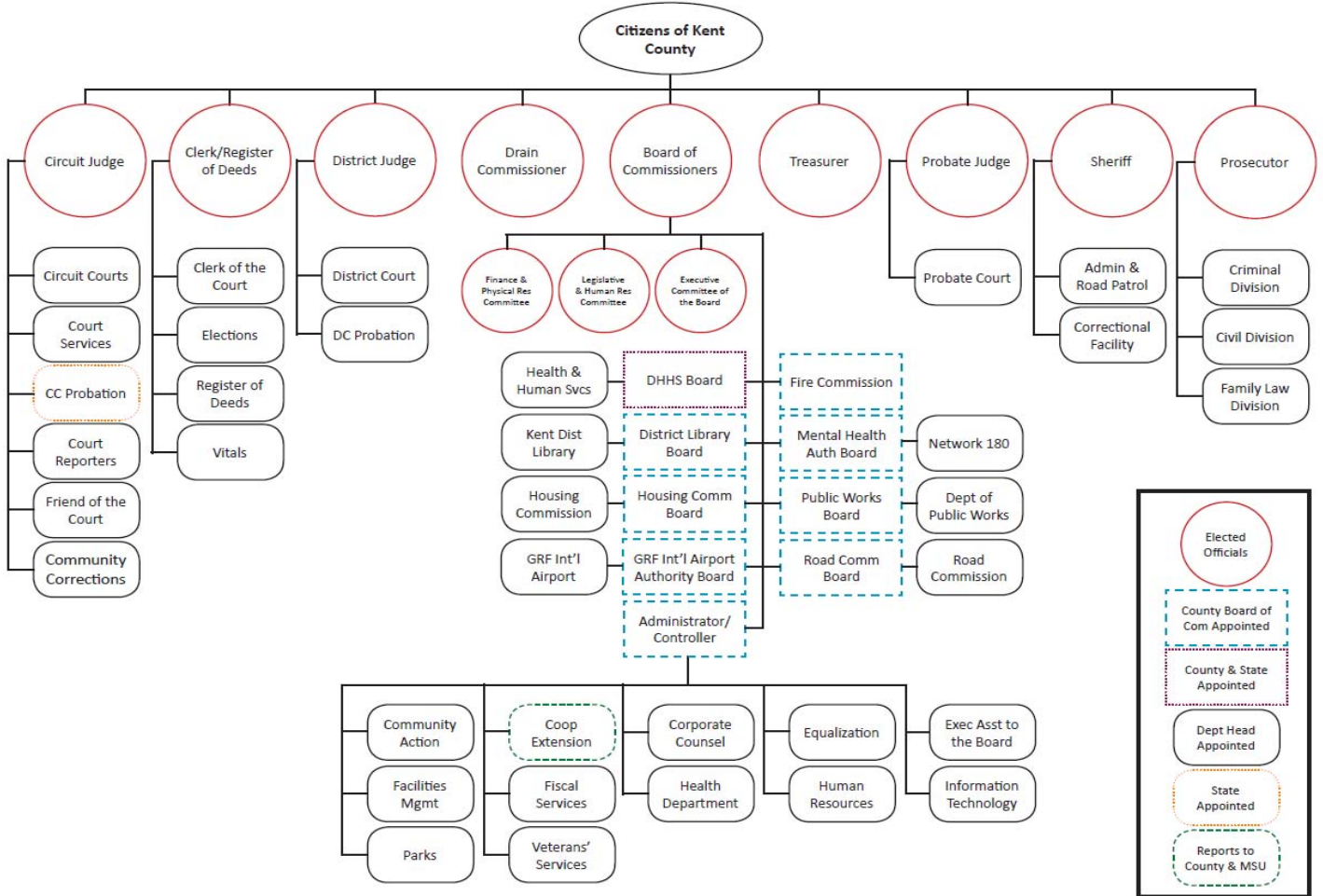
Wayman P. Britt
County Administrator/Controller



Jeff Dood
Fiscal Services Director

COUNTY OF KENT, MICHIGAN

Table of Organization





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Kent
Michigan**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

June 21, 2021

Honorable Members of the
Board of Commissioners
of the County of Kent
Grand Rapids, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **County of Kent, Michigan** (the "County"), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Independent Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the following entities, which represent the indicated percentages of total aggregate discretely presented component units:

	Percent of Assets and Deferred Outflows	Percent of Revenues	Percent of Net Position
Kent County Road Commission	40.8%	49.2%	50.6%
Gerald R. Ford International Airport Authority	55.6%	44.2%	47.0%

Rehmann is an independent member of Nexia International.



Those statements were audited by other auditors whose reports thereon were furnished to us, and our opinions, insofar as they relate to the amounts included for the above entities, are based solely on the reports of the other auditors. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the reports 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 of Kent, Michigan, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules, introductory section, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued, under separate cover, our report dated June 21, 2021, on our consideration of the County of Kent, Michigan's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Rehmann Lohman LLC

MANAGEMENT'S DISCUSSION AND ANALYSIS

COUNTY OF KENT, MICHIGAN

Management's Discussion and Analysis

As management of the County of Kent, Michigan (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal. All amounts, unless otherwise indicated, are expressed **in thousands of dollars**.

Financial Highlights

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$448,498 (*net position*). Of this amount, \$143,988 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$59,812, comprised of a \$53,585 increase in governmental activities and an increase of \$6,227 in business-type activities.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$169,610, an increase of \$13,210 from the prior year. Approximately 29.4% of this total amount or \$49,943 is unassigned fund balance.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$49,943 or 38.6% of total General Fund expenditures.
- Total government-wide liabilities (including the net OPEB liability) increased by approximately \$7,677 or (3.06%) during the current fiscal year. Liabilities for governmental activities increased by approximately \$8,393 and liabilities for business-type activities decreased by \$716. This increase in liabilities is primarily due to an increase in net unearned revenues of \$12,034 and accounts payable of \$8,235 offset by a decrease in net OPEB liability of \$7,860 and long term debt of \$4,205.

Overview of the Financial Statements

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

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

The statement of net position presents information on all of the County's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference being 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., uncollected taxes and earned but unused vacation leave).

COUNTY OF KENT, MICHIGAN

Management's Discussion and Analysis

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, public safety, health and welfare, culture and recreation, judicial, community and economic development, and public works. The business-type activities of the County include the Department of Public Works and delinquent tax collection and administration.

The government-wide financial statements include not only the County itself (known as the primary government), but also a legally separate Road Commission, legally separate Drainage Districts, a legally separate Housing Commission, a legally separate Land Bank Authority, and the legally separate Gerald R. Ford International Airport Authority for which the County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

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

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. 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 thirty-one 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 Fund, Correction and Detention Facilities, Zoo and Museum Millage, Senior Millage, Coronavirus, and the Public Improvement funds, all of which are considered to be major funds. 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 Fund and special revenue funds. Budgetary comparison statements or schedules have been provided for these funds to demonstrate compliance with this budget.

Proprietary Funds. The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the Department of Public Works ("DPW") and Delinquent Tax Revolving Fund. Internal service funds are used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its risk management, employee benefit programs and vehicle and office equipment. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

COUNTY OF KENT, MICHIGAN

Management's Discussion and Analysis

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 Department of Public Works and the Delinquent Tax Revolving Fund, each considered to be a major fund. The County's internal service funds are presented in the proprietary fund financial statements in the Governmental Activities - Internal Service Funds column.

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

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

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain information concerning the County's progress in funding its obligation to provide pension and other postemployment benefits to its employees.

Government-wide Financial Analysis

As previously stated, 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 \$448,498 at the close of the most recent fiscal year.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 335,520	\$ 254,291	\$ 131,570	\$ 125,672	\$ 467,090	\$ 379,963
Capital assets, net	302,454	294,236	50,857	50,190	353,311	344,426
Total assets	637,974	548,527	182,427	175,862	820,401	724,389
Total deferred outflows of resources	10,972	15,472	633	886	11,605	16,358
Long-term liabilities	126,346	130,551	60,280	62,337	186,626	192,888
Other liabilities	66,400	53,802	5,916	4,575	72,316	58,377
Total liabilities	192,746	184,353	66,196	66,912	258,942	251,265
Total deferred inflows of resources	121,827	98,858	2,739	1,938	124,566	100,796
Net position						
Net investment in capital assets	209,720	196,647	44,302	43,039	254,022	239,686
Restricted	43,796	42,578	6,692	6,785	50,488	49,363
Unrestricted	80,857	41,563	63,131	58,074	143,988	99,637
Total net position	\$ 334,373	\$ 280,788	\$ 114,125	\$ 107,898	\$ 448,498	\$ 388,686

COUNTY OF KENT, MICHIGAN

Management's Discussion and Analysis

A substantial portion of the County's net position, \$254,022 (56.6%), reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related outstanding debt used to acquire those assets. 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 of \$50,488 (11.3%) represents resources that are subject to external restrictions on how they may be used. The County may use the remaining balance of unrestricted net position of \$143,988 (32.1%) to meet its ongoing obligations to citizens and creditors.

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

	Change in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Program revenues:						
Charges for services	\$ 59,377	\$ 65,511	\$ 44,582	\$ 44,737	\$ 103,959	\$ 110,248
Operating grants	174,515	68,081	1,160	2,143	175,675	70,224
Capital grants	5,924	6,893	339	-	6,263	6,893
General revenues:						
Property taxes	150,254	145,122	-	-	150,254	145,122
State revenue sharing	17,865	20,350	-	-	17,865	20,350
Other taxes	5,108	11,432	-	-	5,108	11,432
Other	3,375	4,363	205	521	3,580	4,884
Total revenues	416,418	321,752	46,286	47,401	462,704	369,153
Expenses:						
General government	54,020	37,807	-	-	54,020	37,807
Public safety	87,709	96,210	-	-	87,709	96,210
Health and welfare	99,996	85,750	-	-	99,996	85,750
Culture and recreation	18,111	18,754	-	-	18,111	18,754
Judicial	41,335	42,799	-	-	41,335	42,799
Community and economic development	60,810	11,136	-	-	60,810	11,136
Public works	809	683	35,476	40,991	36,285	41,674
Interest and fiscal charges	3,743	4,652	-	-	3,743	4,652
Delinquent tax collection	-	-	883	938	883	938
Total expenses	366,533	297,791	36,359	41,929	402,892	339,720
Change in net position, before transfers	49,885	23,961	9,927	5,472	59,812	29,433
Transfers	3,700	4,100	(3,700)	(4,100)	-	-
Change in net position	53,585	28,061	6,227	1,372	59,812	29,433
Net position:						
Beginning of year	280,788	252,727	107,898	106,526	388,686	359,253
End of year	\$ 334,373	\$ 280,788	\$ 114,125	\$ 107,898	\$ 448,498	\$ 388,686

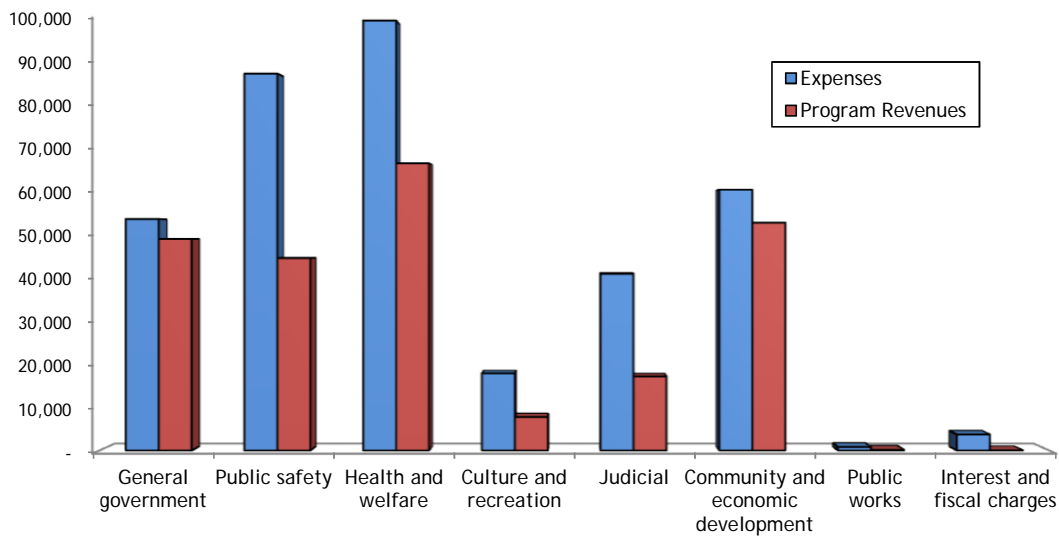
COUNTY OF KENT, MICHIGAN

Management's Discussion and Analysis

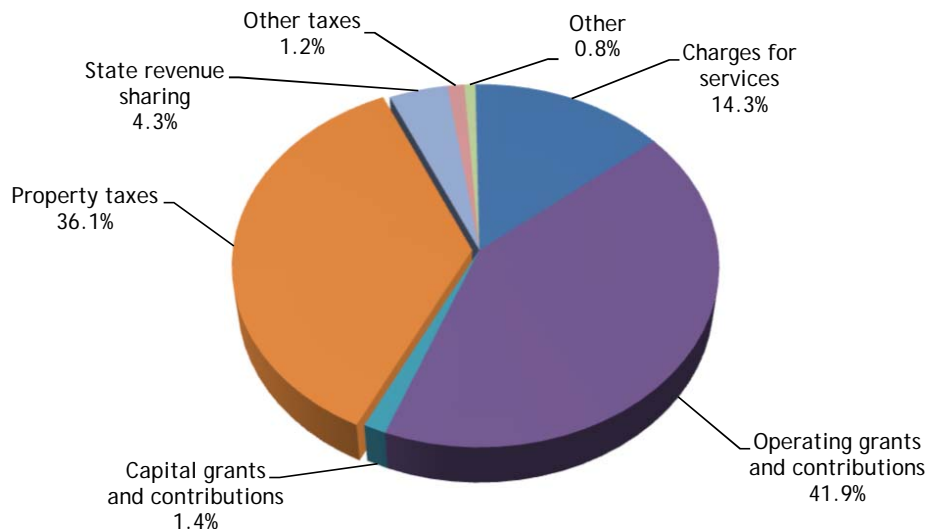
The County's net position increased by \$59,812 during the current fiscal year. The majority of this increase is related to an increase in operating grants, tax revenues, a decrease in public safety expenses, and partially offset by an increase in health and welfare, general government, and community and economic development expenses.

Governmental Activities. Governmental activities increased the County's net position by \$53,585. Key elements of this increase include current year property tax revenue increase of \$5,132 related to the increase in the value of taxable property, a decrease in charges for services of \$6,134 due to faculties being closed due to the pandemic, an increase in operating grants of \$106,434 due to grants received for mitigating the risk of the pandemic, a decrease in public safety expenses (\$8,501) primarily due to a decrease in pension and OPEB expenses due to market conditions and strategic funding, an increase in health and welfare expenses of \$14,246 due to expenses to mitigate the risk of the COVID-19 pandemic and its effects, and an increase in general government expenses of \$16,213 and community and economic development expenses of \$49,674 primarily due to grants given to schools, non-profits, and small businesses because of the COVID-19 pandemic and its effects.

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities

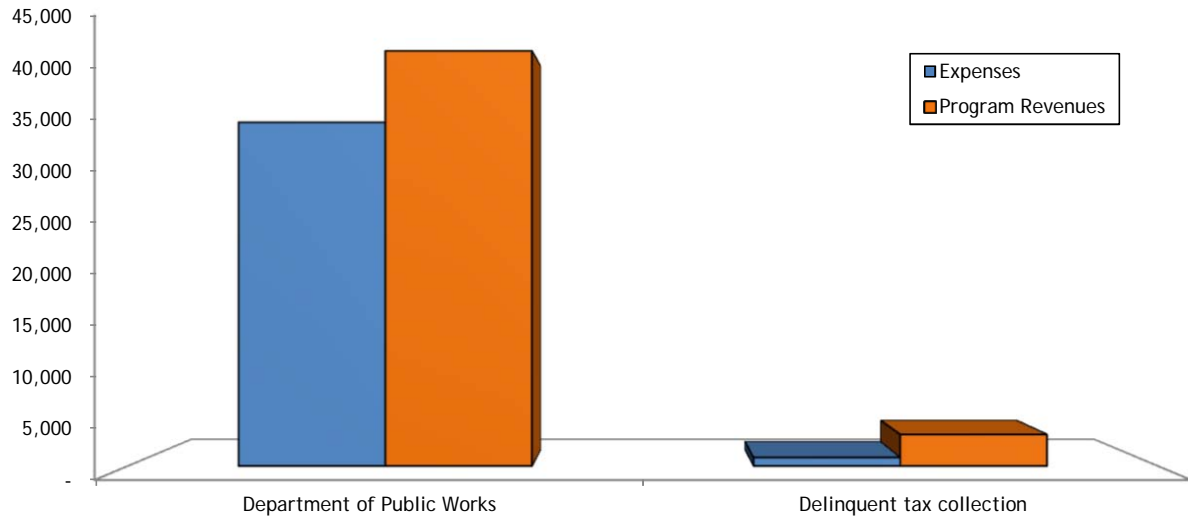


COUNTY OF KENT, MICHIGAN

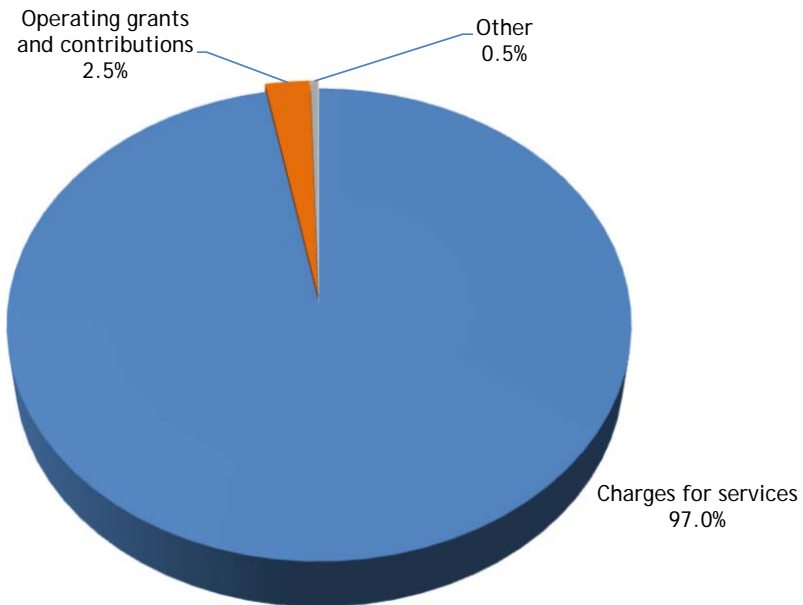
Management's Discussion and Analysis

Business-type Activities. Business-type activities increased the County's net position by \$6,227. Key elements of this increase relate to a decrease in public works expenses of \$5,515 partially offset by a decrease in operating grants \$983 and charges for services revenues of \$155.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



COUNTY OF KENT, MICHIGAN

Management's Discussion and Analysis

Financial Analysis of the County's Funds

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

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$169,610 an increase of \$13,210 from the prior year. Of this amount, 29.4% (\$49,943) constitutes unassigned fund balance, which is available for spending at the government's discretion, however it is limited to the minimum fund balance requirements per the County's Fund Balance policy. The remainder of fund balance is reserved to indicate that it is not available for new spending because it is classified as one of the following: A) Nonspendable for 1) inventories and prepaids (\$1,600), or 2) long-term cash advances to the Drainage District (\$389); B) Restricted for use per external/third party mandates (\$43,156); C) is committed for economic stabilization (\$27,914); or D) has been assigned for other specific uses in the County's general operations (\$46,608).

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$49,943 while total fund balance amounted to \$82,532. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 38.6% of total General Fund expenditures, while total fund balance represents 63.8% of that same amount.

The fund balance of the County's General Fund increased by \$1,754 during the current fiscal year. Key factors in this change are as follows:

- Increasing property taxable values resulting in a increase in current property tax revenues of \$4,483.
- Public safety decreased \$5,576 primarily due payroll being allocated to the Coronavirus Fund.
- Transfers out increased by \$6,731 primarily because of increased transfers out to the Public Improvement Fund \$3,719, and increased transfers out for lodging excise tax of \$4,000.
- General government expenditures increased by \$1,041, primarily because of election expenses.

The Zoo and Museum Millage Fund accounts for a voter-approved property tax millage for the John Ball Zoo and the Grand Rapids Public Museum. The millage was approved for tax years 2016 through 2025. The fund had no ending fund balance.

The Senior Millage Fund accounts for specific activity related to the voter-approved senior millage through tax year 2021. This fund experienced a small increase of \$440.

The Correction and Detention Facilities Fund accounts for a voted county-wide correctional millage that expires in December 2029. The Correction and Detention Facilities Fund experienced a \$868 decrease in fund balance. The decrease was primarily the result of an increase in transfers out to the General Fund and Debt Service fund.

The Coronavirus Fund accounts for the funding received to mitigate and respond to the effects of the public health emergency. Revenues are provided through Federal and State grants. Ending fund balance was \$494 and is attributable to interest earned on pooled cash.

The Public Improvement fund accounts for revenue set aside for public improvements. The ending fund balance increased by \$9,272, and is primarily attributable to transfers in from other funds and proceeds from issuance of long-term debt.

COUNTY OF KENT, MICHIGAN

Management's Discussion and Analysis

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

General Fund Budgetary Highlights

During the year, there was an increase in appropriations between the original and final amended budget of \$43. Significant changes included:

- \$8,600 decrease in budgeted public safety expenditures due to payroll being allocated to the Coronavirus Fund.
- \$7,617 increase in budgeted transfers out to the Public Improvement Capital Projects Fund due to increased amounts earmarked for future projects.

The General Fund budgeted for a decrease in fund balance of \$4,537 and the actual change in fund balance was an increase of \$1,754. Significant budgetary variances are as follows:

- \$3,686 of general government expenditures were less than budgeted due to facilities being shutdown during the pandemic.
- \$2,112 of public safety expenditures were less than budgeted due to expenditures being moved to the Coronavirus Fund.
- \$2,198 of judicial expenditures less than budgeted due to courts being shutdown during the pandemic.
- \$2,479 less of transfers out than budgeted because of decreased transfers to the Friend of the Court and Child Care funds because of lower expenditures than budgeted in those funds, as well as decreased transfers to the Health Fund due to personnel and activity reallocation to Coronavirus Relief Funding from State and Federal Sources.
- \$1,554 of intergovernmental revenues less than budgeted primarily due to one less quarter of state shared revenue offset.

Capital Asset and Debt Administration

Capital Assets. The County's capital assets for its governmental and business-type activities as of December 31, 2020 amounted to \$353,311 (net of accumulated depreciation). This investment in capital assets includes land, buildings, land improvements, machinery and equipment, park facilities, property development rights, motor vehicles, drains and landfill cells. The net increase in the County's investment in capital assets for the current fiscal year was 2.6% (a 2.8% increase for governmental activities and a 1.3% increase for business-type activities).

Major capital asset events during the current fiscal year included the following:

- Capital improvements at John Ball Zoo of \$4,686, including \$2,521 for service road and infrastructure and \$1,080 for Meerkat exhibit.
- Five year renewal of CGI ERP licensing contract \$5,190.
- Purchase of new vehicles \$1,636, including \$563 for 2 firetrucks for the fire commission.

COUNTY OF KENT, MICHIGAN

Management's Discussion and Analysis

	Capital Assets (Net of Depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 81,955	\$ 81,567	\$ 6,199	\$ 5,782	\$ 88,154	\$ 87,349
Property easements	37	37	-	-	37	37
Construction in progress	4,516	1,059	602	539	5,118	1,598
Landfill cells	-	-	8,083	7,957	8,083	7,957
Land improvements	17,608	17,068	3,647	2,270	21,255	19,338
Buildings and improvements	174,248	178,312	21,637	23,327	195,885	201,639
Machinery and equipment	15,587	11,161	10,444	10,036	26,031	21,197
Motor vehicles	5,807	4,753	245	279	6,052	5,032
Infrastructure	2,677	255	-	-	2,677	255
Animals	19	24	-	-	19	24
Total capital assets, net	\$ 302,454	\$ 294,236	\$ 50,857	\$ 50,190	\$ 353,311	\$ 344,426

Additional information on the County's capital assets can be found in Note 7 of this report.

Long-term Debt. At the end of the current fiscal year, the County had total installment debt outstanding with a face amount of \$128,647.

	Installment Debt					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
General obligation bonds	\$ 98,135	\$ 106,935	\$ 6,060	\$ 6,600	\$ 104,195	\$ 113,535
Notes payable	-	-	20,300	20,200	20,300	20,200
Contracts payable	4,152	-	-	-	4,152	-
Total	\$ 102,287	\$ 106,935	\$ 26,360	\$ 26,800	\$ 128,647	\$ 133,735

The County's total installment debt decreased by \$5,088 (3.8%) during the current fiscal year. The net decrease was mainly attributable to debt payments throughout the fiscal year.

The County maintains an "AAA" rating from Standard & Poor's and "Aaa" rating from Moody's for its general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total state equalized valuation. The current debt limitation for the County is \$3,190,906 which is significantly higher than the County's outstanding general obligation debt.

Additional information on the County's long-term debt can be found in Note 8 of this report.

Economic Factors and Next Year's Budget and Rates

- The average annual unemployment rate for the county for 2020 was 7.6%, which is a 4.7% increase from 2019, related to the COVID-19 pandemic. This is significantly below the state average annual unemployment rate of 9.9% for 2020.
- Inflationary trends in the region compare favorably to national indices.

The County considered these factors in preparing its budget for the 2021 fiscal year.

COUNTY OF KENT, MICHIGAN

Management's Discussion and Analysis

During the current fiscal year, unassigned fund balance in the General Fund was \$49,943. The County was able to adopt a balanced budget for the 2021 fiscal year without appropriating additional spending, or the need to raise taxes or charges above the current recommended levels during the 2021 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County of Kent's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, may be addressed to the Fiscal Services Director, County Administration Building, 300 Monroe Avenue N.W., Grand Rapids, Michigan 49503-2221.

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BASIC FINANCIAL STATEMENTS

COUNTY OF KENT, MICHIGAN

Statement of Net Position

December 31, 2020

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash, investments, and accrued interest	\$ 203,931,972	\$ 96,706,335	\$ 300,638,307	\$ 57,550,716
Receivables, net	71,809,979	5,039,532	76,849,511	23,193,381
Internal balances	(891,003)	891,003	-	-
Due from component units	1,394,616	-	1,394,616	-
Due from primary government	-	-	-	18
Restricted cash, investments, and accrued interest	-	17,962,115	17,962,115	22,881,224
Restricted receivables	-	8,780,594	8,780,594	519,254
Other assets	4,162,750	148,668	4,311,418	5,871,786
Advances to component units	389,160	-	389,160	-
Net pension asset	54,722,203	2,041,445	56,763,648	7,502,004
Net OPEB asset	-	-	-	977,050
Capital assets not being depreciated	86,507,850	6,801,429	93,309,279	85,172,300
Capital assets being depreciated, net	215,945,995	44,055,577	260,001,572	609,613,265
Total assets	637,973,522	182,426,698	820,400,220	813,280,998
Deferred outflows of resources				
Deferred charge on bond refunding, net	853,273	241,325	1,094,598	4,908,276
Deferred pension amounts	5,940,345	200,726	6,141,071	2,184,367
Deferred OPEB amounts	4,178,919	191,423	4,370,342	566,436
Total deferred outflows of resources	10,972,537	633,474	11,606,011	7,659,079
Liabilities				
Accounts payable and accrued liabilities	31,333,522	5,220,125	36,553,647	24,807,506
Due to component units	18	-	18	-
Due to primary government	-	-	-	1,394,616
Unearned revenue	15,488,284	-	15,488,284	1,301,651
Advances from primary government	-	-	-	389,160
Long-term liabilities:				
Due within one year	14,579,564	17,442,543	32,022,107	12,678,187
Due in more than one year	111,766,355	42,837,598	154,603,953	150,597,660
Net OPEB liability (due in more than one year)	19,578,244	696,148	20,274,392	-
Total liabilities	192,745,987	66,196,414	258,942,401	191,168,780
Deferred inflows of resources				
Property taxes levied for subsequent period	48,732,473	-	48,732,473	-
Deferred pension amounts	63,829,898	2,385,759	66,215,657	1,390,130
Deferred OPEB amounts	9,264,893	353,138	9,618,031	855,732
Total deferred inflows of resources	121,827,264	2,738,897	124,566,161	2,245,862
Net position				
Net investment in capital assets	209,720,320	44,302,293	254,022,613	546,138,402
Restricted for:				
Public safety	14,810,679	-	14,810,679	-
Health and welfare	10,469,544	-	10,469,544	-
Judicial	6,397,126	-	6,397,126	-
Community and economic development	8,395,579	-	8,395,579	-
Debt service	-	6,324,721	6,324,721	18,858,218
Capital projects	2,581,989	-	2,581,989	8,547,936
Property tax foreclosures	-	367,007	367,007	-
Pension benefits	-	-	-	8,296,241
OPEB benefits	-	-	-	687,754
Other state mandated programs	1,140,156	-	1,140,156	-
Unrestricted	80,857,415	63,130,840	143,988,255	44,996,884
Total net position	\$ 334,372,808	\$ 114,124,861	\$ 448,497,669	\$ 627,525,435

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

COUNTY OF KENT, MICHIGAN

Statement of Activities

For the Year Ended December 31, 2020

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities:					
General government	\$ 54,020,162	\$ 16,753,902	\$ 32,349,624	\$ 318,920	\$ (4,597,716)
Public safety	87,709,328	25,388,690	19,585,656	-	(42,734,982)
Health and welfare	99,995,881	3,540,499	63,371,491	-	(33,083,891)
Culture and recreation	18,111,214	2,184,561	47,424	5,604,673	(10,274,556)
Judicial	41,334,970	4,079,940	13,284,708	-	(23,970,322)
Community and economic development	60,809,969	7,367,912	45,788,022	-	(7,654,035)
Public works	808,594	61,686	88,248	-	(658,660)
Interest and fiscal charges	3,742,616	-	-	-	(3,742,616)
Total governmental activities	366,532,734	59,377,190	174,515,173	5,923,593	(126,716,778)
Business-type activities:					
Public works	35,476,856	41,310,871	1,160,070	339,121	7,333,206
Delinquent tax collection and administration	882,892	3,271,536	-	-	2,388,644
Total business-type activities	36,359,748	44,582,407	1,160,070	339,121	9,721,850
Total primary government	\$ 402,892,482	\$ 103,959,597	\$ 175,675,243	\$ 6,262,714	\$ (116,994,928)
Component units					
Road Commission	\$ 68,145,371	\$ 1,193,135	\$ 70,006,650	\$ 6,801,324	\$ 9,855,738
Drainage Districts	4,532,224	-	2,438,098	1,060,418	(1,033,708)
Housing Commission	4,617,726	94,774	4,644,130	-	121,178
Land Bank Authority	2,986,882	2,566,551	609	-	(419,722)
Airport Authority	53,103,185	33,259,239	16,261,068	23,434,731	19,851,853
Total component units	\$ 133,385,388	\$ 37,113,699	\$ 93,350,555	\$ 31,296,473	\$ 28,375,339

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COUNTY OF KENT, MICHIGAN

Statement of Activities

For the Year Ended December 31, 2020

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Changes in net position				
Net revenue (expense)	\$ (126,716,778)	\$ 9,721,850	\$ (116,994,928)	\$ 28,375,339
General revenues:				
Property taxes	150,254,258	-	150,254,258	69,151
Lodging excise taxes	5,107,828	-	5,107,828	-
State revenue sharing	17,864,593	-	17,864,593	-
Unrestricted investment earnings	3,323,420	204,298	3,527,718	832,649
Gain on sale of capital assets	-	-	-	371,860
Other revenues	51,781	-	51,781	2,409,936
Transfers - internal activities	3,700,000	(3,700,000)	-	-
Total general revenues and transfers	180,301,880	(3,495,702)	176,806,178	3,683,596
Change in net position	53,585,102	6,226,148	59,811,250	32,058,935
Net position, beginning of year	280,787,706	107,898,713	388,686,419	595,466,500
Net position, end of year	<u>\$ 334,372,808</u>	<u>\$ 114,124,861</u>	<u>\$ 448,497,669</u>	<u>\$ 627,525,435</u>

concluded

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

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COUNTY OF KENT, MICHIGAN

Balance Sheet

Governmental Funds

December 31, 2020

	General Fund (101)	Correction and Detention Facilities (254)	Zoo and Museum Millage (257)	Senior Millage (259)
Assets				
Cash, investments, and accrued interest	\$ 92,383,121	\$ 15,335,998	\$ 1,525,578	\$ 3,142,600
Receivables, net:				
Accounts	853,571	-	-	1,002,750
Property taxes	2,730,893	16,389,313	9,141,177	10,392,526
Due from other governments	2,468,920	324,344	161,788	180,780
Loans	-	-	-	-
Due from other funds	7,731,960	-	-	-
Due from component units	1,394,616	-	-	-
Advances to component units	389,160	-	-	-
Inventories	59,301	-	-	-
Prepays	803,261	-	-	-
Total assets	<u>\$ 108,814,803</u>	<u>\$ 32,049,655</u>	<u>\$ 10,828,543</u>	<u>\$ 14,718,656</u>
Liabilities				
Accounts payable	\$ 3,714,797	\$ -	\$ 158,654	\$ 1,337,515
Accrued liabilities	5,352,192	-	-	-
Due to other governments	2,727	-	-	-
Due to other funds	14,831,024	239	271	35,357
Due to component units	18	-	-	-
Unearned revenue	488,215	-	-	-
Total liabilities	<u>24,388,973</u>	<u>239</u>	<u>158,925</u>	<u>1,372,872</u>
Deferred inflows of resources				
Property taxes levied for subsequent period	-	18,826,854	10,669,618	11,935,853
Unavailable revenue - loans receivable	-	-	-	-
Unavailable revenue - property taxes	1,893,546	-	-	-
Total deferred inflows of resources	<u>1,893,546</u>	<u>18,826,854</u>	<u>10,669,618</u>	<u>11,935,853</u>
Fund balances				
Nonspendable	1,251,722	-	-	-
Restricted	-	13,222,562	-	1,409,931
Committed	27,913,617	-	-	-
Assigned	3,424,133	-	-	-
Unassigned	49,942,812	-	-	-
Total fund balances	<u>82,532,284</u>	<u>13,222,562</u>	<u>-</u>	<u>1,409,931</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 108,814,803</u>	<u>\$ 32,049,655</u>	<u>\$ 10,828,543</u>	<u>\$ 14,718,656</u>

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

Coronavirus (274)	Public Improvement (445)	Nonmajor Governmental Funds	Total Governmental Funds
\$ 13,306,720	\$ 33,313,954	\$ 28,363,420	\$ 187,371,391
631,939	647,500	2,946,826	6,082,586
-	-	6,270,841	44,924,750
-	774,453	14,678,225	18,588,510
-	-	445,532	445,532
790,732	5,500,000	10,544,480	24,567,172
-	-	-	1,394,616
-	-	-	389,160
-	-	1,855,463	1,914,764
357,049	-	193,621	1,353,931
<u>\$ 15,086,440</u>	<u>\$ 40,235,907</u>	<u>\$ 65,298,408</u>	<u>\$ 287,032,412</u>
\$ 2,866,536	\$ 849,411	\$ 8,466,633	\$ 17,393,546
294,647	-	3,172,318	8,819,157
-	-	228,207	230,934
83,227	105,794	9,363,423	24,419,335
-	-	-	18
11,347,749	-	3,652,320	15,488,284
<u>14,592,159</u>	<u>955,205</u>	<u>24,882,901</u>	<u>66,351,274</u>
-	-	7,300,148	48,732,473
-	-	445,532	445,532
-	-	-	1,893,546
-	-	7,745,680	51,071,551
357,049	-	379,854	1,988,625
-	-	28,523,427	43,155,920
-	-	-	27,913,617
137,232	39,280,702	3,766,546	46,608,613
-	-	-	49,942,812
<u>494,281</u>	<u>39,280,702</u>	<u>32,669,827</u>	<u>169,609,587</u>
<u>\$ 15,086,440</u>	<u>\$ 40,235,907</u>	<u>\$ 65,298,408</u>	<u>\$ 287,032,412</u>

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COUNTY OF KENT, MICHIGAN

Reconciliation

Fund Balances for Governmental Funds
to Net Position of Governmental Activities
December 31, 2020

Fund balances - total governmental funds \$ 169,609,587

Amounts reported for *governmental activities* in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources, and therefore are not reported in the fund statements.

Capital assets not being depreciated	86,507,850
Capital assets being depreciated, net	215,317,863

The focus of governmental funds is on short-term financing. Accordingly, some assets will not be available to pay for current-period expenditures. Those assets (such as certain receivables) are offset by deferred inflows of resources in the governmental funds, and thus are not included in fund balance.

Deferred inflows for loans receivable	445,532
Deferred inflows for property taxes receivable	1,893,546

Internal service funds are used by management to charge the costs of certain activities, such as insurance and other centralized costs, to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities.

Net position of governmental activities accounted for in internal service funds:

Total internal service fund net position	15,250,893
Internal service fund net position accounted for in business-type activities	(929,134)

Certain liabilities, such as bonds payable, and deferred outflows of resources are not due and payable in the current period, and therefore are not reported in the funds.

Bonds and contracts payable	(102,287,307)
Deferred charge on advance bond refundings, net	853,273
Bond premiums/discounts, net	(13,773,485)
Pollution remediation liability	(24,529)
Compensated absences	(10,260,598)
Accrued interest on long-term debt	(399,115)

Certain pension and other postemployment benefit-related amounts, such as the net pension asset and other postemployment benefit liability and deferred amounts are not due and payable in the current period or do not represent current financial resources and therefore are not reported in the funds.

Net pension asset	54,722,203
Deferred outflows related to the net pension asset	5,940,345
Deferred inflows related to the net pension asset	(63,829,898)
Net OPEB liability	(19,578,244)
Deferred outflows related to the net OPEB liability	4,178,919
Deferred inflows related to the net OPEB liability	(9,264,893)

Net position of governmental activities \$ 334,372,808

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

COUNTY OF KENT, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended December 31, 2020

	General Fund (101)	Correction and Detention Facilities (254)	Zoo and Museum Millage (257)	Senior Millage (259)
Revenues				
Taxes	\$ 104,217,072	\$ 18,218,475	\$ 10,298,994	\$ 11,537,164
Licenses and permits	30,390	-	-	-
Intergovernmental	21,979,434	324,344	410,206	458,274
Charges for services	27,863,660	-	-	-
Fines and forfeitures	985,379	-	-	-
Investment earnings	1,330,427	299,598	12,337	81,741
Contributions and reimbursements	5,352,173	-	-	-
Other	3,492,356	-	-	-
Total revenues	<u>165,250,891</u>	<u>18,842,417</u>	<u>10,721,537</u>	<u>12,077,179</u>
Expenditures				
Current:				
General government	33,066,033	-	-	-
Public safety	57,019,056	-	-	-
Health and welfare	7,373,377	-	-	11,637,444
Culture and recreation	5,856,092	-	10,721,537	-
Judicial	24,053,564	-	-	-
Community and economic development	1,168,303	-	-	-
Public works	725,643	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>129,262,068</u>	<u>-</u>	<u>10,721,537</u>	<u>11,637,444</u>
Revenues over (under) expenditures	<u>35,988,823</u>	<u>18,842,417</u>	<u>-</u>	<u>439,735</u>
Other financing sources (uses)				
Transfers in	19,134,338	-	-	-
Transfers out	(53,771,478)	(19,709,970)	-	-
Issuance of long-term debt	-	-	-	-
Proceeds from sale of capital assets	402,171	-	-	-
Total other financing sources (uses)	<u>(34,234,969)</u>	<u>(19,709,970)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	1,753,854	(867,553)	-	439,735
Fund balances, beginning of year	80,778,430	14,090,115	-	970,196
Fund balances, end of year	<u>\$ 82,532,284</u>	<u>\$ 13,222,562</u>	<u>\$ -</u>	<u>\$ 1,409,931</u>

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

Coronavirus (274)	Public Improvement (445)	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 12,155,960	\$ 156,427,665
-	-	1,124,361	1,154,751
107,869,313	1,076,483	50,652,840	182,770,894
-	-	20,457,987	48,321,647
-	-	800,607	1,785,986
519,793	-	373,519	2,617,415
-	93,920	4,571,398	10,017,491
-	-	6,207,854	9,700,210
<u>108,389,106</u>	<u>1,170,403</u>	<u>96,344,526</u>	<u>412,796,059</u>
19,236,625	-	1,236,078	53,538,736
19,371,427	-	17,101,598	93,492,081
22,817,283	-	64,286,213	106,114,317
27,754	-	-	16,605,383
561,437	-	20,371,792	44,986,793
45,792,051	-	14,008,232	60,968,586
88,248	-	-	813,891
-	-	9,838,077	9,838,077
-	-	5,004,920	5,004,920
-	15,160,155	2,180,746	17,340,901
<u>107,894,825</u>	<u>15,160,155</u>	<u>134,027,656</u>	<u>408,703,685</u>
<u>494,281</u>	<u>(13,989,752)</u>	<u>(37,683,130)</u>	<u>4,092,374</u>
-	18,895,788	41,415,312	79,445,438
-	(823,950)	(1,701,940)	(76,007,338)
-	5,190,384	-	5,190,384
-	-	87,156	489,327
-	23,262,222	39,800,528	9,117,811
494,281	9,272,470	2,117,398	13,210,185
-	30,008,232	30,552,429	156,399,402
<u>\$ 494,281</u>	<u>\$ 39,280,702</u>	<u>\$ 32,669,827</u>	<u>\$ 169,609,587</u>

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COUNTY OF KENT, MICHIGAN

Reconciliation

Net Changes in Fund Balances of Governmental Funds
to Change in Net Position of Governmental Activities
For the Year Ended December 31, 2020

Net change in fund balances - total governmental funds \$ 13,210,185

Amounts reported for *governmental activities* in the statement of activities are different because:

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

Capital assets purchased/constructed	16,633,460
Donated capital assets	4,753,190
Depreciation expense	(11,817,820)
Proceeds from sale of capital assets	(489,327)
Loss on sale of capital assets	(1,004,217)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, but rather are deferred to the following fiscal year.

Net change in deferred inflows for loans receivable	(89,720)
Net change in deferred inflows for property taxes receivable	(1,065,579)

Bond proceeds provide current financial resources to governmental funds in the period issued, but issuing bonds increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal payments on long-term liabilities	9,838,077
Issuance of long-term debt	(5,190,384)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in accrued interest payable on long-term debt	31,364
Amortization of bond premiums/discounts	1,364,185
Amortization of deferred charge on advance bond refundings	(133,245)
Change in the accrual for compensated absences	(1,807,288)
Change in the net pension asset and related deferred amounts	21,991,748
Change in the net other postemployment benefit liability and related deferred amounts	4,930,162

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

Net operating income of the internal service funds	1,677,398
Operating income of the internal service funds allocated to business-type activities	(239,362)
Interest earnings from internal service funds	730,375
Net operating transfers accounted for in the internal service funds	261,900

Change in net position of governmental activities \$ 53,585,102

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

COUNTY OF KENT, MICHIGAN

Statement of Net Position

Proprietary Funds
December 31, 2020

	Business-type Activities - Enterprise Funds			Governmental Activities
	Delinquent Tax Revolving (516)	Department of Public Works (517)	Total	Internal Service Funds
Assets				
Current assets:				
Cash, investments, and accrued interest	\$ 3,212,698	\$ 93,493,637	\$ 96,706,335	\$ 16,560,581
Accounts receivable, net	-	3,625,732	3,625,732	1,748,351
Taxes receivable	1,080,985	-	1,080,985	-
Due from other governments	332,815	-	332,815	20,250
Due from other funds	2,066	365,111	367,177	270
Prepays	-	148,668	148,668	894,055
Restricted cash, investments, and accrued interest	15,571,722	-	15,571,722	-
Restricted receivables	8,780,594	-	8,780,594	-
Total current assets	28,980,880	97,633,148	126,614,028	19,223,507
Noncurrent assets:				
Restricted cash, investments and accrued interest	-	2,390,393	2,390,393	-
Net pension asset	-	2,041,445	2,041,445	-
Capital assets not being depreciated	-	6,801,429	6,801,429	-
Capital assets being depreciated, net	-	44,055,577	44,055,577	628,132
Total noncurrent assets	-	55,288,844	55,288,844	628,132
Total assets	28,980,880	152,921,992	181,902,872	19,851,639
Deferred outflows of resources				
Deferred charge on bond refunding, net	-	241,325	241,325	-
Deferred pension amounts	-	200,726	200,726	-
Deferred OPEB amounts	-	191,423	191,423	-
Total deferred outflows of resources	-	633,474	633,474	-

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COUNTY OF KENT, MICHIGAN

Statement of Net Position

Proprietary Funds
December 31, 2020

	Business-type Activities - Enterprise Funds			Governmental Activities
	Delinquent Tax Revolving (516)	Department of Public Works (517)	Total	Internal Service Funds
Liabilities				
Current liabilities:				
Accounts payable	\$ 463,748	\$ 4,035,764	\$ 4,499,512	\$ 474,505
Accrued liabilities	-	594,832	594,832	4,016,265
Due to other funds	-	405,308	405,308	109,976
Accrued interest	79,689	46,092	125,781	-
Current portion of long-term debt	16,229,825	1,212,718	17,442,543	-
Total current liabilities	<u>16,773,262</u>	<u>6,294,714</u>	<u>23,067,976</u>	<u>4,600,746</u>
Noncurrent liabilities, net of current portion:				
Long-term debt	4,108,474	38,729,124	42,837,598	-
Net OPEB liability	-	696,148	696,148	-
Total noncurrent liabilities	<u>4,108,474</u>	<u>39,425,272</u>	<u>43,533,746</u>	<u>-</u>
Total liabilities	<u>20,881,736</u>	<u>45,719,986</u>	<u>66,601,722</u>	<u>4,600,746</u>
Deferred inflows of resources				
Deferred pension amounts	-	2,385,759	2,385,759	-
Deferred OPEB amounts	-	353,138	353,138	-
Total deferred inflows of resources	<u>-</u>	<u>2,738,897</u>	<u>2,738,897</u>	<u>-</u>
Net position				
Net investment in capital assets	-	44,302,293	44,302,293	628,132
Restricted for:				
Debt service	3,934,328	2,390,393	6,324,721	-
Property tax foreclosures	367,007	-	367,007	-
Unrestricted	3,797,809	58,403,897	62,201,706	14,622,761
Total net position	<u>\$ 8,099,144</u>	<u>\$ 105,096,583</u>	<u>\$ 113,195,727</u>	<u>\$ 15,250,893</u>

concluded

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

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COUNTY OF KENT, MICHIGAN

Reconciliation

Net Position of Enterprise Funds
to Net Position of Business-type Activities
December 31, 2020

Net position - total enterprise funds \$ 113,195,727

Amounts reported for *business-type activities* in the statement of net position are different because:

Internal service funds are used by management to charge the costs of certain activities, such as insurance and other centralized costs, to individual funds. A portion of the net position of the internal service funds is allocated to the enterprise funds and reported in the statement of net position.

Net position of business-type activities accounted for in governmental-type internal service funds

929,134

Net position of business-type activities

\$ 114,124,861

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

COUNTY OF KENT, MICHIGAN

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

For the Year Ended December 31, 2020

	Business-type Activities - Enterprise Funds			Governmental Activities
	Delinquent Tax Revolving (516)	Department of Public Works (517)	Total	Internal Service Funds
Operating revenues				
Charges for services	\$ 491,083	\$ 40,883,287	\$ 41,374,370	\$ 28,960,366
Interest and penalties	1,837,993	-	1,837,993	-
Collection fees	644,174	-	644,174	-
Auction proceeds, net	255,205	-	255,205	-
Other	43,081	427,584	470,665	-
Total operating revenues	3,271,536	41,310,871	44,582,407	28,960,366
Operating expenses				
Salaries and fringes	-	4,460,888	4,460,888	120,419
Materials and supplies	-	117,802	117,802	-
Administrative and general	-	636,369	636,369	-
Contractual services	362,369	20,809,799	21,172,168	169,952
Landfill maintenance	-	2,927,685	2,927,685	-
Benefit payments and refunds	-	-	-	25,596,189
Depreciation	-	5,949,110	5,949,110	198,021
Other	217,779	129,693	347,472	1,198,387
Total operating expenses	580,148	35,031,346	35,611,494	27,282,968
Operating income	2,691,388	6,279,525	8,970,913	1,677,398
Nonoperating revenues (expenses)				
Investment earnings	204,298	1,160,070	1,364,368	730,375
Interest expense	(302,744)	(234,045)	(536,789)	-
Loss on sale of capital assets	-	(450,827)	(450,827)	-
Total nonoperating revenues (expenses)	(98,446)	475,198	376,752	730,375
Income before capital contributions and transfers	2,592,942	6,754,723	9,347,665	2,407,773
Capital contributions	-	339,121	339,121	-
Transfers in	-	-	-	261,900
Transfers out	(3,700,000)	-	(3,700,000)	-
Change in net position	(1,107,058)	7,093,844	5,986,786	2,669,673
Net position, beginning of year	9,206,202	98,002,739	107,208,941	12,581,220
Net position, end of year	\$ 8,099,144	\$ 105,096,583	\$ 113,195,727	\$ 15,250,893

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

COUNTY OF KENT, MICHIGAN

Reconciliation

Net Changes in Fund Net Position of Enterprise Funds
to Change in Net Position of Business-type Activities
For the Year Ended December 31, 2020

Change in net position - total enterprise funds \$ 5,986,786

Amounts reported for *business-type activities* in the statement of activities
are different because:

Internal service funds are used by management to charge the costs of certain activities, such as insurance and other centralized costs, to individual funds. A portion of the operating income (loss) of the internal service funds is allocated to the enterprise funds and reported in the statement of activities.

Net operating income from business-type activities accounted for in
governmental-type internal service funds

239,362

Change in net position of business-type activities \$ 6,226,148

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

COUNTY OF KENT, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2020

	Business-type Activities - Enterprise Funds			Governmental Activities
	Delinquent Tax Revolving (516)	Department of Public Works (517)	Total	Internal Service Funds
Cash flows from operating activities				
Receipts from customers and users	\$ 19,807,898	\$ 41,443,523	\$ 61,251,421	\$ 29,013,929
Payments to vendors	(391,683)	(24,772,506)	(25,164,189)	(1,622,982)
Payments for personnel services	-	(5,366,329)	(5,366,329)	(143,187)
Benefit payments	-	-	-	(25,416,395)
Delinquent taxes purchased	(16,284,308)	-	(16,284,308)	-
Net cash provided by operating activities	<u>3,131,907</u>	<u>11,304,688</u>	<u>14,436,595</u>	<u>1,831,365</u>
Cash flows from noncapital financing activities				
Proceeds from issuance of long-term debt	16,200,000	-	16,200,000	-
Principal paid on long-term debt	(16,100,000)	-	(16,100,000)	-
Interest paid on long-term debt	(391,948)	-	(391,948)	-
Premium on issuance of long-term debt	50,847	-	50,847	-
Transfers from (to) other funds	(3,700,000)	-	(3,700,000)	261,900
Net cash provided by (used in) noncapital financing activities	<u>(3,941,101)</u>	<u>-</u>	<u>(3,941,101)</u>	<u>261,900</u>
Cash flows from capital and related financing activities				
Proceeds from sale of capital assets	-	80,422	80,422	-
Purchase of capital assets	-	(7,147,614)	(7,147,614)	(340,267)
Capital contributions received	-	339,121	339,121	-
Principal paid on capital debt	-	(540,000)	(540,000)	-
Interest paid on capital debt	-	(292,750)	(292,750)	-
Net cash used in capital and related financing activities	<u>-</u>	<u>(7,560,821)</u>	<u>(7,560,821)</u>	<u>(340,267)</u>
Cash flows from investing activities				
Interest received on investments	<u>204,298</u>	<u>1,160,070</u>	<u>1,364,368</u>	<u>730,375</u>
Net change in cash and cash equivalents	<u>(604,896)</u>	<u>4,903,937</u>	<u>4,299,041</u>	<u>2,483,373</u>
Cash and cash equivalents, beginning of year	<u>19,389,316</u>	<u>90,980,093</u>	<u>110,369,409</u>	<u>14,077,208</u>
Cash and cash equivalents, end of year	<u>\$ 18,784,420</u>	<u>\$ 95,884,030</u>	<u>\$ 114,668,450</u>	<u>\$ 16,560,581</u>

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COUNTY OF KENT, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2020

	Business-type Activities - Enterprise Funds			Governmental Activities
	Delinquent Tax Revolving (516)	Department of Public Works (517)	Total	Internal Service Funds
Classification on the statement of net position				
Cash, investments, and accrued interest	\$ 3,212,698	\$ 93,493,637	\$ 96,706,335	\$ 16,560,581
Current restricted cash, investments, and accrued interest	15,571,722	-	15,571,722	-
Noncurrent restricted cash, investments, and accrued interest	-	2,390,393	2,390,393	-
	<u>\$ 18,784,420</u>	<u>\$ 95,884,030</u>	<u>\$ 114,668,450</u>	<u>\$ 16,560,581</u>
Reconciliation of operating income to net cash provided by operating activities				
Operating income	\$ 2,691,388	\$ 6,279,525	\$ 8,970,913	\$ 1,677,398
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expense	-	5,949,110	5,949,110	198,021
Change in:				
Accounts receivable	-	118,962	118,962	(274,802)
Taxes receivable	119,089	-	119,089	-
Due from other governments	134,186	-	134,186	(1,000)
Due from other funds	(1,221)	206,044	204,823	203,076
Prepays	-	(83,909)	(83,909)	(247,237)
Accounts payable	188,465	1,474,596	1,663,061	(135,652)
Accrued liabilities	-	91,390	91,390	301,585
Net pension asset	-	(1,659,825)	(1,659,825)	-
Deferred inflows - pension	-	2,394,705	2,394,705	-
Deferred outflows - pension	-	(1,569,834)	(1,569,834)	-
Net OPEB liability	-	(363,475)	(363,475)	-
Deferred inflows - OPEB	-	182,553	182,553	-
Deferred outflows - OPEB	-	19,045	19,045	-
Due to other funds	-	(192,354)	(192,354)	109,976
Landfill closure and post-closure care liability	-	(1,541,845)	(1,541,845)	-
Net cash provided by operating activities	<u>\$ 3,131,907</u>	<u>\$ 11,304,688</u>	<u>\$ 14,436,595</u>	<u>\$ 1,831,365</u>

concluded

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

COUNTY OF KENT, MICHIGAN

Statement of Fiduciary Net Position

Fiduciary Funds

December 31, 2020

	Pension and Other Postemployment Benefits Trust Funds	Investment Trust Fund	Custodial Funds
Assets			
Cash and cash equivalents	\$ 2,023,378	\$ -	\$ -
Pooled cash, investments, and accrued interest	-	61,406,320	6,325,364
Contributions receivable	1,599,593	-	-
Interest receivable	689,663	-	-
Due from brokers	847,787	-	-
Investments, at fair value:			
U.S. government obligations	34,940,815	-	-
U.S. government agency obligations	489,730	-	-
Municipal obligations	659,845	-	-
Corporate obligations	42,776,427	-	-
Common stock	433,494,153	-	-
Foreign obligations	10,652,282	-	-
Foreign common stock	4,096,689	-	-
Money market funds	21,868,992	-	-
International equity mutual funds	204,643,627	-	-
Domestic equity mutual funds	16,152,572	-	-
Domestic fixed income mutual funds	6,582,969	-	-
International fixed income mutual funds	155,109,023	-	-
Real estate and infrastructure securities	71,332,853	-	-
Asset-backed securities	10,125,368	-	-
Mortgage-backed securities fund	61,228,703	-	-
Total investments, at fair value	<u>1,074,154,048</u>	<u>-</u>	<u>-</u>
Total assets	1,079,314,469	61,406,320	6,325,364
Liabilities			
Accounts payable	1,253,859	-	76,194
Due to brokers	5,546,204	-	-
Due to other governments	-	-	4,525,584
Total liabilities	6,800,063	-	4,601,778
Net position			
Restricted for:			
Employees' pension benefits	1,031,217,515	-	-
Other postemployment benefits	41,296,891	-	-
Investment pool participants	-	61,406,320	-
Individuals, organizations, and other governments	-	-	1,723,586
Total net position	\$ 1,072,514,406	\$ 61,406,320	\$ 1,723,586

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

COUNTY OF KENT, MICHIGAN

Statement of Changes in Fiduciary Net Position

Fiduciary Funds

For the Year Ended December 31, 2020

	Pension and Other Postemployment Benefits Trust Funds	Investment Trust Fund	Custodial Funds
Additions			
Contributions:			
Employer	\$ 17,435,055	\$ -	\$ -
Employer - implicit rate subsidy	1,479,987	-	-
Plan members	10,603,354	-	-
Purchases by participants	-	9,576,540	-
Total contributions	29,518,396	9,576,540	-
Investment earnings:			
Net appreciation in fair value of securities	99,306,027	-	-
Interest	672,611	897,178	-
Dividends	11,730,050	-	-
Total investment income	111,708,688	897,178	-
Investment expense	(3,279,119)	-	-
Net investment income	108,429,569	897,178	-
Collections for other governments:			
Fines and fees	-	-	2,716,215
Property taxes	-	-	177,754,667
Collections for individuals:			
Collections of unclaimed property	-	-	12,767
Support payments	-	-	2,725,166
Bonds and restitution	-	-	8,841,571
Commissary collected	-	-	5,103,705
Total additions	137,947,965	10,473,718	197,154,091
Deductions			
Benefit payments	47,442,075	-	-
Benefit payments - implicit rate subsidy	1,479,987	-	-
Administrative expenses	732,570	-	-
Refunds of contributions	423,931	-	-
Redemption by participants	-	24,226,068	-
Payments to other governments:			
Fines and fees	-	-	2,625,476
Property taxes	-	-	177,754,638
Payments to individuals:			
Payment of unclaimed property	-	-	12,767
Support payments	-	-	2,725,166
Bonds and restitution	-	-	8,244,182
Commissary paid	-	-	5,109,215
Miscellaneous	-	-	141,655
Total deductions	50,078,563	24,226,068	196,613,099
Change in net position	87,869,402	(13,752,350)	540,992
Net position, beginning of year	984,645,004	75,158,670	1,182,594
Net position, end of year	\$ 1,072,514,406	\$ 61,406,320	\$ 1,723,586

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

COUNTY OF KENT, MICHIGAN

Combining Statement of Net Position Discretely Presented Component Units

	September 30, 2020	December 31, 2020	
	Road Commission	Drainage Districts	Housing Commission
Assets			
Cash, investments, and accrued interest	\$ 29,031,828	\$ 7,318,410	\$ 794,023
Receivables, net	7,648,548	7,223,355	23,617
Due from primary government	-	-	18
Restricted cash, investments, and accrued interest	-	-	-
Restricted receivables	-	-	-
Other assets	3,652,139	1,000	-
Net pension asset	55,753	-	-
Net OPEB asset	977,050	-	-
Capital assets not being depreciated	7,584,157	7,919,296	-
Capital assets being depreciated, net	285,386,541	5,983,494	-
Total assets	334,336,016	28,445,555	817,658
Deferred outflows of resources			
Deferred charge on bond refunding, net	-	-	-
Deferred pension amounts	3,409	-	-
Deferred OPEB amounts	566,436	-	-
Total deferred outflows of resources	569,845	-	-
Liabilities			
Accounts payable and accrued liabilities	11,580,375	227,665	384,292
Due to primary government	-	1,394,616	-
Unearned revenue	-	157,506	-
Advances from primary government	-	389,160	-
Long-term liabilities:			
Due within one year	2,610,467	604,931	-
Due in more than one year	2,038,001	11,536,464	-
Total liabilities	16,228,843	14,310,342	384,292
Deferred inflows of resources			
Deferred pension amounts	-	-	-
Deferred OPEB amounts	855,732	-	-
Total deferred outflows of resources	855,732	-	-
Net position			
Net investment in capital assets	292,970,698	6,833,335	-
Restricted for debt service	-	7,082,241	-
Restricted for capital projects	-	6,310	-
Restricted for pension benefits	59,162	-	-
Restricted for OPEB benefits	687,754	-	-
Unrestricted	24,103,672	213,327	433,366
Total net position	\$ 317,821,286	\$ 14,135,213	\$ 433,366

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

December 31, 2020		
Land Bank Authority	Airport Authority	Total
\$ -	\$ 20,406,455	\$ 57,550,716
-	8,297,861	23,193,381
-	-	18
-	22,881,224	22,881,224
-	519,254	519,254
-	2,218,647	5,871,786
-	7,446,251	7,502,004
-	-	977,050
-	69,668,847	85,172,300
-	318,243,230	609,613,265
-	449,681,769	813,280,998
-	4,908,276	4,908,276
-	2,180,958	2,184,367
-	-	566,436
-	7,089,234	7,659,079
-	12,615,174	24,807,506
-	-	1,394,616
-	1,144,145	1,301,651
-	-	389,160
-	9,462,789	12,678,187
-	137,023,195	150,597,660
-	160,245,303	191,168,780
-	1,390,130	1,390,130
-	-	855,732
-	1,390,130	2,245,862
-	246,334,369	546,138,402
-	11,775,977	18,858,218
-	8,541,626	8,547,936
-	8,237,079	8,296,241
-	-	687,754
-	20,246,519	44,996,884
\$ -	\$ 295,135,570	\$ 627,525,435

COUNTY OF KENT, MICHIGAN

Combining Statement of Activities
Discretely Presented Component Units

	For the Year Ended		
	September 30, 2020	December 31, 2020	
	Road Commission	Drainage Districts	Housing Commission
Expenses			
Road Commission	\$ 68,145,371	\$ -	\$ -
Drainage Districts	-	4,532,224	-
Housing Commission	-	-	4,617,726
Land Bank Authority	-	-	-
Airport Authority	-	-	-
Total expenses	<u>68,145,371</u>	<u>4,532,224</u>	<u>4,617,726</u>
Program revenues			
Charges for services	1,193,135	-	94,774
Operating grants and contributions	70,006,650	2,438,098	4,644,130
Capital grants and contributions	6,801,324	1,060,418	-
Total program revenues	<u>78,001,109</u>	<u>3,498,516</u>	<u>4,738,904</u>
Net revenues (expense)	<u>9,855,738</u>	<u>(1,033,708)</u>	<u>121,178</u>
General revenues			
Property taxes	-	-	-
Unrestricted investment earnings	578,072	98,114	(9,591)
Gain on sale of capital assets	349,771	-	-
Other revenues	2,409,936	-	-
Total general revenues	<u>3,337,779</u>	<u>98,114</u>	<u>(9,591)</u>
Change in net position	13,193,517	(935,594)	111,587
Net position, beginning of year	<u>304,627,769</u>	<u>15,070,807</u>	<u>321,779</u>
Net position, end of year	<u>\$ 317,821,286</u>	<u>\$ 14,135,213</u>	<u>\$ 433,366</u>

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

For the Year Ended		
December 31, 2020		
Land Bank Authority	Airport Authority	Total
\$ -	\$ -	\$ 68,145,371
-	-	4,532,224
-	-	4,617,726
2,986,882	-	2,986,882
-	53,103,185	53,103,185
<u>2,986,882</u>	<u>53,103,185</u>	<u>133,385,388</u>
2,566,551	33,259,239	37,113,699
609	16,261,068	93,350,555
-	23,434,731	31,296,473
<u>2,567,160</u>	<u>72,955,038</u>	<u>161,760,727</u>
<u>(419,722)</u>	<u>19,851,853</u>	<u>28,375,339</u>
69,151	-	69,151
6	166,048	832,649
-	22,089	371,860
-	-	2,409,936
<u>69,157</u>	<u>188,137</u>	<u>3,683,596</u>
(350,565)	20,039,990	32,058,935
<u>350,565</u>	<u>275,095,580</u>	<u>595,466,500</u>
<u>\$ -</u>	<u>\$ 295,135,570</u>	<u>\$ 627,525,435</u>

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NOTES TO FINANCIAL STATEMENTS

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The *County of Kent, Michigan* (the “County” or the “government”) was organized as a county by the territorial legislature on March 24, 1836. A 19-member Board of Commissioners governs the County. The County provides the following services: public safety, sanitation, health and social services, judicial, cultural and recreation, public improvements and general governmental administration.

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

Reporting Entity

As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the County is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government’s operations and as such, 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 combined financial statements to emphasize that they are legally separate from the government.

Blended Component Units

Kent County Building Authority – The Kent County Building Authority is governed by a board which is appointed by the County Board of Commissioners. Its sole purpose is to finance and construct the County’s public buildings. It is reported in the Debt Service and Capital Projects Funds and has a December 31 year-end. A separate report is not prepared for the Building Authority.

Discretely Presented Component Units

Kent County Road Commission (the “Road Commission”) – The Road Commission is responsible for the maintenance and construction of the County road system. The County appoints the members of the Road Commission and is a direct beneficiary of the services provided. The Road Commission may not issue debt or levy a tax without the approval of the County Board of Commissioners. The component unit is audited individually and complete financial statements can be obtained from the Road Commission’s administrative office. The Road Commission’s fiscal year end is September 30.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Drainage Districts – The Drainage Districts consist of over 500 individual districts created for alleviating drainage problems and is under the control of the County Drain Commissioner. Each drainage district accounts for the construction, maintenance, and financing costs associated with its drain program. Each individual district is a separate legal entity with power to assess the benefiting communities, including the County and the State of Michigan for road drainage. The County is a direct beneficiary of the service provided and its employees run the day-to-day operations. In addition, the County often pledges its full faith and credit for the long-term debt of the drainage districts. Based on the recommendations of the Michigan Department of Treasury, the County has determined that it would be misleading to exclude this entity from the County reporting entity.

The financial activity of the Drainage Districts for the year ended December 31, 2020 is reported discretely as a governmental fund type. There are no separately issued financial statements of this component unit, although financial information for the specific drainage districts may be obtained from the Kent County Drain Commissioner.

Kent County Housing Commission (“Housing Commission”) – The Housing Commission is a policy-making body that oversees the distribution of rental assistance to low-income residents of the County. The County is a direct beneficiary of the services provided and is financially responsible for its activities. Because members of the Commission are appointed by the Chairperson of the Kent County Board of Commissioners, the County exercises effective control over its activities. In addition, County employees run the day-to-day operations. The Housing Commission does not issue separate financial statements.

Kent County Land Bank Authority (“Land Bank”) – The Land Bank was incorporated pursuant to the Michigan Land Bank Fast Track Act (Public Act 258) and an intergovernmental agreement between the Land Bank and the County of Kent. The Land Bank bylaws state that it is governed by a five-member board, the chair of which is the Kent County Treasurer; the other four members are appointed by the Kent County Board of Commissioners. Because members of the Land Bank are appointed by the Kent County Board of Commissioners, the County exercises effective control over its activities. The Land Bank does not issue separate financial statements.

In December 2018, the Kent County Board of Commissioners approved the dissolution of the Land Bank and authorized the Kent County Treasurer to take such necessary and appropriate actions to discontinue the existence of the Land Bank by withdrawing from the Intergovernmental Agreement between the Kent County Treasurer and Michigan Land Bank Fast Track Authority. In February 2020, the Kent County Treasurer executed a transfer agreement with the Michigan Land Bank Fast Track Authority, which transferred the right of ownership for certain inventoried properties of the Land Bank to the Michigan Land Bank Fast Track Authority. During 2020, all remaining assets have been sold or transferred in accordance with the agreement.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Gerald R. Ford International Airport Authority (“Airport”) – The Airport accounts for the operation and maintenance of the Gerald R. Ford International Airport. Financing is provided primarily by user charges and capital contributions. The Airport was established as an Authority on September 2, 2015 and began operations on July 1, 2016 resulting in a transfer of operations from the Department of Aeronautics enterprise fund. The Airport is governed by a seven-member Board whose members are appointed by the County Board of Commissioners. The County has pledged its limited tax obligation against the Airport's outstanding revenue bonds. In order to continue leveraging the County's AAA credit risk rating (by having the County's limited tax guarantee), the Board of Commissioners must approve the issuance of any additional bonds. Because all of the members of the Airport board are appointed by the Kent County Board of Commissioners (demonstrating that the County exercises effective control over Airport activities) and because the Airport is reliant on the County for its limited tax pledge on bonds payable, the Airport is reported as a discretely presented component unit. The component unit is audited individually and complete financial statements can be obtained from the Airport's administrative office.

Administrative Offices

Kent County Road Commission
1500 Scribner Avenue NW
Grand Rapids, MI 49504-3299

Kent County Drainage Districts
1500 Scribner Avenue NW
Grand Rapids, MI 49504-3233

Gerald R. Ford International Airport Authority
5500 44th Street SE
Grand Rapids, MI 49512

Kent County Housing Commission
121 Franklin Street, SE, Suite 110
Grand Rapids, MI 49507

Fiduciary Component Units

The **Employees' Retirement System** (the System) is a single-employer defined benefit contributory retirement plan which provides pension, death and disability benefits covering certain full-time employees of Kent County. The System is administered through a qualified trust. The System is included as a fiduciary component unit of the County because (1) the System is a legally separate entity; (2) the County Board of Commissioners appoints a voting majority of the Pension Board; and (3) the County makes contributions to the System on behalf of its participants. Employee contribution requirements were established and may be amended subject to collective bargaining agreements and approval by the Kent County Board of Commissioners.

The **Kent County Voluntary Employees' Beneficiary Association** (VEBA) is a single-employer defined benefit postemployment healthcare plan established and administered by Kent County to provide medical and healthcare benefits for retirees and their beneficiaries. Eligible participants include any retirees who receive pension benefits under the County's pension plan. The VEBA is included as a fiduciary component unit of the County because (1) the VEBA is a legally separate entity; (2) the County Board of Commissioners appoints a voting majority of the VEBA Board; and (3) the County makes contributions to the VEBA on behalf of its participants.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Other Related Entities

Kent County Parks Foundation (the “Foundation”) – The Kent County Parks Foundation is a 501(c)(3) not-for-profit organization that was created for the purpose of acquiring, developing, constructing and maintaining real estate and land improvements for public park and recreation purposes. The Chair of the County Board of Commissioners (or designee) serves on the Foundation’s Board of Directors. The County has determined that the Foundation does not meet the criteria for reporting as a component unit of the County and, accordingly, it has not been included in the accompanying financial statements.

Joint Ventures

The County participates in the following activities, which are considered to be joint ventures in relation to the County due to the formation of an organization by contractual agreement between two or more participants that maintain joint control, financial interest, and fiscal responsibility.

City of Grand Rapids and County of Kent Joint City/County Building Authority – The County entered into an agreement with the City of Grand Rapids to acquire, construct, furnish, equip, operate and maintain buildings for any legitimate public purpose of the governmental units. This Authority is not included in the County’s financial statements because, upon retirement of the related financing, title to the facilities will be conveyed to the City of Grand Rapids or the Convention/Arena Authority.

The Joint Building Authority has completed projects which include the construction of an exhibition hall, the remodeling of the Civic Auditorium, site development of the City and County administrative buildings, the construction, furnishing and equipping of a public museum and the construction of the convention center.

Complete financial statements of the City of Grand Rapids and County of Kent Joint City/County Building Authority are available from the City of Grand Rapids administrative offices. Summary financial information is as follows:

Statement of Net Position	June 30, 2020
Total assets	\$ 160,737,887
Total liabilities	81,686,758
Total deferred inflows of resources	<u>56,852</u>
Total net position	<u><u>\$ 78,994,277</u></u>

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Statement of Revenues, Expenses and Change in Net Position	Year Ended June 30, 2020
Operating revenues	\$ -
Operating expenses	<u>4,433,521</u>
Operating loss	(4,433,521)
Nonoperating revenues (expenses), net	<u>3,423,599</u>
Change in net position	(1,009,922)
Net position, beginning of year	<u>80,004,199</u>
Net position, end of year	<u><u>\$ 78,994,277</u></u>

As of June 30, 2020, the Joint Building Authority had capital appreciation bonds payable outstanding in the amount of \$81,678,924 including accrued interest of \$49,901,483 and bond premium of \$955,840. These bonds are retired through lease payments made by the City and County and through payments from the County of Kent lodging excise tax. The bonds are secured by a limited full faith and credit pledge of the County. The interest rates on these bonds range from 3.0%-5.59%, with final maturities due in 2031.

The annual principal and interest requirements are as follows:

Year Ended June 30,	Principal	Interest	Total
2021	\$ 3,200,176	\$ 4,817,624	\$ 8,017,800
2022	3,152,569	5,137,631	8,290,200
2023	3,129,531	5,462,269	8,591,800
2024	3,101,469	5,790,931	8,892,400
2025	2,433,499	6,141,501	8,575,000
2026-2030	11,496,880	36,533,120	48,030,000
2031-2032	<u>4,307,477</u>	<u>17,562,523</u>	<u>21,870,000</u>
Total	<u><u>\$ 30,821,601</u></u>	<u><u>\$ 81,445,599</u></u>	<u><u>\$ 112,267,200</u></u>

Convention/Arena Authority – The County entered into an agreement with the City of Grand Rapids to establish an authority pursuant to the Convention Facility Authority Act. The Convention/Arena Authority is a separate legal entity established for the purpose of acquiring, constructing and operating convention facilities. The operating agreement provides that any facility operating deficits will be covered first by the net income of other Convention/Arena Authority facilities, second by an operating reserve fund, and third by certain lodging excise tax revenues. Any remaining deficit will be shared equally by the County and the City of Grand Rapids.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Complete financial statements of the City of Grand Rapids and County of Kent Joint Convention and Arena Authority are available from the City of Grand Rapids administrative offices. Summary financial information is as follows:

Statement of Net Position	June 30, 2020
Total assets	\$ 41,573,953
Total liabilities	<u>18,995,466</u>
Total net position	<u>\$ 22,578,487</u>
Statement of Revenues, Expenses and Change in Net Position	Year Ended June 30, 2020
Operating revenues	\$ 11,985,625
Operating expenses	<u>15,866,109</u>
Operating loss	(3,880,484)
Nonoperating revenues (expenses), net	<u>867,225</u>
Change in net position	(3,013,259)
Net position, beginning of year	<u>25,591,746</u>
Net position, end of year	<u>\$ 22,578,487</u>

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain component units for which the primary government is financially accountable.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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. 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 90 days of the end of the current fiscal period, except taxes and E-911 surcharge collections which must be collected within 60 days, health department revenue which must be collected within 120 days, and expenditure-driven grants which must be collected within one year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, intergovernmental revenue, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and as such have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Property tax chargebacks are recognized based on the date in which the MTT/BOR order is received.

The County reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all the financial resources of the general government, except those accounted for and reported in another fund.

The *Correction and Detention Facilities Special Revenue Fund* accounts for the proceeds of a dedicated millage levied to pay for operations and debt service related to the expansion of the correction and detention facilities.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

The *Zoo and Museum Millage Special Revenue Fund* accounts for the proceeds of a dedicated millage levied for operations, capital improvements, and educational opportunities at John Ball Zoo and the Grand Rapids Public Museum.

The *Senior Millage Special Revenue Fund* accounts for the proceeds of a dedicated millage levied to plan, coordinate, evaluate and provide services to persons 60 years of age or older.

The *Coronavirus Special Revenue Fund* accounts for the grant funding received as a result of the coronavirus epidemic. Revenues are provided through federal and state advances and reimbursements.

The *Public Improvement Capital Projects Fund* accounts for revenue set aside for public improvements.

The County reports the following major proprietary funds:

The *Delinquent Tax Revolving Enterprise Fund* accounts for the collection and administration of delinquent property taxes levied in prior years.

The *Department of Public Works Enterprise Fund* accounts for the construction and financing of solid waste disposal; operation and maintenance of solid waste disposal; and planning and implementation of County programs relative to solid waste reduction. Financing is provided primarily by user charges.

Additionally, the County reports the following fund types:

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

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Internal Service Funds account for the insurance activity of the County, which is provided to other departments and funds on a cost reimbursement basis, along with office equipment and vehicle pools for the purchase and maintenance of County office equipment and vehicles.

Pension and Other Postemployment Benefits Trust Funds account for the activities of the Employees' Retirement Plan, a defined-benefit pension plan, and the Voluntary Employees' Beneficiary Association (VEBA) trust, which accumulate resources for retirement and other postemployment benefit payments to qualified employees.

The *Investment Trust Fund* accounts for funds held in trust by the County for local units of government.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Custodial Funds accounts for assets held by the County in a custodial capacity for other governments and entities. Primarily this includes undistributed collections and withholdings such as state education taxes, current property taxes, state jail booking fees, state real estate transfer taxes, and library penal fines.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. The General Fund provides certain central services to other funds of the County which are presented as program expenses in the funds receiving services. The related General Fund revenue has been netted against program expense in the government-wide statement of activities.

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

Restricted assets represent amounts subject to restrictions beyond the government's control. The restrictions may be externally imposed or imposed by law. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Equity

Deposits and Investments

The government's cash and cash equivalents include amounts in demand deposit accounts, certificates of deposit and short term investments with original maturities of three months or less from the date of acquisition. Investments, exclusive of certificates of deposit, are stated at fair value. Certificates of deposit are carried at cost plus accrued interest, since the original maturity dates are less than one year or the certificates are non-participating (i.e., there is no available market for trade prior to maturity).

State statutes and County policy authorize the County to invest in:

- Bonds, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.
- Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.
- Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

- Bankers' acceptances of United States banks.
- Obligations of the State of Michigan and its political subdivisions, that, at the time of purchase are rated as investment grade by at least one standard rating service.
- Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- External investment pools as authorized by Public Act 20 as amended through December 31, 1997.

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 balance in the pooled cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the County's investments.

Receivables and Payables

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

Property taxes receivable in governmental funds represent amounts due from taxpayers on the July 1 and December 1 tax levies in the General Fund and other governmental funds, respectively. Any amounts outstanding on the July 1 levy on March 1 (excluding personal property taxes) are purchased by the Delinquent Tax Revolving enterprise fund through the settlement process.

Property taxes receivable in the Delinquent Tax Revolving enterprise fund represent unpaid balances from the previous years' levies for the County itself as well as other local taxing authorities in the County's geographical region. The County is responsible for pursuing and administering collection of these balances and coordinating the forfeiture and foreclosure activities for the related parcels. This process takes place over a 3-year period. Interest at 1% per month (increased to 1.5% after 12 months, retroactive to the date of delinquency) and administrative fees at 4% are accrued in accordance with State statute. No amounts have been included in an allowance for uncollectible balances, as the structure of the Delinquent Tax Revolving enterprise fund has been designed to make the fund whole either through the eventual auction of the foreclosed parcels or through chargebacks to the local taxing authorities initially levying the taxes.

All trade receivables are shown net of an allowance for uncollectibles, as applicable.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Amounts due from other governments include amounts due from grantors for specific programs and capital projects. Program grants and capital grants for capital assets are recorded as receivables and revenues at the time reimbursable project costs are incurred. Amounts received in advance of project costs being incurred are reported as unearned revenue.

Loans receivable consists of Community Development Block Grant funds used to finance home improvements for area residents, which must be repaid by the homeowner upon sale or foreclosure. The County has an enforceable lien on the related property.

Special assessments receivable consist of amounts due from local units of government to meet debt service requirements on special assessment bonds in the Drainage Districts component unit. Amounts are levied semi-annually to correspond with the payment dates of the related bonds.

Restricted Assets

Assets which are restricted for specified uses by bond debt requirements, grant provisions or other external requirements are classified as restricted assets.

Restricted assets in the Airport Authority relate to bond proceeds restricted for airport construction, passenger facility charges restricted for capital improvements, and customer facility charges restricted for rental car-related capital improvements.

The Department of Public Works enterprise fund's restricted assets represent a Perpetual Care Fund for the South Kent Landfill. This balance is required to be held in trust by the Michigan Department of Environment, Great Lakes and Energy ("EGLE") to be used for landfill closure and post-closure monitoring and maintenance.

The Delinquent Tax Revolving enterprise fund restricted assets are held for the debt retirement of the 2019 and 2020 General Obligation Limited Tax Notes.

Other Assets

Inventories recorded in the General Fund, Health Fund, Kent County Community Action Fund and the Airport Authority are accounted for utilizing the consumption method and are valued at lower of cost (first-in, first-out) or market. The Road Commission utilizes the consumption method, valuing inventory at average cost.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaids are accounted for in governmental funds using the consumption method whereby expenditures are recognized over the benefitting period.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Capital Assets

Capital assets, which include property, buildings (which will include land, property, buildings and equipment) and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items acquired or constructed since 1980), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets having a useful life in excess of three years and whose costs equal or exceed \$10,000 (\$300,000 for Drain infrastructure and \$50,000 for Airport Authority assets). Capital assets are stated at historical cost or estimated historical cost where actual cost information is not available. Donated capital assets are recorded at their acquisition value as of the donation date.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, infrastructure, buildings and equipment are depreciated using the straight-line method over the following estimated useful lives:

	Years
Land improvements	20-50
Infrastructure	8-40
Building and improvements	20-50
Waste-to-Energy facility	40
Machinery and equipment	3-25
Office equipment and furniture	3-10
Motor vehicles	3-5

In addition to land and construction in progress, the amount presented as capital assets not being depreciated includes intangible assets consisting of land development rights acquired for the purpose of farmland and ranch preservation. Land development rights are deemed to have an indefinite useful life, and therefore are not being amortized.

The County reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its fair value. If it is determined that an impairment loss has occurred the asset is written down to its net realizable value and a current charge to income is recognized.

Landfill costs are amortized as engineered sections of the landfill are utilized.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Road Commission – Discretely Presented Component Unit

Capital assets, which include land, property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 to \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost of purchase or construction. Donated capital assets are recorded at their acquisition value as of the donation date.

Depreciation on capital assets is computed using the Michigan Department of Transportation depreciation schedules for equipment and the straight-line method for infrastructure over the following estimated useful lives:

	Years
Buildings and improvements	25-50
Equipment	3-8
Roads	8-20
Other infrastructure	20-40

Airport Authority – Discretely Presented Component Unit

Capital assets include land improvements, buildings and improvements, equipment, systems, office equipment and furniture, and vehicles. Capital assets are defined by the Airport as assets with an initial individual cost of more than \$50,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed, net of accumulated depreciation. Donated capital assets are recorded at estimated acquisition value at the date of donation. Interest incurred during the construction of capital assets is included as part of the capitalized value of the assets constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset life are not capitalized.

Capital assets are depreciated using the straight-line method over the following useful lives:

	Years
Land improvements	20-30
Buildings and improvements	30-50
Equipment and systems	3-12
Office equipment and furniture	5-15
Vehicles	3-7

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County reports deferred outflows for the deferred charge on refunding reported in the government-wide and proprietary fund statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized on a straight-line basis over the shorter of the life of the refunded or refunding debt. In addition, the County reports deferred outflows of resources related to its pension and other postemployment benefit plans.

Compensated Absences

Eligible employees are permitted to accumulate earned but unused vacation pay benefits in varying amounts based on length of service and certain other established criteria. Vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Accrued vacation time is reported as a component of accrued liabilities in the Department of Public Works enterprise fund and the Airport Authority component unit.

Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

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

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues, which arise only under a modified accrual basis of accounting, from two sources: property taxes and loans receivable. Additionally, the Drainage Districts component unit reports unavailable revenues from special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, deferred inflows of resources are reported in the government-wide and governmental fund financial statements for property taxes levied during the year that were intended to finance future periods.

Property taxes (excluding those for the General Fund, which are subject to a different timeline) are levied and attach as an enforceable lien on property on December 1. Property taxes unpaid as of February 28 are considered to be delinquent. Although the County's 2020 ad valorem tax (excluding the portion for general operations) is levied and collectible on December 1, 2020, it is the County's policy to recognize revenues from the December 1 tax levy in the subsequent year when the proceeds of this levy are budgeted and made available for the financing of the County's operations. Therefore, the entire amount of the December 1, 2020 levies is reported as deferred inflows of resources at year-end.

Finally, the County reports deferred inflows of resources related to its pension and other postemployment benefit plans.

Fund Equity

Governmental funds report nonspendable fund balance for amounts that cannot be spent because they are either (a) not in spendable form, (b) legally or contractually required to be maintained intact or (c) represent long-term advances in the General Fund. 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. Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners (the government's highest level of decision-making authority). A formal resolution of the Board of Commissioners is required to establish, modify, or rescind a fund balance commitment. The County reports assigned fund balance for amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The Board of Commissioners, pursuant to the County's Fund Balance/Fund Equity policy, has delegated the authority to assign fund balance to the County Administrator/Controller or their designee. Unassigned fund balance is the residual classification for the General Fund and includes all amounts not reported in the other classifications. Other governmental funds besides the General Fund can only report a negative unassigned fund balance, which would occur if expenditures were to be incurred for specific purposes that exceeded the amounts restricted, committed or assigned in the fund.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

The County Board of Commissioners has formally established a budget stabilization arrangement under which it commits General Fund fund balance in an amount equal to 10% of the subsequent year's adopted General Fund and subsidized governmental fund budgets to insulate County programs and current service levels from large (\$1 million or more) and unanticipated one time General Fund expenditure requirements, reductions in budgeted General Fund revenues due to a change in state or federal requirements, adverse litigation, catastrophic loss, or any similar swift unforeseen event. This commitment may be used if one of the several potential qualifying events occurs (as detailed in a Board of Commissioners resolution), the County Administrator/Controller estimates the qualifying event will cost \$1 million or more, and the Board of Commissioners, by majority vote of members present, affirms the qualifying event. As of December 31, 2020, the balance in the stabilization arrangement was \$27,913,617.

The County Board of Commissioners has adopted a minimum fund balance policy in which the total fund balance of the General Fund will be equal to at least 40% of the subsequent year's adopted General Fund budgeted expenditures and transfers out. If the General Fund balance falls below the minimum range, the County will replenish shortages or deficiencies using budget strategies and timeframes as detailed in the policy. At December 31, 2020, total fund balance of the General Fund met the minimum percentage requirement.

When the government incurs an expenditure for purposes for which various fund balance classifications can be used, it is the government's policy to use restricted fund balance first, then committed fund balance, assigned fund balance, and finally unassigned fund balance.

Interfund Transactions

During the course of normal operations, the County has numerous transactions between funds and component units, 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. Internal service funds are used to record charges for services to all County departments and funds as transfers or operating revenue. All County funds record these payments to the internal service funds as transfers or operating expenditures/expenses.

Capital Contributions - Gerald R. Ford International Airport Authority

Passenger facility charges are collected for capital projects and are being used to pay debt service on the Airport Revenue Refunding Bonds, Series 2009; partially refunded by the Airport Revenue Refunding Bonds, Series 2018. In 2005, an increase to the passenger facility charges rate was approved which will be used for terminal improvements.

Customer facility charges are collected for rental car related capital projects. This charge, which amounts to \$3 per transaction day on rental car transactions, was approved by the Aeronautics Board on August 31, 2005. The revenue was used to develop new rental car service facilities and rental vehicle ready/return spaces in the parking structure. At that time, the Airport Board approved for the CFC revenue to be put towards the payment of debt incurred during the 2015 construction of the roof of the parking structure, as well as a maintenance fund for the car rental service facilities.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Certain expenditures for airport capital improvements are significantly funded through the Airport Improvement Program of the Federal Aviation Administration, with certain matching funds provided by the Aeronautics Department and the State of Michigan. Capital funding provided under government grants is considered earned as the related allowable expenditures are incurred and reimbursement has been requested.

Revenue Concentrations

The Department of Public Works enterprise fund has three major customers accounting for 60.5% of net sales in 2020. The same customers accounted for 60.3% of accounts receivable at December 31, 2020.

Pension and Other Postemployment Benefits Plans

The financial statements of the Kent County Employees' Retirement Plan and the Voluntary Employees' Beneficiary Association (the "Plans") are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period which the contributions are due. The County's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Dividend income is recognized based on the ex-dividend date, and interest income is recognized on the accrual basis as earned. All realized gains and losses on investments are recognized at the point of sale and are included in investment income. Purchases and sales of investments are recorded as of the trade date, which is the date when the transaction is initiated. Administration costs are financed initially through forfeited contributions by terminated employees not vested in the Plans and through the Plans' investment earnings.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates. The County utilizes various investment instruments which are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

2. DEPOSITS AND INVESTMENTS

General County

Most cash, investments and accrued interest of the individual funds, except those of the retirement plans, are combined in the County's Pooled Cash and Investment System (Sungard), which is managed by the County Treasurer. The external portion of the Sungard investment pool is reported as an investment trust fund in the fiduciary funds. The internal portion is reported as "cash, investments, and accrued interest" in each fund.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Following is a reconciliation of deposit and investment balances as of December 31, 2020:

	Primary Government	Component Units	Totals
Statement of Net Position			
Cash, investments, and accrued interest	\$ 300,638,307	\$ 57,550,716	\$ 358,189,023
Restricted cash, investments, and accrued interest	17,962,115	22,881,224	40,843,339
Statement of Fiduciary Net Position			
Pension and other postemployment benefit trust funds:			
Cash and cash equivalents	2,023,378	-	2,023,378
Investments	1,074,154,048	-	1,074,154,048
Investment trust fund:			
Pooled cash, investments, and accrued interest	61,406,320	-	61,406,320
Custodial funds:			
Pooled cash, investments, and accrued interest	6,325,364	-	6,325,364
Total	<u>\$ 1,462,509,532</u>	<u>\$ 80,431,940</u>	<u>\$ 1,542,941,472</u>
Deposits and investments			
Bank deposits:			
Checking and savings accounts			\$ 66,216,017
Pooled certificates of deposit:			
Due within one year			233,949,800
Due in one to five years			40,354,999
Airport trustee collateralized deposits			14,858,852
Investments:			
Pooled investments, at fair value			103,340,286
Accrued income on pooled investments			2,463,141
DPW Perpetual Care Fund (South Kent Landfill, Note 18)			2,390,393
Timing difference for funds and component units with different fiscal year-ends participating in pooled investments			5,162,710
Pension trust fund investments			1,034,791,730
VEBA trust fund investments			39,362,318
Cash on hand			51,226
Total			<u>\$ 1,542,941,472</u>

COUNTY OF KENT, MICHIGAN

Notes to 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. It is County policy to review and verify a bank's creditworthiness through a system of ratio analysis and from information provided by several third-party sources. In addition, the County's investment policy places concentration limits on the total amount deposited with a single financial institution. As of year-end, \$352,608,011 of the County's bank balance of \$359,535,607 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.

Custodial Credit Risk – Investments. Following is a summary of the County's investments as of December 31, 2020:

Pooled investments:	
Money market funds	\$ 45,383,233
U.S. government securities	57,957,053
Total pooled investments	<u>103,340,286</u>
Separately-held investments:	
Money market mutual fund	<u>2,390,393</u>
Total	<u><u>\$ 105,730,679</u></u>

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's investment policy requires that all investment transactions be conducted through a custodian that will act as the system's third party as evidenced by safekeeping receipts in the County's name. The investment policy requires that the safekeeping institution shall annually provide a copy of its most recent report on internal controls (SOC-1 report). To reduce custodial risk further, the County's investment policy requires that all trades of marketable securities be executed by delivery versus payment to ensure that securities are deposited in an eligible financial institution prior to the release of funds. As of December 31, 2020, none of the County's investments were exposed to custodial credit risk inasmuch as all investments are held in the name of the County.

Credit Risk. Statutes and various bond indentures authorized the County to invest in obligations of the U.S. Treasury, governmental agencies and instrumentalities, commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services, bankers' acceptances of U.S. banks, U.S. government or federal agency obligation repurchase agreements, obligations of the State of Michigan or any of its political subdivisions rated as investment grade by not less than one standard rating service, and mutual funds composed of the types of investment vehicles named previously.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

The Department of Public Works enterprise fund and the County debt service and capital projects funds are authorized to invest in the same types of investments described above, except that additional restrictions are placed on the classifications for commercial paper purchases and the type of financial institution from which investments may be purchased. The County's investment policy requires that commercial paper have a minimum quality rating of P1 from Moody's or A1 from Standard & Poor's at the time of purchase. Mutual fund investments must have a par share value intended to maintain a net asset value of at least \$1.00 per share. Credit risk ratings, where applicable, are summarized as follows:

	Pooled Investments	Separately-held Investments	Totals
S&P AAA/AAAm	\$ 45,383,233	\$ 2,390,393	\$ 47,773,626
S&P AA	57,957,053	-	57,957,053
Total	\$ 103,340,286	\$ 2,390,393	\$ 105,730,679

Interest Rate Risk. Interest rate risk is the risk that the market rate of securities in the portfolio will fall due to changes in market interest rates. State law limits the allowable investments and the maturities of some of the allowable investments as identified in the summary of significant accounting policies. To limit its exposure to fair value losses from rising interest rates, the County's investment policy requires that the investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. This is accomplished by investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio as required by the County's policy.

Maturity dates for investments held at year-end are summarized as follows:

	No maturity	Due < 1 year	Due in 1-5 years	Totals
Pooled investments:				
Money market funds	\$ 45,383,233	\$ -	\$ -	\$ 45,383,233
U.S. government securities	-	19,234,410	38,722,643	57,957,053
	45,383,233	19,234,410	38,722,643	103,340,286
Separately-held investments:				
Money market mutual funds	2,390,393	-	-	2,390,393
Total	\$ 47,773,626	\$ 19,234,410	\$ 38,722,643	\$ 105,730,679

The money market funds are comprised of short-term securities (maturity generally less than 90 days). The average portfolio maturity for the separately-held mutual fund is 70 days.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer. State law limits allowable investments but does not limit concentration of credit risk as identified in the list of authorized investments in the summary of significant accounting policies. The County's investment policy provides that, with the exception of U.S. Treasuries and authorized pools, no more than 25% of the portfolio shall be invested in a single security type or with a single financial institution.

At December 31, 2020, the County had no investment in a single issuer that exceeded 25% of total investments.

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

The County has the following recurring fair value measurements as of December 31, 2020:

	Level 1	Level 2	Carried at Amortized Cost	Total
Michigan Liquid Asset Fund	\$ -	\$ -	\$ 22,693,621	\$ 22,693,621
U.S. government securities	-	57,957,053	-	57,957,053
Mutual funds	2,390,393	-	-	2,390,393
Total investments by fair value level	<u>\$ 2,390,393</u>	<u>\$ 57,957,053</u>	<u>\$ 22,693,621</u>	83,041,067
Investments carried at net asset value:				
Michigan CLASS government investment pool				<u>22,689,612</u>
Total investments				<u><u>\$ 105,730,679</u></u>

Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. After the initial offering period, U.S. government securities are valued based on active trade data for comparable investments. Money market mutual funds are valued by fund managers based on the fair value of the underlying securities. The County's investment in the Michigan Liquid Asset Fund (MILAF) is carried at amortized cost (which approximates fair value).

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

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

At year end, the net asset value of the County's investment in the Michigan CLASS government investment pool was \$22,689,612. The investment pool had no unfunded commitments, specific redemption frequency or redemption notice period required. The Michigan CLASS government investment pool invests in U.S. treasury obligations, federal agency obligations of the U.S. government, high-grade commercial paper (rated 'A-1' or better) collateralized bank deposits, repurchase agreements (collateralized at 102% by Treasuries and agencies), and approved money-market funds. The program seeks to provide safety, liquidity, convenience, and competitive rates of return, and is designed to meet the needs of Michigan public sector investors. It purchases securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities and other public agencies.

Pension and Other Postemployment Benefits Trust Funds

The deposits and investments of the County's pension and other postemployment benefits trust funds are maintained separately from the County's pooled cash and investments, and are subject to separate investment policies and State statutes. Accordingly, the required disclosures for the pension and other postemployment benefits trust deposits and investments are presented separately.

Deposits. The pension and other postemployment benefits trust funds do not maintain any checking or other demand/time deposit accounts. Amounts reported as cash and cash equivalents in the statement of fiduciary net position are composed entirely of short-term investments in money market accounts.

Investments. The Michigan Public Employees Retirement Systems' Investment Act, Public Act 314 of 1965, as amended, authorizes the pension and other postemployment benefits trust funds to invest in stocks, governmental and corporate securities, mortgages, real estate, and various other investment instruments, subject to certain limitations. The Pension and VEBA boards have the responsibility and authority to oversee the investment portfolio. Various professional investment managers are contracted to assist in managing the trust funds' assets. All investment decisions are subject to Michigan law and the respective investment policies established by the Pension and VEBA boards.

The investments of each pension and other postemployment benefits trust fund are held in a bank administered trust fund.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Following is a summary of pension and other postemployment benefits trust investments as of December 31, 2020:

	Pension Trust	VEBA Trust	Total
U.S. government obligations	\$ 34,940,815	\$ -	\$ 34,940,815
U.S. government agency obligations	489,730	-	489,730
Municipal obligations	659,845	-	659,845
Corporate obligations	42,776,427	-	42,776,427
Common stock	433,494,153	-	433,494,153
Foreign obligations	10,652,282	-	10,652,282
Foreign common stock	4,096,689	-	4,096,689
Money market funds	21,868,992	-	21,868,992
International equity mutual funds	196,311,629	8,331,998	204,643,627
Domestic equity mutual funds	-	16,152,572	16,152,572
Domestic fixed income mutual funds	-	6,582,969	6,582,969
International fixed income mutual funds	147,842,935	7,266,088	155,109,023
Real estate and infrastructure securities	70,304,162	1,028,691	71,332,853
Asset-backed securities	10,125,368	-	10,125,368
Mortgage-backed securities fund	61,228,703	-	61,228,703
Total investments	\$ 1,034,791,730	\$ 39,362,318	\$ 1,074,154,048

Credit Risk. The investment policies require that bonds have a minimum quality rating of BBB/Baa at the time of purchase. The overall portfolio is expected to maintain an average credit quality of AA- or higher. Money market instruments shall have a minimum quality rating comparable to an A bond rating and commercial paper shall not be rated less than A1/P1 unless held in a diversified short-term commingled fund. For collateralized mortgage obligations, only issues rated AA or better at time of purchase are permitted. Equity mutual funds are not subject credit risk.

As of December 31, 2020, the pension and other postemployment benefits trust investments had the following credit risk ratings:

	Pension Trust	VEBA Trust	Total
Standard and Poor's AAA	\$ 8,013,358	\$ -	\$ 8,013,358
Standard and Poor's AA	4,453,625	-	4,453,625
Standard and Poor's A	18,213,283	-	18,213,283
Standard and Poor's BBB	30,998,048	-	30,998,048
Standard and Poor's BB	266,954	-	266,954
Standard and Poor's B	57,857	-	57,857
Unrated	135,404,836	-	135,404,836
Not subject to credit risk	837,383,769	39,362,318	876,746,087
Total	\$ 1,034,791,730	\$ 39,362,318	\$ 1,074,154,048

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Custodial Credit Risk. For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's pension investment policies require that investment securities be held in trust by a third-party institution in the name of the pension trust fund. As such, although uninsured and unregistered, the County's pension investments are not exposed to custodial credit risk since the securities are held by the counterparty's trust department in the name of the pension trust fund. Open-end mutual funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book form.

The amounts reported as cash and money market funds in the statement of fiduciary net position are insured by the Federal Depository Insurance Corporation and the Securities Investors Protection Act, respectively, for up to \$250,000 and \$500,000 per financial institution, respectively. The carrying amount of the pension accounts as of December 31, 2020 was \$21,868,992, of which the insured amount was \$2,095,789; the remaining balance of \$19,773,203 is uninsured and uncollateralized. As of year-end, \$1,773,378 of the VEBA's bank balance of \$2,023,378 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the pension and other postemployment benefits trust investment's in a single issuer. For fixed income portfolios, the pension and other postemployment benefits trust funds' investment policies provide that, with the exception of U.S. treasuries and agencies, no more than 3% of the portfolio shall be invested in the obligations of any one issuer. For equity portfolios, no single company's securities should represent more than 5% at cost or 7% at fair value of the individual manager's portfolio. For the pension trust fund's large cap equity portfolio, no single company's security should represent more than 1% plus the benchmark weight at the time of purchase of the individual manager's portfolio. The investment policy of the pension trust limits collateralized mortgage obligations to 5% per issue.

As of December 31, 2020, the pension and other postemployment benefits trust fund had no investment in a single issuer, other than U.S. treasuries and agencies, that exceeded the above percentages.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Foreign Currency Risk. Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. Foreign currency risk is mitigated by requiring the portfolio to be broadly diversified by number of holdings, by geographic location and across industry sectors. Country exposures are monitored through a quarterly performance report. The exposure to foreign currency risk is as follows:

Investment (currency in U.S. dollar)	Pension Trust	VEBA Trust	Total
Foreign obligations	\$ 10,652,282	\$ -	\$ 10,652,282
Foreign common stock	4,096,689	-	4,096,689
International equity mutual funds	196,311,629	8,331,998	204,643,627
International fixed income mutual funds	147,842,935	7,266,088	155,109,023
Total	\$ 358,903,535	\$ 15,598,086	\$ 374,501,621

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value of an investment. The Plans' policies provide for their fixed income portfolios to have an average duration of no more than 120% of the duration of the stated benchmark which varies by portfolio. Investments in equity mutual funds are comprised of securities with no stated maturity date. Accordingly, such investments are deemed to have an average duration of zero years. The VEBA Plans' investments in fixed income mutual funds have average durations ranging from 2.72 to 7.75 years.

At December 31, 2020, maturities of the County's pension and VEBA investments were as follows:

	Pension Trust	VEBA Trust	Total
Less than 1 year	\$ 4,324,356	\$ -	\$ 4,324,356
1 - 5 years	34,634,568	-	34,634,568
6 - 10 years	35,153,939	-	35,153,939
More than 10 years	54,521,528	-	54,521,528
No maturity	906,157,339	39,362,318	945,519,657
Total	\$ 1,034,791,730	\$ 39,362,318	\$ 1,074,154,048

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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

The pension trust has the following recurring fair value measurements as of December 31, 2020:

	Level 1	Level 2	Level 3	Total
U.S. government obligations	\$ -	\$ 34,940,815	\$ -	\$ 34,940,815
U.S. government agency obligations	-	489,730	-	489,730
Municipal obligations	-	659,845	-	659,845
Corporate obligations	-	42,776,427	-	42,776,427
Common stock	110,161,043	323,333,110	-	433,494,153
Foreign obligations	-	10,652,282	-	10,652,282
Foreign common stock	4,096,689	-	-	4,096,689
International equity mutual funds	-	196,311,629	-	196,311,629
International fixed income mutual funds	47,587,964	52,120,691	48,134,280	147,842,935
Real estate and infrastructure securities	-	-	70,304,162	70,304,162
Asset-backed securities	-	10,125,368	-	10,125,368
Mortgage-backed securities fund	-	61,228,703	-	61,228,703
Total investments by fair value level	\$ 161,845,696	\$ 732,638,600	\$ 118,438,442	1,012,922,738
Money market fund measured at amortized cost (which approximates fair value)				<u>21,868,992</u>
Total investments				<u>\$ 1,034,791,730</u>

The VEBA trust has the following recurring fair value measurements as of December 31, 2020:

	Level 1	Level 2	Level 3	Total
Domestic equity mutual funds	\$ 4,089,114	\$ 12,063,458	\$ -	\$ 16,152,572
International equity mutual funds	8,331,998	-	-	8,331,998
Domestic fixed income mutual funds	6,582,969	-	-	6,582,969
International fixed income mutual funds	4,368,025	2,898,063	-	7,266,088
Real estate securities	-	-	1,028,691	1,028,691
Total investments	\$ 23,372,106	\$ 14,961,521	\$ 1,028,691	\$ 39,362,318

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Debt securities are valued by the Plans' investment custodian using independent pricing services based on the type of asset. The pricing services may use valuation models or matrix pricing, which consider: (a) benchmark yields, (b) reported trades, (c) broker/dealer quotes, (d) benchmark securities, (e) bids or offers, and (f) reference data. Asset-backed and mortgage-backed securities funds are valued based on the future cash flows of the principal and interest payments of the underlying collateral of mortgages on various assets. The fair value of real estate and infrastructure investments is based on independent appraisals.

Certain investments are subject to redemption restrictions. Real estate and infrastructure securities are restricted based on the applicable portfolio: (a) quarterly with a 45-day written notice, or (b) on March 31 or September 30 with a 90-day notice. Equity mutual funds are generally restricted to redemption on the first or last day of each month. All other investments are subject to daily redemption.

Cash and Investment Pool

The County maintains a cash and investment pool called the Sungard System that is available for use by all funds, component units and, on a voluntary basis, other local units of government, except the Employees' Retirement and VEBA Plans. The Sungard System is not subject to regulatory oversight, is not registered with the SEC and does not issue a separate report. The net asset value of the pool does not fluctuate and the fair value of the position in the pool is the same as the value of the pool shares. The Sungard System has not provided or obtained any legally binding guarantees during the period to support the value of the shares. Investments are valued monthly. The investment pool follows the County's investment policy.

The following condensed financial statements for the Sungard System include the activity of all funds, component units and local units of government in the investment pool:

Condensed Statement of Net Position

Assets	
Demand deposits	\$ 4,535,295
Savings accounts	31,517,997
Imprest cash	14,355
Cash on hand	14,094
Certificates of deposit	274,304,799
Pooled investments	103,340,286
Accrued interest	2,463,141
	<hr/>
Total assets	\$ 416,189,967

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Net position	
Available for external pool participants	\$ 61,323,805
Available for internal pool participants	<u>354,866,162</u>
Total net position	<u>\$ 416,189,967</u>
Shares outstanding (unlimited shares authorized)	416,189,967
Net asset value , offering and redemption price per share	\$ 1

Condensed Statement of Changes in Net Position

Revenues	
Interest income	<u>\$ 5,541,157</u>
Shares transactions at net position value of \$1 per share	
Purchase of units	(1,320,658,546)
Redemption of units	<u>1,344,594,842</u>
Net change in net position and shares resulting from shares transactions	<u>23,936,296</u>
Change in net position	29,477,453
Net position, beginning of year	<u>386,712,514</u>
Net position, end of year	<u>\$ 416,189,967</u>

Custodial Credit Risk. At December 31, 2020, the carrying amount of the Sungard System's deposits was \$310,358,091 and the bank balances totaled \$316,132,496. Of the bank balance, \$6,500,000 was insured and \$309,632,496 was uninsured and uncollateralized. In addition, the Sungard System maintained imprest cash and cash on hand of \$28,449. There was no custodial credit risk related to the investments.

Credit risk ratings for the Sungard System are included in the disclosures above.

Concentration of Credit Risk. Concentration of credit risk disclosures are included in the information above.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

3. RECEIVABLES

Receivables are comprised of the following at year-end:

	Governmental Activities	Business-type Activities	Component Units
Accounts	\$ 7,830,937	\$ 3,657,732	\$ 3,974,743
Less: allowance for uncollectibles	-	(32,000)	-
Taxes (current)	44,623,530	-	-
Taxes (delinquent)	301,220	9,861,579	-
Due from other governments	18,608,760	332,815	12,588,830
Loans	445,532	-	-
Special assessments	-	-	7,149,062
Total receivables	<u>\$ 71,809,979</u>	<u>\$ 13,820,126</u>	<u>\$ 23,712,635</u>

The Airport Authority component unit and Delinquent Tax Revolving enterprise fund reported restricted receivables of \$519,254 and \$8,780,594, respectively. The Airport Authority's restricted receivable is restricted for capital improvements related to passenger and customer facility charges. The Delinquent Tax Revolving Fund's restricted receivables are restricted for debt service payments on the 2019 and 2020 General Obligation Limited Tax Notes.

Of the amounts reported for receivables above, special assessments and loans receivable in the amount of \$6,464,524 and \$445,532, respectively, are not expected to be collected within one year.

The amount recorded as an allowance for uncollectibles in business-type activities is related to billings receivable in the Department of Public Works fund.

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of deferred inflows of resources reported in governmental activities were as follows:

	Taxes Levied for Subsequent Period	Unavailable	Total
Governmental Funds			
Loans receivable	\$ -	\$ 445,532	\$ 445,532
Property taxes receivable	48,732,473	1,893,546	50,626,019
Total	<u>\$ 48,732,473</u>	<u>\$ 2,339,078</u>	<u>\$ 51,071,551</u>

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

4. OTHER ASSETS

Other assets are comprised of the following at year-end:

	Governmental Activities	Business-type Activities	Component Units
Inventories	\$ 1,914,764	\$ -	\$ 3,141,311
Prepays	2,247,986	148,668	2,730,475
Total other assets	\$ 4,162,750	\$ 148,668	\$ 5,871,786

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Payables are comprised of the following at year-end:

	Governmental Activities	Business-type Activities	Component Units
Accounts	\$ 17,868,051	\$ 4,499,512	\$ 9,481,138
Accrued liabilities	12,835,422	594,832	6,204,766
Due to other governments	230,934	-	5,959,119
Accrued interest on long-term debt	399,115	125,781	3,162,483
Total payables	\$ 31,333,522	\$ 5,220,125	\$ 24,807,506

6. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2020, was as follows:

Due to and from primary government funds

	Due from Other Funds	Due to Other Funds
General fund	\$ 7,731,960	\$ 14,831,024
Correction and detention facilities	-	239
Zoo and museum millage	-	271
Senior millage	-	35,357
Coronavirus	790,732	83,227
Public improvement	5,500,000	105,794
Nonmajor governmental funds	10,544,480	9,363,423
Delinquent tax revolving	2,066	-
Department of public works	365,111	405,308
Internal service funds	270	109,976
Total	\$ 24,934,619	\$ 24,934,619

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

In addition, an interfund balance existed between governmental activities and business-type activities in the amount of \$929,134. This resulted from the allocation of a portion of internal service fund net position of governmental-type internal service funds to business-type activities.

Due to and from component units

	Due from Component Units	Due to Primary Government	Due from Primary Government	Due to Component Unit
General fund	\$ 1,394,616	\$ -	\$ -	\$ 18
Drainage Districts	-	1,394,616	-	-
Housing Commission	-	-	18	-
Total	\$ 1,394,616	\$ 1,394,616	\$ 18	\$ 18

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

Advances to and from component units

	Advances to Component Units	Advances from Primary Government
General fund	\$ 389,160	\$ -
Drainage Districts	-	389,160
Total	\$ 389,160	\$ 389,160

For the year ended December 31, 2020, interfund transfers consisted of the following:

Transfers Out	Transfers In				Totals
	General Fund	Public Improvement	Nonmajor Governmental Funds	Internal Service Funds	
General fund	\$ -	\$ 18,445,788	\$ 35,063,790	\$ 261,900	\$ 53,771,478
Correction and detention	15,434,338	450,000	3,825,632	-	19,709,970
Public improvement	-	-	823,950	-	823,950
Nonmajor governmental funds	-	-	1,701,940	-	1,701,940
Delinquent tax revolving	3,700,000	-	-	-	3,700,000
Total	\$ 19,134,338	\$ 18,895,788	\$ 41,415,312	\$ 261,900	\$ 79,707,338

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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. A transfer of \$3,700,000 was made from the Delinquent Tax Revolving Fund to the General Fund representing a surplus from closed tax years.

7. CAPITAL ASSETS

Primary government

Capital asset activity for the primary government for the year ended December 31, 2020, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Governmental Activities					
Capital assets, not being depreciated:					
Land	\$ 81,567,354	\$ 387,416	\$ -	\$ -	\$ 81,954,770
Property easements	36,583	-	-	-	36,583
Construction in progress	1,058,556	6,489,836	(5,500)	(3,026,395)	4,516,497
	<u>82,662,493</u>	<u>6,877,252</u>	<u>(5,500)</u>	<u>(3,026,395)</u>	<u>86,507,850</u>
Capital assets, being depreciated:					
Land improvements	40,766,255	1,132,689	(81,696)	927,696	42,744,944
Buildings and improvements	266,680,323	552,845	-	706,510	267,939,678
Machinery and equipment	46,062,829	8,597,748	(8,056,276)	1,392,189	47,996,490
Motor vehicles	9,433,592	2,045,375	(887,340)	-	10,591,627
Infrastructure	745,921	2,521,008	-	-	3,266,929
Animals	39,787	-	-	-	39,787
	<u>363,728,707</u>	<u>14,849,665</u>	<u>(9,025,312)</u>	<u>3,026,395</u>	<u>372,579,455</u>
Less accumulated depreciation for:					
Land improvements	(23,698,443)	(1,515,806)	77,427	-	(25,136,822)
Buildings and improvements	(88,368,097)	(5,323,407)	-	-	(93,691,504)
Machinery and equipment	(34,902,291)	(4,344,200)	6,837,176	-	(32,409,315)
Motor vehicles	(4,680,239)	(727,265)	622,665	-	(4,784,839)
Infrastructure	(490,588)	(99,706)	-	-	(590,294)
Animals	(15,229)	(5,457)	-	-	(20,686)
	<u>(152,154,887)</u>	<u>(12,015,841)</u>	<u>7,537,268</u>	<u>-</u>	<u>(156,633,460)</u>
Total capital assets being depreciated, net	<u>211,573,820</u>	<u>2,833,824</u>	<u>(1,488,044)</u>	<u>3,026,395</u>	<u>215,945,995</u>
Governmental activities capital assets, net	<u>\$ 294,236,313</u>	<u>\$ 9,711,076</u>	<u>\$ (1,493,544)</u>	<u>\$ -</u>	<u>\$ 302,453,845</u>

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

At December 31, 2020, the County's governmental activities had outstanding commitments through construction contracts of approximately \$2,000,000.

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Business-type Activities					
Capital assets, not being depreciated:					
Land	\$ 5,782,087	\$ 416,877	\$ -	\$ -	\$ 6,198,964
Construction in progress	539,487	3,710,638	-	(3,647,660)	602,465
	<u>6,321,574</u>	<u>4,127,515</u>	<u>-</u>	<u>(3,647,660)</u>	<u>6,801,429</u>
Capital assets, being depreciated:					
Landfill cells	19,825,796	979,376	-	-	20,805,172
Land improvements	9,202,901	24,058	-	1,658,217	10,885,176
Buildings and improvements	86,282,524	359,818	(160,996)	348,547	86,829,893
Machinery and equipment	22,228,986	1,623,625	(1,545,762)	1,640,896	23,947,745
Vehicles	817,561	33,222	(25,923)	-	824,860
	<u>138,357,768</u>	<u>3,020,099</u>	<u>(1,732,681)</u>	<u>3,647,660</u>	<u>143,292,846</u>
Less accumulated depreciation for:					
Landfill cells	(11,868,635)	(854,001)	-	-	(12,722,636)
Land improvements	(6,932,672)	(305,760)	-	-	(7,238,432)
Buildings and improvements	(62,955,944)	(2,397,912)	160,996	-	(65,192,860)
Machinery and equipment	(12,192,833)	(2,332,174)	1,020,994	-	(13,504,013)
Vehicles	(539,507)	(59,263)	19,442	-	(579,328)
	<u>(94,489,591)</u>	<u>(5,949,110)</u>	<u>1,201,432</u>	<u>-</u>	<u>(99,237,269)</u>
Total capital assets being depreciated, net	<u>43,868,177</u>	<u>(2,929,011)</u>	<u>(531,249)</u>	<u>3,647,660</u>	<u>44,055,577</u>
Business-type activities capital assets, net	<u>\$ 50,189,751</u>	<u>\$ 1,198,504</u>	<u>\$ (531,249)</u>	<u>\$ -</u>	<u>\$ 50,857,006</u>

At December 31, 2020, the County's business-type activities had outstanding commitments through construction contracts of approximately \$1,600,000.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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

Depreciation of governmental activities by function

General government	\$ 3,334,328
Public safety	2,784,936
Health and welfare	1,149,350
Cultural and recreation	2,448,689
Judicial	2,100,517
Internal service funds	<u>198,021</u>

Total \$ 12,015,841

Depreciation of business-type activities by function

Department of public works	<u><u>\$ 5,949,110</u></u>
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Discretely presented component units

Capital assets activity for the Road Commission component unit for the year ended September 30, 2020, was as follows:

	Beginning Balance	Additions	Disposals and Adjustments	Ending Balance
Component Unit - Road Commission				
Capital assets, not being depreciated:				
Land and right-of-way	\$ 4,955,099	\$ 282,173	\$ -	\$ 5,237,272
Construction in progress	1,512,180	2,469,259	(1,634,554)	2,346,885
	<u>6,467,279</u>	<u>2,751,432</u>	<u>(1,634,554)</u>	<u>7,584,157</u>
Capital assets, being depreciated:				
Buildings and improvements	14,076,899	76,827	-	14,153,726
Equipment	36,775,009	4,168,695	(351,878)	40,591,826
Infrastructure	663,560,279	33,247,266	-	696,807,545
	<u>714,412,187</u>	<u>37,492,788</u>	<u>(351,878)</u>	<u>751,553,097</u>
Less accumulated depreciation for:				
Buildings and improvements	(7,770,579)	(344,314)	-	(8,114,893)
Equipment	(27,281,485)	(3,676,217)	568,703	(30,388,999)
Infrastructure	(405,184,408)	(22,478,256)	-	(427,662,664)
	<u>(440,236,472)</u>	<u>(26,498,787)</u>	<u>568,703</u>	<u>(466,166,556)</u>
Total capital assets being depreciated, net	<u>274,175,715</u>	<u>10,994,001</u>	<u>216,825</u>	<u>285,386,541</u>
Road Commission capital assets, net	<u><u>\$ 280,642,994</u></u>	<u><u>\$ 13,745,433</u></u>	<u><u>\$ (1,417,729)</u></u>	<u><u>\$ 292,970,698</u></u>

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

At September 30, 2020, the Road Commission discretely presented component unit had outstanding commitments through construction contracts of approximately \$1,800,000.

Capital assets activity for the Drainage Districts component unit for the year ended December 31, 2020, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Component Unit - Drainage Districts					
Capital assets, not being depreciated:					
Land	\$ 2,021,713	\$ 95,424	\$ -	\$ -	\$ 2,117,137
Construction in progress	5,169,919	632,240	-	-	5,802,159
	<u>7,191,632</u>	<u>727,664</u>	<u>-</u>	<u>-</u>	<u>7,919,296</u>
Capital assets, being depreciated:					
Infrastructure	30,984,068	111,992	-	-	31,096,060
Less accumulated depreciation for:					
Infrastructure	<u>(24,399,882)</u>	<u>(712,684)</u>	<u>-</u>	<u>-</u>	<u>(25,112,566)</u>
Total capital assets being depreciated, net	<u>6,584,186</u>	<u>(600,692)</u>	<u>-</u>	<u>-</u>	<u>5,983,494</u>
Drainage Districts capital assets, net	<u><u>\$ 13,775,818</u></u>	<u><u>\$ 126,972</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 13,902,790</u></u>

At December 31, 2020, the Drainage Districts component unit had outstanding commitments through construction contracts of approximately \$1,800,000.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Capital assets activity for the Airport Authority component unit for the year ended December 31, 2020, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Component Unit - Airport Authority					
Capital assets, not being depreciated:					
Construction in progress	\$ 68,581,189	\$ 32,288,780	\$ (36,235)	\$ (31,164,887)	\$ 69,668,847
Capital assets, being depreciated:					
Land improvements	252,073,079	-	-	23,517,921	275,591,000
Buildings and improvements	316,985,544	-	-	5,606,491	322,592,035
Equipment	28,189,993	-	(154,839)	612,931	28,648,085
Systems	13,553,156	-	(50,969)	1,329,357	14,831,544
Office equipment and furniture	5,150,808	-	-	-	5,150,808
Vehicles	1,310,096	-	(33,747)	98,187	1,374,536
	<u>617,262,676</u>	<u>-</u>	<u>(239,555)</u>	<u>31,164,887</u>	<u>648,188,008</u>
Less accumulated depreciation for:					
Land improvements	(159,410,129)	(8,615,345)	-	-	(168,025,474)
Buildings and improvements	(127,955,239)	(10,433,288)	-	-	(138,388,527)
Equipment	(11,641,556)	(1,310,729)	150,256	-	(12,802,029)
Systems	(6,553,207)	(1,194,056)	7,646	-	(7,739,617)
Office equipment and furniture	(1,726,685)	(235,162)	-	-	(1,961,847)
Vehicles	(907,688)	(148,656)	29,060	-	(1,027,284)
	<u>(308,194,504)</u>	<u>(21,937,236)</u>	<u>186,962</u>	<u>-</u>	<u>(329,944,778)</u>
Total capital assets being depreciated, net	<u>309,068,172</u>	<u>(21,937,236)</u>	<u>(52,593)</u>	<u>31,164,887</u>	<u>318,243,230</u>
Airport Authority capital assets, net	<u>\$ 377,649,361</u>	<u>\$ 10,351,544</u>	<u>\$ (88,828)</u>	<u>\$ -</u>	<u>\$ 387,912,077</u>

As of December 31, 2020, the Airport Authority's commitments with contractors were approximately \$11.4 million.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

8. LONG-TERM DEBT

Long-term debt activity for the year, was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation bonds	\$ 106,935,000	\$ -	\$ (8,800,000)	\$ 98,135,000	\$ 9,180,000
Contracts payable from direct borrowings	-	5,190,384	(1,038,077)	4,152,307	1,038,077
Total installment debt	106,935,000	5,190,384	(9,838,077)	102,287,307	10,218,077
Net bond premium/discount	15,137,670	-	(1,364,185)	13,773,485	1,354,530
Pollution remediation liability	24,529	-	-	24,529	24,529
Compensated absences	8,453,310	10,268,048	(8,460,760)	10,260,598	2,982,428
Total governmental activities	\$ 130,550,509	\$ 15,458,432	\$ (19,663,022)	\$ 126,345,919	\$ 14,579,564
Business-type activities					
General obligation bonds	\$ 6,600,000	\$ -	\$ (540,000)	\$ 6,060,000	\$ 560,000
Notes payable	20,200,000	16,200,000	(16,100,000)	20,300,000	16,200,000
Total installment debt	26,800,000	16,200,000	(16,640,000)	26,360,000	16,760,000
Net bond premium/discount	849,041	50,847	(125,551)	774,337	113,150
Landfill closure and post-closure liabilities	34,687,649	1,102,034	(2,643,879)	33,145,804	569,393
Total business-type activities	\$ 62,336,690	\$ 17,352,881	\$ (19,409,430)	\$ 60,280,141	\$ 17,442,543
Discretely-Presented Component Units					
Road Commission					
Compensated absences	\$ 4,431,935	\$ 1,286,296	\$ (1,069,763)	\$ 4,648,468	\$ 2,610,467
Drainage Districts					
Special assessment bonds	\$ 11,540,000	\$ -	\$ (805,000)	\$ 10,735,000	\$ 515,000
Net bond premium/discount	1,502,061	-	(95,666)	1,406,395	89,931
Total Drainage Districts	\$ 13,042,061	\$ -	\$ (900,666)	\$ 12,141,395	\$ 604,931
Land Bank Authority					
Loans payable	\$ 1,707,887	\$ -	\$ (1,707,887)	\$ -	\$ -

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Airport Authority					
Revenue bonds	\$ 138,510,000	\$ -	\$ (7,795,000)	130,715,000	\$ 8,265,000
Net bond premium/discount	16,968,772	-	(1,197,788)	15,770,984	1,197,789
Total Airport Authority	\$ 155,478,772	\$ -	\$ (8,992,788)	\$ 146,485,984	\$ 9,462,789

Governmental Activities

\$49,990,000 2005 Building Authority Refunding Bonds, due in annual installments of \$1,805,000 to \$4,100,000 plus interest ranging from 3.625 to 5.50%, payable semi-annually, through June 1, 2026.	\$ 21,835,000
\$18,850,000 2019 Capital Improvement Refunding bonds, due in annual installments of \$1,430,000 to \$2,075,000 plus interest ranging from 2.00 to 4.00%, payable semi-annually, through December 1, 2030.	17,420,000
\$6,470,000 2010 Building Authority Refunding Bonds, due in annual installments of \$55,000 to \$755,000 plus interest ranging from 2.00 to 4.00%, payable semi-annually, through June 1, 2021.	755,000
\$4,460,000 2014 Capital Improvement Refunding Bonds, due in annual installments of \$395,000 to \$520,000 plus interest ranging from 2.00 to 4.00%, payable semi-annually, through December 1, 2024.	1,970,000
\$20,675,000 2016 Capital Improvement Bonds, due in annual installments of \$615,000 to \$1,595,000 plus interest at 5.00%, payable semi-annually, through June 1, 2036.	18,015,000
\$21,930,000 2017A Capital Improvement Bonds, due in annual installments of \$685,000 to \$1,650,000 plus interest ranging from 3.00 to 5.00%, payable semi-annually, through June 1, 2037.	19,810,000
\$22,780,000 2017B Capital Improvement Refunding Bonds, due in annual installments of \$1,100,000 to \$2,425,000 plus interest ranging from 2.00 to 5.00%, payable semi-annually, through June 1, 2029.	18,330,000
\$5,190,384 software licensing agreement, due in annual installments of \$1,038,077 inclusive of interest, through May, 2024.	4,152,307
Total governmental activities	\$ 102,287,307

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Business-type Activities

\$6,600,000 2017 Refuse Disposal Refunding Bonds, due in annual installments of \$540,000 to \$800,000 plus interest ranging from 3.00 to 5.00%, payable semi-annually, through November 1, 2029.	\$ 6,060,000
\$16,200,000 2019 General Obligation Limited Tax Note, interest ranging from 2.35 to 2.75%, payable semi-annually, through April 1, 2021.	4,100,000
\$16,200,000 2020 General Obligation Limited Tax Note, interest at 1.25%, payable semi-annually, through April 1, 2022.	<u>16,200,000</u>
Total business-type activities	<u><u>\$ 26,360,000</u></u>

Discretely-presented Component Units

Drainage Districts

\$4,550,000 2014 Grand River Floodwalls and Embankments Drain Bonds, due in annual installments of \$170,000 to \$305,000 plus interest ranging from 2.0 to 4.0%, payable semi-annually, through November 1, 2034.	\$ 3,475,000
\$8,445,000 2016 Grand River Floodwalls and Embankments Drain Bonds, due in annual installments of \$290,000 to \$640,000 plus interest ranging from 2.0 to 5.0%, payable semi-annually, through November 1, 2036.	<u>7,260,000</u>
Total drainage districts discretely-presented component unit	<u><u>\$ 10,735,000</u></u>

Airport Authority

2011 Airport Revenue Refunding Bonds, plus interest ranging from 2.00 to 5.00%, payable semi-annually, through January 1, 2028.	\$ 22,730,000
2015 Airport Revenue Bonds, plus interest ranging from 1.50 to 5.00%, payable semi-annually, through January 1, 2035.	12,175,000
2015 Airport Revenue Refunding Bonds, plus interest ranging from 4.00 to 5.00%, payable semi-annually, through January 1, 2037.	84,890,000
2018 Airport Revenue Refunding Bonds, plus interest of 5.00%, payable semi-annually, through January 1, 2025.	<u>10,920,000</u>
Total Airport Authority discretely-presented component unit	<u><u>\$ 130,715,000</u></u>

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Annual debt service requirements to maturity for long-term debt are as follows:

Year Ended December 31,	Governmental Activities		Business-type Activities	
	Other Debt			
	Principal	Interest	Principal	Interest
2021	\$ 9,180,000	\$ 4,612,188	\$ 16,760,000	\$ 459,800
2022	8,845,000	4,178,825	4,685,000	279,775
2023	9,180,000	3,732,750	610,000	230,750
2024	9,635,000	3,267,075	635,000	200,250
2025	9,560,000	2,778,075	670,000	168,500
2026-2030	33,120,000	8,016,350	3,000,000	344,250
2031-2035	13,800,000	2,841,050	-	-
2036-2037	4,815,000	202,875	-	-
Totals	\$ 98,135,000	\$ 29,629,188	\$ 26,360,000	\$ 1,683,325

Year Ended December 31,	Governmental Activities	
	Direct Borrowings	
	Principal	Interest
2021	\$ 1,038,077	\$ -
2022	1,038,077	-
2023	1,038,077	-
2024	1,038,076	-
Totals	\$ 4,152,307	\$ -

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Year Ended December 31,	Discretely-presented Component Units			
	Drainage Districts		Airport Authority	
	Other Debt			
	Principal	Interest	Principal	Interest
2021	\$ 515,000	\$ 477,646	\$ 8,265,000	\$ 5,959,125
2022	530,000	457,046	8,680,000	5,535,500
2023	555,000	435,846	9,110,000	5,090,750
2024	580,000	413,646	9,570,000	4,623,750
2025	600,000	389,146	10,045,000	4,145,425
2026-2030	3,400,000	1,519,362	36,940,000	14,798,225
2031-2035	3,915,000	689,952	34,490,000	7,042,375
2036-2037	640,000	32,000	13,615,000	689,125
Totals	<u>\$ 10,735,000</u>	<u>\$ 4,414,644</u>	<u>\$ 130,715,000</u>	<u>\$ 47,884,275</u>

The Kent County Building Authority bonds are backed by the limited tax, full faith and credit of the County, and debt service requirements are to be funded with lease payments.

There are a number of limitations and restrictions contained in the various bond indentures. The Airport Authority is in compliance with all significant limitations and restrictions. All revenue bonds outstanding and interest thereon are secured by a statutory first lien, subject only to prior liens, on the net revenues of the Airport Authority. In compliance with bond agreements, the Airport Authority has available a letter of credit totaling \$11,435,300, which has not been drawn upon. The letter of credit expires on December 1, 2023. In addition, all the bonds bear the limited tax pledge of the full faith and credit of the County to advance necessary amounts to meet principal and interest payments in the event that revenues of the Airport Authority are insufficient to meet requirements.

The tax notes payable are backed by the limited tax, full faith and credit of the County. Current debt service requirements are funded by the collection of delinquent tax revenues and are maintained in an enterprise fund.

Drain special assessment bonds are backed by the limited tax, full faith and credit of the County. Current debt service requirements are funded through special assessments levied against properties or governmental units deemed to benefit from these public improvements.

The compensated absences liability attributable to the governmental activities will be liquidated by the General Fund and various special revenue funds. The pollution remediation liability in governmental activities is expected to be paid from the Capital Improvement Program capital projects fund.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Pledged Revenue

Revenue bonds are secured by pledged Airport revenues. Proceeds of these bonds were utilized for airport terminal and runway construction projects. The related bond agreements require future principal and interest payments totaling \$178,599,275 through 2037. For the year ended December 31, 2020, the Airport Authority component unit incurred principal and interest expense of \$7,795,000 and \$5,417,553, respectively. Net revenue pledged for debt service was \$12,428,000 for the year ended December 31, 2020.

9. LEASES

Leases Receivable

The County entered into a lease agreement with the City of Grand Rapids whereby the City leases part of the courthouse facility from the County. Total future lease receipts are as follows:

Year Ended December 31,	Amount
2021	\$ 2,937,786
2022	2,939,414
2023	2,908,132
2024	2,908,103
2025	2,837,075
2026	<u>2,830,805</u>
Total	<u>\$ 17,361,315</u>

The cost of the portion of courthouse facility leased to the City is \$18,140,248 and related accumulated depreciation at December 31, 2020 was \$6,796,932. Annual depreciation expense is \$349,947.

The Airport Authority has entered into agreements to lease airport facilities to various airlines and vendors. The aggregate amount of future minimum lease payments receivable, exclusive of expected extensions and airline month-to-month agreements, in each of the next five years and later are as follows:

Year Ended December 31,	Amount
2021	\$ 8,427,546
2022	8,160,398
2023	5,811,778
2024	4,993,224
2025	4,287,189
Thereafter	<u>45,171,907</u>
Total	<u>\$ 76,852,042</u>

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Lease Commitments – Primary Government

Under the terms of a contract with the City of Grand Rapids and County of Kent Joint Building Authority, the County and the City are jointly liable for lease payments equal to certain bond obligations of the Authority for a convention facility. Annual payments to the Authority are to be funded with lodging excise tax revenue, accounted for in the lodging excise tax special revenue fund. Rental expense under this lease amounted to \$7,702,950 for the year ended December 31, 2020.

Under the terms of agreements with the City of Grand Rapids and County of Kent Joint Building Authority, the County is obligated to use lodging excise tax revenues to pay principal and interest on selected bonds issued by the Joint Building Authority. At December 31, 2020, there are two such bond issues of the Joint Building Authority dated November 29, 2001 and May 15, 2013, with balances of \$25,831,424 and \$895,000, respectively. The County becomes liable for the debt in the event that lodging excise tax revenue is not sufficient to meet lease obligations. Future minimum rental commitments are as follows:

Year Ended December 31,	Amount
2021	\$ 7,980,800
2022	8,279,400
2023	8,582,400
2024	8,575,000
2025	8,900,000
2026-2030	49,860,000
2031	<u>11,140,000</u>
Total	<u><u>\$ 103,317,600</u></u>

10. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is self-insured and retains the risk for deductible amounts under the County's workers' compensation, property, automobile, and certain general and public officials' liability programs. The County purchases commercial insurance for claims in excess of retention deductible amounts of \$1,000,000 for general liability, \$600,000 for each workers' compensation claim and \$100,000 for each property damage claim, up to various maximum and aggregate policy limits. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three years. There have been no significant changes in insurance coverage from the prior year. The County is also self-insured for dental and medical benefits provided to employees who meet certain eligibility requirements.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

The County manages its risks internally and has set aside assets for claim settlement in its Risk Management and Employee Benefits internal service funds. These funds allocate the cost of providing claims servicing and claims payments by charging a “premium” to each fund based upon various allocation bases. This charge considers recent trends in actual claims experience of the County as a whole and makes provision for catastrophic losses.

Risk Management and Employee Benefits internal service funds liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an accumulation of case estimates for losses reported prior to the close of the accounting period and estimates for claims that have been incurred but not reported (including future claim adjustment expenses) based on past loss experience and consideration of current claim trends, as well as prevailing social, economic and local conditions. Estimated amounts of salvage and subrogation and reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims.

Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

Changes in the balances of claims liabilities are as follows:

	Employee Benefits		
	Health	Dental	Unemployment
Estimated liability, January 1, 2019	\$ 1,352,000	\$ 110,019	\$ -
Estimated claims incurred	21,282,152	1,578,875	52,792
Claim payments	(21,600,560)	(1,568,495)	(52,792)
Estimated liability, December 31, 2019	1,033,592	120,399	-
Estimated claims incurred	21,626,381	1,353,003	30,024
Claim payments	(21,681,525)	(1,346,292)	(30,024)
Estimated liability, December 31, 2020	\$ 978,448	\$ 127,110	\$ -

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

	Risk Management		
	Property and Liability	Workers' Compensation	Sick and Accident Plan
Estimated liability, January 1, 2019	\$ 478,457	\$ 363,788	\$ -
Estimated claims incurred	2,260,971	495,054	519,331
Claim payments	(574,376)	(468,401)	(519,331)
Estimated liability, December 31, 2019	2,165,052	390,441	-
Estimated claims incurred	1,384,728	549,664	652,389
Claim payments	(992,021)	(593,823)	(652,389)
Estimated liability, December 31, 2020	\$ 2,557,759	\$ 346,282	\$ -

The Department of Public Works is included in the County's self-insurance program, although separate insurance coverage is maintained for some enterprise-specific operations.

11. PROPERTY TAXES

County General Fund property taxes are levied on July 1 of each year (the lien date) and are due in full by September 14, though they do not become delinquent until March 1 of the following year. For levies other than the General Fund, the lien date is December 1.

Property taxes are levied on the assessed taxable value of the property as established by local units, accepted by the County and equalized under State statute at approximately 50% of the current estimated market value.

The taxable value of real and personal property for 2020, for which revenue was recognized in the General Fund, was \$25,416,817,753. The general operating tax rate for this levy was 4.2243 mills. The taxable value of real and personal property for 2019, for which revenue was recognized in all other funds, was \$24,219,497,487. The tax rates for these levies were 0.7777 mills for Correction and Detention operations and debt service related to the expansion of facilities, 0.4926 mills assessed for services provided to senior citizens, 0.0491 mills assessed for services provided to veterans, 0.4335 mills assessed for the zoo and museum and 0.2484 mills assessed for early childhood development.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Tax Abatements

The County property tax revenues during 2020 were reduced by Industrial Property Tax abatement programs and Brownfield Redevelopment Agreements entered into by other taxing jurisdictions within the County. Accordingly these agreements meet the criteria of “tax abatements” under GASB Statement No. 77.

Industrial property tax abatements are granted in the State of Michigan under Public Act 198, as amended, to promote economic development, creation of jobs, and new or improved facilities. The industrial facilities tax (IFT) exemption must be approved by both the local unit (after a public hearing is held) and the State of Michigan. IFT exemptions can cover real and/or personal property. By State law, the exemption must be applied for no later than six months after commencement of the project, and must be accompanied by a written agreement between the taxpayer and the local unit. An exemption allows for taxation on IFT property at 50% of the local property tax millage rate for a period of 1 to 12 years. Property taxes abated by the County in 2020 amounted to \$668,315.

Brownfield redevelopment agreements are intended to reimburse taxpayers that remediate environmental contamination on their properties. These agreements were entered into based upon the Brownfield Redevelopment Act, PA 381 of 1996, as amended. Under this act, a municipality may create a brownfield redevelopment authority to develop and implement brownfield projects. Tax increment financing may be used as a tool for property redevelopment. These abatements amounted to approximately \$1,259,548 in reduced tax revenues to the County for the fiscal year 2020.

Local governments within Kent County use Payment in Lieu of Taxes (PILOT) Programs that are designed to provide tax abatements primarily for owners of low to moderate income multi-family housing units. Under this program the local governments establish ordinances and enter into agreements that allow the low to moderate multi-family housing unit property owners to make payments at lower amounts than would have been otherwise due in the normal course of property tax collection. The County has estimated the PILOT abatement impact amounted to \$671,936 for the year.

12. CONTINGENT LIABILITIES

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County and its Corporate Counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

In March 2018, the Airport Authority was approached by the Michigan Department of Environmental Quality (MDEQ), regarding historical use of firefighting foam. In response, the Airport Authority began a stepwise approach to further understand the use of aqueous film-forming foam (AFFF) at the airport. Use is generally summarized as follows from the April 13, 2018 response to the MDEQ: "Firefighting materials at the airport (and all U.S. commercial airports) are specified and regulated by the Federal Aviation Administration. The military specification (Mil-Spec) specifying which aqueous film-forming foam is permitted to be used pursuant to FAA regulations has changed over time. The latest Mil-Spec from September 2016 requires AFFF formulations, and the immediately prior formulation contained some form of per- and polyfluoroalkyl substances (PFAS)." There are three main scenarios in which AFFF may be used at an airport: training, equipment testing, and to extinguish fuel-fed fires. The Authority has utilized best practices to meet FAA regulations in all of these use scenarios. Following the April 2018 letter, the Authority fostered a collaborative effort with regulatory agencies, including the MDEQ, Michigan Department of Health and Human Services, and the Kent County Health Department and conducted numerous water and soil tests in the vicinity of a former on-site firefighter training area. This investigation continued through 2020 and is ongoing. Management of the Airport Authority is working closely and diligently with local, state, and federal agencies with an interest in bringing this matter to an acceptable conclusion for all parties involved. At this time, it is the opinion of the Airport Authority that the outcome of any legal proceedings is unknown and have, therefore, not reflected any loss reserves in the financial statements.

13. BENEFIT PLANS

Kent County Employees' Retirement Plan

The County sponsors and administers the Kent County Employees' Retirement Plan (the "Plan"), a single-employer, defined benefit pension plan, which covers all employees of Kent County, except employees of the Road Commission, Land Bank Authority, and Airport Authority. The Plan was established by the Kent County Board of Commissioners and is administered by a seven member Board called the Kent County Employees' Retirement Plan Pension Board (referred to herein as the "Board of Trustees"). The Board is comprised of the Chairperson of the Finance Committee of the Commissioners, one other Commissioner appointed by the Board of Commissioners, three employees covered by the Plan, and two residents of the County that are independent of the County and the Plan. Employee contribution requirements were established and may be amended subject to collective bargaining agreements and approval by the Kent County Board of Commissioners. The Plan provides retirement, disability and death benefits to plan members and their beneficiaries. It is accounted for as a separate pension trust fund. Stand-alone financial reports are issued that include financial statements and required supplementary information for the Plan, which may be obtained from the County of Kent Human Resources Department, 300 Monroe Ave. N.W., Grand Rapids, MI 49503-2222.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Plan members hired through December 31, 2010 are eligible to receive pension benefits upon retirement at age 60 with 5 years of service or at any age with 25 years of service. Members hired on or after January 1, 2011 (January 1, 2012 for the Teamsters-Parks, Circuit Court Referees, and Teamsters-Public Health Nurses) are eligible at age 62 with 5 years of service or at age 60 (55 for captains and lieutenants) with 25 years of service. Members of the KCDSA bargaining unit hired on or after January 1, 2013 are eligible to receive this benefit at age 60 with 5 years of service or age 50 with 25 years of service. An early retirement option is offered for retirement at age 55 with 15 or more years of service. Members of the FOP bargaining unit hired on or after January 1, 2015 are eligible to receive this benefit at age 60 with 5 or more years of service or age 50 with 25 years of service.

Cost-of-living adjustments (COLAs) vary based on bargaining unit and hire date and range from 1%-3%.

Benefits Provided. Employees who retire with minimum age and years of service requirements are entitled to annual retirement benefits, payable in monthly installments for life, in an amount equal to a percentage of their final average compensation times years of credited service.

Employees Covered by Benefit Terms. At December 31, 2020, plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	1,560
Terminated employees entitled to but not yet receiving benefits	235
Vested and non-vested active participants	<u>1,585</u>
Total membership	<u>3,380</u>

Contributions. The contribution requirements of Plan members are established and may be amended by the Board of Commissioners in accordance with County policies, collective bargaining agreements, and Plan provisions. After meeting eligibility requirements, active Plan members are required to contribute to the Plan based on their bargaining unit or management group contribution rate. The variable rate was 8.85% for the year ended December 31, 2020. The additional amounts paid for COLAs by the members of the three unions covering public safety officers are a fixed amount added to the variable rate and ranged from 1.75%-3.50%. The County is required to contribute at actuarially determined rates that are expressed as a percentage of covered payroll and are designed to accumulate sufficient assets to pay benefits when due. The County's contribution rate for the year ended December 31, 2020 was 11.30% of projected valuation payroll. The normal cost and amortization payment were determined using an entry age actuarial funding method. Unfunded actuarial accrued liabilities are being amortized as a level percent of payroll over a closed period of 20 years.

Investment Policy. The plan's policy in regard to the allocation of invested assets is established and may be amended by the Board of Trustees. The investment policy has been formulated based on consideration of a wide range of policies and describes the prudent investment process that the Board deems appropriate. The Plan's asset allocation policy is detailed below.

Rate of Return. For the year ended December 31, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.97%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Concentrations. Information on the Plan's concentration of credit risk policy and compliance with that policy at December 31, 2020 is disclosed in Note 3 to the separately issued financial statements.

Net Pension Liability (Asset). The components of the net pension liability (asset) of the Plan at December 31, 2020, were as follows:

Total pension liability	\$ 974,453,867
Plan fiduciary net position	<u>1,031,217,515</u>
County's net pension liability (asset)	<u>\$ (56,763,648)</u>
Plan fiduciary net position as percentage of total pension liability	105.83%

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation as of December 31, 2019 (rolled forward to December 31, 2020), using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.5% (price inflation of 2.5%)
Salary increases	3.5%-10.5%, including inflation
Investment rate of return	6.75%

Mortality rates were based on the RP-2014 Combined Healthy Mortality Tables with 2-dimensional, fully generational improvements projected with the MP-2018 Mortality Improvement Scales.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study dated November 8, 2018.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Long-term Expected Rate of Return. The long-term expected rate of return on pension 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 pension 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 pension plan's target asset allocation as of December 31, 2020 (see the discussion of the pension plan's investment policy in Note 2) are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Core bonds	18.00%	2.59%	0.47%
Multi-sector fixed income	10.00%	3.42%	0.34%
Absolute return	5.00%	3.25%	0.16%
U.S. large cap equity	30.00%	7.14%	2.14%
U.S. small cap equity	10.00%	8.45%	0.85%
International developed equity	15.00%	7.95%	1.19%
Emerging market equity	5.00%	9.10%	0.46%
Core real estate	5.00%	6.68%	0.33%
Infrastructure	2.00%	9.68%	0.19%
	<u>100.00%</u>		6.13%
Inflation			2.50%
Risk adjustment			<u>-1.88%</u>
Investment rate of return			<u><u>6.75%</u></u>

Discount Rate. The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Plan contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Changes in the Net Pension Liability (Asset). The components of the change in the net pension liability (asset) are summarized as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at December 31, 2019	\$ 941,501,528	\$ 951,910,145	\$ (10,408,617)
Changes for the year:			
Service cost	19,484,646	-	19,484,646
Interest on total pension liability	62,655,769	-	62,655,769
Differences between expected and actual experience	(3,167,615)	-	(3,167,615)
Employer contributions	-	12,005,262	(12,005,262)
Employee contributions	-	10,603,354	(10,603,354)
Net investment income	-	103,391,931	(103,391,931)
Benefit payments	(45,596,530)	(45,596,530)	-
Administrative expenses	-	(672,716)	672,716
Refunds of contributions	(423,931)	(423,931)	-
Net changes	<u>32,952,339</u>	<u>79,307,370</u>	<u>(46,355,031)</u>
Balances at December 31, 2020	<u>\$ 974,453,867</u>	<u>\$ 1,031,217,515</u>	<u>\$ (56,763,648)</u>

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of the Plan, calculated using the discount rate of 6.75%, as well as what the Plan's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage point higher (7.75%) than the current rate:

	One Percent Decrease (5.75%)	Current Discount Rate (6.75%)	One Percent Increase (7.75%)
County's net pension liability (asset)	\$ 75,430,719	\$ (56,763,648)	\$(165,579,980)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the combining statements of fiduciary net position and changes in fiduciary net position in the supplementary information section of this report.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended December 31, 2020, the County recognized pension expense of \$(10,821,440). The pension liability attributable to the governmental activities will be liquidated by the General Fund and substantially all the special revenue funds. At December 31, 2020, the County reported pension-related deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	\$ 5,524,597	\$ 3,234,107	\$ 2,290,490
Changes in assumptions	55,683	-	55,683
Net difference between projected and actual earnings on pension plan investments	-	62,420,759	(62,420,759)
Changes in proportion and share of contributions	560,791	560,791	-
Total	<u>\$ 6,141,071</u>	<u>\$ 66,215,657</u>	<u>\$ (60,074,586)</u>

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

Year Ended December 31,	Amount
2021	\$ (19,555,771)
2022	(4,286,486)
2023	(27,795,104)
2024	<u>(8,437,225)</u>
Total	<u>\$ (60,074,586)</u>

Payable to the Pension Plan. At December 31, 2020, the County reported a payable of \$640,522 to the pension plan.

Road Commission Component Unit

The Road Commission provides retirement benefits to full-time employees through 401(k) and 457(b)(2) plans. The Road Commission also participates in a defined benefit pension plan with the Municipal Employee's Retirement System of Michigan (MERS). The defined benefit plan is closed to new hires. Complete disclosures related to the Road Commission's retirement plans are available in its separately-issued audit report.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Gerald R. Ford International Airport Authority

The Airport Authority participates in the Municipal Employees' Retirement System of Michigan (MERS), an agent multiple-employer defined benefit pension plan. Complete disclosures related to the Airport Authority's participation in MERS are available in its separately-issued audit report.

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Kent County Voluntary Employees' Beneficiary Association

Plan Description. The County administers a single-employer defined benefit healthcare plan (the "Plan") accounted for in the VEBA Trust Fund. In addition to the retirement benefits described in Note 13, the Plan provides health benefits to certain retirees, which are advance funded on an actuarial basis. Stand-alone financial reports are issued that include financial statements and required supplementary information for the Plan, which may be obtained from the County of Kent Fiscal Services Department, 300 Monroe Ave. N.W., Grand Rapids, MI 49503-2221.

Benefits Provided. The County provides a fixed monthly dollar subsidy of up to \$400 (\$350 for retirees before December 31, 2018) to be used by retirees toward health insurance premiums in a County-sponsored insurance plan. In addition, the County provides an implicit subsidy due to having one premium based on a blended rate that treats current employees, retirees, eligible beneficiaries and dependents as one homogeneous group. The implicit subsidy is factored into the actuarial computation of the OPEB liability. Effective 2016, the Collective Bargaining groups have begun to place retirees into separate groups for premium rating purposes for employees who were hired on or after January 1, 2016 (January 1, 2015 for Circuit Court Referees, FOP and Teamsters Parks; and July 1, 2016 for TPOAM and KCDSA).

Membership of the Plan consisted of the following at December 31, 2020:

Retirees and beneficiaries receiving benefits	720
Active plan members	<u>1,586</u>
Total	<u><u>2,306</u></u>

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Contributions. The contribution requirements of the Plan members and the County are established and may be amended by the County Board of Commissioners, in accordance with County policies, collective bargaining agreements, and Plan provisions. The Plan covers the Management Pay Plan, both exempt and non-exempt, elected officials, including judges, and ten collective bargaining units. Retirees and their beneficiaries are eligible for postemployment healthcare benefits if they are receiving a pension from the Kent County Employees' Retirement Plan. The County's funding policy provides for periodic employer contributions at actuarially determined rates that are expressed as percentages of annual covered payroll, and are designed to accumulate sufficient assets to pay benefits when due. The County's required cash contribution rate for the year ended December 31, 2020 was 3.34% of projected valuation payroll. For the year ended December 31, 2020, the County contributed \$6,909,780, including cash contributions of \$5,429,793 and an implicit rate subsidy (which did not require cash) of \$1,479,987. Cash payments included \$1,845,545 for current premiums and an additional \$3,584,248 to prefund benefits.

Retirees are responsible for reimbursing the County for the cost of premiums for the selected level of coverage in excess of the subsidy. The retiree's share of premiums can be deducted automatically from their monthly pension distribution, or paid directly to the County Treasurer. Since retirees must participate in one of the County's health insurance plans in order to receive the benefit, the entire cost of retiree health care premiums is accounted for in the County's health insurance internal service fund. Retiree reimbursements are reported as operating revenue in the internal service fund. On a quarterly basis, the total amount of retiree subsidies for the previous period is billed to the VEBA. This portion of premium costs, which includes the County subsidy only, comprises the entire amount of benefit payments in the Statement of Changes in Fiduciary Net Position.

Investment Policy. The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Board of Trustees. The investment policy has been formulated based on consideration of a wide range of policies and describes the prudent investment process that the Board deems appropriate. The Plan's asset allocation policy is detailed below.

Rate of Return. For the year ended December 31, 2020, the annual money-weighted rate of return on investments, net of investment expense, was 15.20%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Concentrations. Information on the Plan's concentration of credit risk policy and compliance with that policy at December 31, 2020 is disclosed in Note 3 to the separately issued financial statements.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Net OPEB Liability. The components of the net OPEB liability of the Plan at December 31, 2020, were as follows:

Total OPEB liability	\$ 61,571,283
Plan fiduciary net position	<u>41,296,891</u>
County's net OPEB liability	<u>\$ 20,274,392</u>
Plan fiduciary net position as percentage of total OPEB liability	67.07%

Actuarial Assumptions. The total OPEB liability was determined by an actuarial valuation as of December 31, 2019, rolled forward to December 31, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, Closed
Remaining amortization period	21 years
Asset valuation method	Market value of assets
Price inflation	2.5%
Salary increases	3.5% to 10.5%, including inflation
Investment rate of return	6.75%, net of OPEB plan investment expense, including inflation
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to the January 1, 2013 – December 31, 2017 Experience Study for the Retirement Plan and Trust.
Mortality	The RP-2014 Mortality Tables with 2-dimensional, fully generational improvements projected with the MP-2018 Mortality Improvement Scales. These tables were first used for the December 31, 2018 valuation.
Health care trend rates	Non-Medicare trend starting at 8.5% gradually decreasing to an ultimate trend rate of 4.5%. Medicare trend starting at 7.0% gradually decreasing to an ultimate trend rate of 4.5%.
Aging factors	The tables used in developing the retiree premium are based on a recent Society of Actuaries study of health costs.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Long-term Expected Rate of Return. The long-term expected rate of return on VEBA 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 VEBA 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 VEBA plan's target asset allocation as of December 31, 2020 (see the discussion of the VEBA plan's investment policy in Note 2) are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate
Core bonds	15.00%	2.59%	0.39%
Multi-sector fixed income	15.00%	3.42%	0.51%
Liquid absolute return	5.00%	3.25%	0.16%
U.S. large cap equity	30.00%	7.14%	2.14%
U.S. small cap equity	10.00%	8.45%	0.85%
Non U.S. equity	20.00%	8.16%	1.63%
Core real estate	5.00%	6.68%	0.33%
	<u>100.00%</u>		6.01%
Inflation			2.50%
Risk adjustment			<u>-1.76%</u>
Investment rate of return			<u><u>6.75%</u></u>

Discount Rate. The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that contributions will be made at the current contribution rate and that Plan contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the VEBA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on VEBA plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Changes in the Net OPEB Liability. The components of the change in the net OPEB liability are summarized as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at December 31, 2019	\$ 61,232,861	\$ 32,734,859	\$ 28,498,002
Changes for the year:			
Service cost	1,321,125	-	1,321,125
Interest on total OPEB liability	4,065,569	-	4,065,569
Differences between expected and actual experience	(1,722,740)	-	(1,722,740)
Employer contributions	-	6,909,780	(6,909,780)
Net investment income	-	5,037,638	(5,037,638)
Benefit payments, including refunds of employee contributions	(3,325,532)	(3,325,532)	-
Administrative expense	-	(59,854)	59,854
Net changes	<u>338,422</u>	<u>8,562,032</u>	<u>(8,223,610)</u>
Balances at December 31, 2020	<u>\$ 61,571,283</u>	<u>\$ 41,296,891</u>	<u>\$ 20,274,392</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate. The following presents the net OPEB liability of the County, calculated using the discount rate of 6.75%, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1% lower (5.75%) or 1% higher (7.75%) than the current rate:

	One Percent Decrease (5.75%)	Current Discount Rate (6.75%)	One Percent Increase (7.75%)
County's net OPEB liability	\$ 26,874,460	\$ 20,274,392	\$ 14,598,731

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate Assumption. The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (7.50% decreasing to 3.50%) or 1% higher (9.50% decreasing to 5.50%) than the current healthcare cost trend rates:

	1% Decrease (7.50% Decreasing to 3.50%)	Healthcare Cost Trend Rates (8.50% Decreasing to 4.50%)	1% Increase (9.50% Decreasing to 5.50%)
County's net OPEB liability	\$ 17,384,221	\$ 20,274,392	\$ 23,624,911

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

OPEB Plan Fiduciary Net Position. Detailed information about the OPEB plan’s fiduciary net position is available in the combining statements of fiduciary net position and changes in fiduciary net position in the supplementary information section of this report.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Postemployment Benefit Obligations. For the year ended December 31, 2020, the County recognized OPEB expense of \$1,817,741. The OPEB liability attributable to the governmental activities will be liquidated by the General Fund and substantially all the special revenue funds. At December 31, 2020, the County reported OPEB-related deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	\$ 1,307,748	\$ 4,641,551	\$ (3,333,803)
Changes in assumptions	1,473,021	-	1,473,021
Net difference between projected and actual earnings on OPEB plan investments	-	3,386,907	(3,386,907)
Changes in proportion and share of contributions	1,589,573	1,589,573	-
Total	<u>\$ 4,370,342</u>	<u>\$ 9,618,031</u>	<u>\$ (5,247,689)</u>

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

Year Ended December 31,	Amount
2021	\$ (1,300,254)
2022	(905,970)
2023	(1,760,625)
2024	(1,050,083)
2025	11,309
Thereafter	<u>(242,066)</u>
Total	<u>\$ (5,247,689)</u>

Payable to the OPEB Plan. At December 31, 2020, the County reported a payable of \$389,112 to the VEBA plan.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Road Commission Component Unit

The Road Commission provides a defined benefit healthcare plan (the "Plan"), to certain retirees and their beneficiaries. Complete disclosures related to the Road Commission's other postemployment benefits plan are available in its separately-issued audit report.

Gerald R. Ford International Airport Authority

The Airport Authority contributes to a retiree health care savings account on behalf of eligible employees. The Airport Authority contributions total \$3,000 per year and employees are required to contribute 1% of covered payroll. Complete disclosures related to the Airport's retiree healthcare savings plan are available in its separately-issued audit report.

15. DEFERRED COMPENSATION PLAN

The County offers a supplemental retirement program in accordance with Section 457 of the Internal Revenue Code (IRC) that will provide for payments on retirement, as well as death benefits in the event of death prior to retirement. The benefits of the Plan assets are held in trust for the exclusive benefit of participants and their beneficiaries.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

16. FUND BALANCES - GOVERNMENTAL FUNDS

Detailed information on fund balances of governmental funds is as follows:

	General Fund	Correction and Detention Facilities	Senior Millage	Coronavirus	Public Improvement	Nonmajor Funds	Total
Nonspendable							
Inventories	\$ 59,301	\$ -	\$ -	\$ -	\$ -	\$ 186,233	\$ 245,534
Prepays	803,261	-	-	357,049	-	193,621	1,353,931
Long-term advances	389,160	-	-	-	-	-	389,160
Total nonspendable	1,251,722	-	-	357,049	-	379,854	1,988,625
Restricted							
Fire prevention	-	-	-	-	-	201,947	201,947
Correction and detention facilities	-	13,222,562	-	-	-	-	13,222,562
Senior services	-	-	1,409,931	-	-	-	1,409,931
Register of deeds automation	-	-	-	-	-	618,738	618,738
Children's services	-	-	-	-	-	7,954,128	7,954,128
Indigent defense	-	-	-	-	-	5,919,200	5,919,200
Concealed pistol license	-	-	-	-	-	521,418	521,418
Correction officer training	-	-	-	-	-	371,263	371,263
Drug forfeiture	-	-	-	-	-	466,281	466,281
Grant programs	-	-	-	-	-	984,083	984,083
Veterans' services	-	-	-	-	-	1,000,444	1,000,444
Capital projects	-	-	-	-	-	2,581,989	2,581,989
911 collections	-	-	-	-	-	10,761	10,761
Convention/arena debt service or capital improvements	-	-	-	-	-	7,893,175	7,893,175
Total restricted	-	13,222,562	1,409,931	-	-	28,523,427	43,155,920
Committed							
Economic stabilization	27,913,617	-	-	-	-	-	27,913,617
Assigned							
Future purchase orders	3,424,133	-	-	-	-	-	3,424,133
Children's services	-	-	-	-	-	250,000	250,000
Child support enforcement	-	-	-	-	-	250,000	250,000
Health services	-	-	-	-	-	513,765	513,765
Grant programs	-	-	-	-	-	1,623,787	1,623,787
Debt service	-	-	-	-	-	1,128,994	1,128,994
Capital projects	-	-	-	-	39,280,702	-	39,280,702
Coronavirus relief	-	-	-	137,232	-	-	137,232
Total assigned	3,424,133	-	-	137,232	39,280,702	3,766,546	46,608,613
Unassigned	49,942,812	-	-	-	-	-	49,942,812
Total fund balances, governmental funds	\$ 82,532,284	\$ 13,222,562	\$ 1,409,931	\$ 494,281	\$ 39,280,702	\$ 32,669,827	\$ 169,609,587

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

17. NET INVESTMENT IN CAPITAL ASSETS

The composition of the County's net investment in capital assets as of December 31, 2020, was as follows:

	Governmental Activities	Business-type Activities	Component Units
Capital assets:			
Capital assets not being depreciated	\$ 86,507,850	\$ 6,801,429	\$ 85,172,300
Capital assets being depreciated, net	215,945,995	44,055,577	609,613,265
	<u>302,453,845</u>	<u>50,857,006</u>	<u>694,785,565</u>
Related debt:			
Total installment debt	102,287,307	26,360,000	141,450,000
Less: bonds issued for KCDA owned assets	(19,810,000)	-	-
Net premium/discount	13,773,485	774,337	17,177,379
Less: premium issued for KCDA owned assets	(2,663,994)	-	-
Deferred charge on advance refunding	(853,273)	(241,325)	(4,908,276)
Unexpended bond proceeds	-	-	(5,071,940)
Notes payable and net premium related to tax settlement	-	(20,338,299)	-
	<u>92,733,525</u>	<u>6,554,713</u>	<u>148,647,163</u>
Net investment in capital assets	<u>\$ 209,720,320</u>	<u>\$ 44,302,293</u>	<u>\$ 546,138,402</u>

18. COMMITMENTS AND CONTINGENCIES

Landfill Closure and Post-closure Care

The Department of Public Works (DPW) has certain financial requirements related to closure and postclosure care of the landfills it operates. In relation to those requirements, the DPW has a surety bond totaling \$2,100,000 with the Michigan Department of Environment, Great Lakes and Energy as a beneficiary. The surety bond has not been drawn on at December 31, 2020. The DPW has recorded a liability of \$11,626,580 related to the Kentwood landfill, \$20,000,000 for the South Kent Landfill, and \$1,519,224 for the Sparta Landfill, as discussed below.

During 2008, the County purchased a parcel of land that included an unclosed landfill. This property is adjacent to one of the County's parks and is intended to be used as such after remediation. The remaining liability as of December 31, 2020 was \$24,529.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Kentwood Landfill

Kent County took over operation of the Kentwood Landfill from the City of Kentwood in 1971. The site was capped and closed in 1976 and has been identified by the EPA as a "superfund". The County and the City of Kentwood entered into an agreement with the EPA in 1991 for remedial action to address the contamination. The County and the City of Kentwood were named as potentially responsible parties at 80% and 20%, respectively. The expected future cost of post-closure care is \$14,533,225, of which the County has recorded a liability for its 80% share of \$11,626,580. The EPA is conducting an on-site review to assess remedial action every five years. The next review is scheduled for 2024. Cleanup and monitoring efforts are on-going and are expected to extend through the year 2054.

South Kent Landfill

State and federal laws and regulations require the DPW to place a final cover on the South Kent landfill site when waste is no longer accepted and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the DPW reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each financial statement date. The estimated liability for closure and post-closure care was \$20,000,000 at December 31, 2020. The liability represents the cumulative amount reported to date based on the use of 74.57% of the estimated capacity of the landfill as of December 31, 2020. The DPW will recognize the remaining estimated cost of the closure and post-closure care of \$6,889,135 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2020, less expenses paid. The DPW expects the current permitted area of the landfill to be at capacity in 2029 for ash and solid waste. Actual costs may be higher due to inflation, changes in technology or changes in regulations, and an annual adjustment may be required.

The DPW is required by state and federal laws and regulations to make annual contributions to a trust to finance closure and postclosure care. The DPW is in compliance with these requirements, and, at December 31, 2020, investments of \$2,390,393 are held for these purposes. These are reported as restricted assets on the statement of net position.

Sparta Landfill

The Sparta landfill site was capped and closed in 1995 and has been identified by the EPA as a "superfund". The County entered into an agreement with the EPA in 2000 for remedial action to address the contamination. The expected future cost of post-closure care is \$1,519,224. The EPA is conducting an on-site review to assess remedial action every five years. The next review is scheduled for 2022. Cleanup and monitoring efforts are on-going and are expected to extend through the year 2032.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Commitments

Department of Public Works

The Department of Public Works has also entered into a management agreement to operate the Waste-to-Energy Facility (the "Facility") through the year 2023. The monthly service fee to be paid to the contractor is based on multiple calculations, including an operation and maintenance charge (based on processed waste in tons), pass-through costs, energy payments (based on number of kilowatt hours of net electricity sold), and monthly damages, if any.

The Department of Public Works has committed \$4,818,508 of net position related to waste-to-energy operations.

John Ball Zoological Corporation

The County executed a lease and operating agreement with the John Ball Zoological Corporation (the "Zoo Corporation"), a nonprofit corporation, for management of the John Ball Zoo. The County retained ownership of all real property which is being used by the Zoo Corporation for an initial period of 20 years, through December 31, 2034. All personal property and zoo collections, unless otherwise specified in the agreement, became the property of the Zoo Corporation for the term of the agreement. The lease rental rate is \$20 for the entire term of the agreement. The lease is renewable for two additional 20-year periods. As compensation for management and maintenance of the zoological gardens, the County pays an annual management fee to the Zoo Corporation. In November 2016, the voters approved a 10-year property tax millage for the Zoo Corporation and Grand Rapids Public Museum. Per the terms of the management agreement, the annual management fee is reduced by any voter-approved property tax millage. Accordingly, the County does not expect to pay a management fee for years 2020-2026. Future minimum commitments are as follows:

Year Ended December 31,	Amount	Covered by Property Tax Millage	Commitment
2021	\$ 2,000,000	\$ (2,000,000)	\$ -
2022	2,000,000	(2,000,000)	-
2023	2,000,000	(2,000,000)	-
2024	2,000,000	(2,000,000)	-
2025	2,000,000	(2,000,000)	-
2026-2030	10,000,000	(2,000,000)	8,000,000
2031-2034	8,000,000	-	8,000,000
Total	\$ 28,000,000	\$ (12,000,000)	\$ 16,000,000

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Grand Rapids Whitewater, Inc.

The County has entered into an agreement with Grand Rapids Whitewater, Inc. (GRWW) a Michigan non-profit. GRWW has developed the Restore the Rapids project, which is a plan to restore the Grand River rapids generally from the Ann Street bridge downriver to Fulton Street bridge. The County has committed to contributing a total of \$1,400,000 to the project (\$500,000 was paid in 2020 and \$900,000 is anticipated to be paid in future years based on completion milestones).

Kent County Land Bank Authority

The Land Bank Authority participated in a program with the U.S. Department of Treasury (through the Michigan State Housing Development Authority, "MSHDA") for the demolition of blighted properties. The funding is provided on a reimbursement-basis, plus \$500 per property for administrative costs and \$750 per property for continued maintenance. Each property must be approved by MSHDA prior to beginning any demolition. A mortgage agreement and demand note are executed for each project and MSHDA has an enforceable lien on the related property. Under the terms of the mortgage agreement, the debt is to be forgiven over a period of 5 years (20% after each full year, with the final year being 2021) or is repayable to MSHDA if sold or transferred prior to that date. The Land Bank Authority is considered by MSHDA to be a vendor for this program and not a subrecipient. Accordingly, the Land Bank Authority's activity is not subject to the Single Audit Act. At December 31, 2020, the Land Bank Authority had received \$2.5 million in grant funding through the Hardest Hit program.

Based on correspondence with MSHDA, the Land Bank Authority expects that MSHDA may enforce its lien on blighted properties, inasmuch as the Land Bank Authority has sold or transferred certain property prior to the completion of the 5-year period. However, as the amount of any future settlement with MSHDA is unknown as of December 31, 2020, no liability has been recognized in the financial statements.

19. SUBSEQUENT EVENTS

Delinquent Tax Anticipation Notes

In May 2021, the County issued \$15,800,000 in general obligation limited tax notes in the Delinquent Tax Revolving enterprise fund. Similar notes are issued each year in order to fund the purchase of delinquent taxes from local taxing authorities (including other funds of the County).

Drain Bonds

In March 2021, the County issued Cedar Springs Drain Drainage District Bonds, Series 2021, in the amount of \$1,810,000. The bonds bear interest between 1.00% and 2.10%, and final payment is due June 1, 2041.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

20. CORONAVIRUS (COVID-19)

In March 2020, the World Health Organization declared the novel coronavirus outbreak (COVID-19) to be a global pandemic. While the pandemic has resulted in an increase in the demands on the County for providing emergency services to its citizens, the Federal Government has also provided significant resources to help mitigate the impacts of COVID-19. The County directly received over \$114 million during 2020 from various funding sources to be used to respond to the impacts of the COVID-19 pandemic through the CARES Act and other funding sources. This funding was used to provide relief in multiple areas such as vaccination programs, personal protection equipment (PPE) programs, small business grants, housing assistance and food and transportation assistance among others.

Additionally, County revenues have remained steady throughout the pandemic and the economy continues to recover at a robust pace. While nobody can predict the future, additional Federal funding, strong revenue performance and targeted expenditure control should work to mitigate any significant financial issues facing Kent County as a result of the pandemic going forward.



REQUIRED SUPPLEMENTARY INFORMATION

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COUNTY OF KENT, MICHIGAN

Required Supplemental Information

The County Board of Commissioners approves a legally adopted annual budget for the General Fund and each special revenue fund. Most funds are budgeted on the County's fiscal year (calendar year). However, due to unique funding source considerations, certain funds are budgeted on a fiscal year basis. The following budgetary comparison schedules are presented following the applicable fiscal year of the adopted budget as follows:

General Fund - December 31, 2020

Correction and Detention Facilities Special Revenue Fund - December 31, 2020

Zoo and Museum Millage Special Revenue Fund - December 31, 2020

Senior Millage Special Revenue Fund - December 31, 2020

Coronavirus Special Revenue Fund - December 31, 2020

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 104,624,710	\$ 104,624,710	\$ 104,217,072	\$ (407,638)
Licenses and permits	30,000	30,000	30,390	390
Intergovernmental	23,533,577	23,533,577	21,979,434	(1,554,143)
Charges for services	29,173,822	29,173,822	27,863,660	(1,310,162)
Fines and forfeitures	1,510,500	1,510,500	985,379	(525,121)
Investment earnings	1,665,000	1,665,000	1,330,427	(334,573)
Contributions and reimbursements	5,304,150	5,304,150	5,352,173	48,023
Other	3,498,055	3,498,055	3,492,356	(5,699)
Total revenues	<u>169,339,814</u>	<u>169,339,814</u>	<u>165,250,891</u>	<u>(4,088,923)</u>
Expenditures				
Current:				
General government	36,702,486	36,752,458	33,066,033	(3,686,425)
Public safety	67,730,797	59,130,704	57,019,056	(2,111,648)
Health and welfare	7,815,479	7,815,479	7,373,377	(442,102)
Culture and recreation	6,168,624	6,145,624	5,856,092	(289,532)
Judicial	26,157,763	26,251,313	24,053,564	(2,197,749)
Community and economic development	1,319,094	1,319,094	1,168,303	(150,791)
Public works	760,513	760,513	725,643	(34,870)
Total expenditures	<u>146,654,756</u>	<u>138,175,185</u>	<u>129,262,068</u>	<u>(8,913,117)</u>
Revenues over expenditures	<u>22,685,058</u>	<u>31,164,629</u>	<u>35,988,823</u>	<u>4,824,194</u>
Other financing sources (uses)				
Transfers in	20,534,338	20,534,338	19,134,338	(1,400,000)
Transfers out	(47,727,860)	(56,250,860)	(53,771,478)	(2,479,382)
Proceeds from sale of capital assets	15,200	15,200	402,171	386,971
Total other financing sources (uses)	<u>(27,178,322)</u>	<u>(35,701,322)</u>	<u>(34,234,969)</u>	<u>1,466,353</u>
Net change in fund balance	<u>(4,493,264)</u>	<u>(4,536,693)</u>	<u>1,753,854</u>	<u>6,290,547</u>
Fund balance, beginning of year	<u>80,778,430</u>	<u>80,778,430</u>	<u>80,778,430</u>	<u>-</u>
Fund balance, end of year	<u>\$ 76,285,166</u>	<u>76,241,737</u>	<u>\$ 82,532,284</u>	<u>\$ 6,290,547</u>

See notes to the required supplementary information.

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Correction and Detention Facilities Special Revenue Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 18,615,493	\$ 18,615,493	\$ 18,218,475	\$ (397,018)
Intergovernmental	346,770	346,770	324,344	(22,426)
Investment earnings	300,000	300,000	299,598	(402)
Total revenues	19,262,263	19,262,263	18,842,417	(419,846)
Other financing uses				
Transfers out	(19,262,263)	(19,712,263)	(19,709,970)	(2,293)
Net change in fund balance	-	(450,000)	(867,553)	(417,553)
Fund balance, beginning of year	14,090,115	14,090,115	14,090,115	-
Fund balance, end of year	<u>\$ 14,090,115</u>	<u>\$ 13,640,115</u>	<u>\$ 13,222,562</u>	<u>\$ (417,553)</u>

See notes to the required supplementary information.

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Zoo and Museum Millage Special Revenue Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 10,801,984	\$ 10,801,984	\$ 10,298,994	\$ (502,990)
Intergovernmental	160,000	160,000	410,206	250,206
Investment earnings	5,000	5,000	12,337	7,337
Total revenues	10,966,984	10,966,984	10,721,537	(245,447)
Expenditures				
Current - culture and recreation	10,966,984	10,966,984	10,721,537	(245,447)
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

See notes to the required supplementary information.

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Senior Millage Special Revenue Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 11,449,000	\$ 11,449,000	\$ 11,537,164	\$ 88,164
Intergovernmental	490,000	490,000	458,274	(31,726)
Investment earnings	80,000	80,000	81,741	1,741
Total revenues	12,019,000	12,019,000	12,077,179	58,179
Expenditures				
Current - health and welfare	12,600,000	12,600,000	11,637,444	(962,556)
Net change in fund balance	(581,000)	(581,000)	439,735	1,020,735
Fund balance, beginning of year	970,196	970,196	970,196	-
Fund balance, end of year	<u>\$ 389,196</u>	<u>\$ 389,196</u>	<u>\$ 1,409,931</u>	<u>\$ 1,020,735</u>

See notes to the required supplementary information.

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Coronavirus Special Revenue Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Intergovernmental	\$ -	\$ 107,869,313	\$ 107,869,313	\$ -
Investment earnings	-	519,793	519,793	-
Total revenues	-	108,389,106	108,389,106	-
Expenditures				
Current:				
General government	-	19,236,625	19,236,625	-
Public safety	-	19,371,427	19,371,427	-
Health and welfare	-	22,817,283	22,817,283	-
Culture and recreation	-	27,754	27,754	-
Judicial	-	561,437	561,437	-
Community and economic development	-	45,792,051	45,792,051	-
Public works	-	88,248	88,248	-
Total expenditures	-	107,894,825	107,894,825	-
Net change in fund balance	-	494,281	494,281	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ 494,281	\$ 494,281	\$ -

See notes to the required supplementary information.

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COUNTY OF KENT, MICHIGAN

Required Supplementary Information

Employees' Retirement Plan

Schedule of Changes in the County's Net Pension Liability (Asset) and Related Ratios

	Year Ended December 31,		
	2014	2015	2016
Total pension liability			
Service cost	\$ 16,145,491	\$ 15,924,610	\$ 16,888,031
Interest on total pension liability	49,676,858	51,987,575	54,926,464
Benefit changes	-	(476,713)	(185,975)
Difference between expected and actual experience	-	(8,805,534)	12,418,940
Assumption changes	-	27,445,379	-
Benefit payments	(31,099,736)	(33,243,393)	(35,536,696)
Refunds of contributions	(582,890)	(477,321)	(725,789)
Distribution to Gerald R. Ford International Airport Authority	-	-	(19,162,598)
Net change in total pension liability	<u>34,139,723</u>	<u>52,354,603</u>	<u>28,622,377</u>
Total pension liability, beginning of year	<u>717,437,965</u>	<u>751,577,688</u>	<u>803,932,291</u>
Total pension liability, end of year	<u>751,577,688</u>	<u>803,932,291</u>	<u>832,554,668</u>
Plan fiduciary net position			
Employer contributions	8,929,617	8,858,387	7,153,893
Employee contributions	9,209,179	9,364,823	9,131,552
Net investment income (loss)	47,055,073	(1,703,474)	55,834,263
Benefit payments	(31,099,736)	(33,243,393)	(35,536,696)
Administrative expense	(745,779)	(600,482)	(574,426)
Refunds of contributions	(582,890)	(477,321)	(725,789)
Distribution to Gerald R. Ford International Airport Authority	-	-	(19,162,598)
Net change in plan fiduciary net position	<u>32,765,464</u>	<u>(17,801,460)</u>	<u>16,120,199</u>
Plan fiduciary net position, beginning of year	<u>757,005,057</u>	<u>789,770,521</u>	<u>771,969,061</u>
Plan fiduciary net position, end of year	<u>789,770,521</u>	<u>771,969,061</u>	<u>788,089,260</u>
Net pension liability (asset)	<u>\$ (38,192,833)</u>	<u>\$ 31,963,230</u>	<u>\$ 44,465,408</u>
Plan fiduciary net position as a percentage of total pension liability	105.08%	96.02%	94.66%
Covered payroll ⁽¹⁾	<u>\$ 91,944,708</u>	<u>\$ 90,602,575</u>	<u>\$ 96,286,815</u>
Net pension liability (asset) as a percentage of covered payroll	-41.54%	35.28%	46.18%

⁽¹⁾ Valuation payroll as of the previous year ended December 31

See notes to the required supplementary information.

Year Ended December 31,			
2017	2018	2019	2020
\$ 16,899,725	\$ 17,404,156	\$ 18,181,774	\$ 19,484,646
57,510,730	59,367,396	59,926,039	62,655,769
-	-	-	-
(8,133,524)	5,037,610	6,788,289	(3,167,615)
-	169,077	-	-
(38,366,716)	(40,615,954)	(43,444,076)	(45,596,530)
(478,636)	(549,386)	(749,644)	(423,931)
-	-	-	-
<u>27,431,579</u>	<u>40,812,899</u>	<u>40,702,382</u>	<u>32,952,339</u>
<u>832,554,668</u>	<u>859,986,247</u>	<u>900,799,146</u>	<u>941,501,528</u>
<u>859,986,247</u>	<u>900,799,146</u>	<u>941,501,528</u>	<u>974,453,867</u>
8,965,098	8,939,628	9,007,032	12,005,262
9,275,253	9,315,169	9,602,636	10,603,354
130,100,983	(50,232,182)	155,017,171	103,391,931
(38,366,716)	(40,615,954)	(43,444,076)	(45,596,530)
(665,347)	(536,943)	(763,201)	(672,716)
(478,636)	(549,386)	(749,644)	(423,931)
-	-	-	-
<u>108,830,635</u>	<u>(73,679,668)</u>	<u>128,669,918</u>	<u>79,307,370</u>
<u>788,089,260</u>	<u>896,919,895</u>	<u>823,240,227</u>	<u>951,910,145</u>
<u>896,919,895</u>	<u>823,240,227</u>	<u>951,910,145</u>	<u>1,031,217,515</u>
<u>\$ (36,933,648)</u>	<u>\$ 77,558,919</u>	<u>\$ (10,408,617)</u>	<u>\$ (56,763,648)</u>
104.29%	91.39%	101.11%	105.83%
<u>\$ 88,577,675</u>	<u>\$ 91,815,718</u>	<u>\$ 97,993,092</u>	<u>\$ 97,618,555</u>
-41.70%	84.47%	-10.62%	-58.15%

COUNTY OF KENT, MICHIGAN

Required Supplementary Information

Employees' Retirement Plan

Schedule of the Net Pension Liability (Asset)

Year Ended December 31,	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)	Plan Fiduciary Net Position as Percentage of Total Pension Liability	Covered Payroll ⁽¹⁾	Net Pension Liability (Asset) as Percentage of Covered Payroll
2014	\$ 751,577,688	\$ 789,770,521	\$ (38,192,833)	105.08%	\$ 91,944,708	-41.54%
2015	803,932,291	771,969,061	31,963,230	96.02%	90,602,575	35.28%
2016	832,554,668	788,089,260	44,465,408	94.66%	96,286,815	46.18%
2017	859,986,247	896,919,895	(36,933,648)	104.29%	88,577,675	-41.70%
2018	900,799,146	823,240,227	77,558,919	91.39%	91,815,718	84.47%
2019	941,501,528	951,910,145	(10,408,617)	101.11%	97,993,092	-10.62%
2020	974,453,867	1,031,217,515	(56,763,648)	105.83%	97,618,555	-58.15%

⁽¹⁾ Valuation payroll as of the previous year ended December 31

See notes to the required supplementary information.

COUNTY OF KENT, MICHIGAN

Required Supplementary Information

Employees' Retirement Plan
 Schedule of Contributions

Year Ended December 31,	Actuarially Determined Contribution ⁽¹⁾	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as Percentage of Covered Payroll
2011	\$ 8,412,960	\$ 8,412,960	\$ -	\$ 90,889,046	9.26%
2012	8,547,559	8,547,559	-	91,209,371	9.37%
2013	9,741,061	9,741,061	-	91,944,708	10.59%
2014	8,929,617	8,929,617	-	90,602,575	9.86%
2015	8,858,387	8,858,387	-	96,286,815	9.20%
2016	7,153,893	7,153,893	-	88,577,675	8.08%
2017	8,965,098	8,965,098	-	91,815,718	9.76%
2018	8,939,628	8,939,628	-	97,993,092	9.12%
2019	9,007,032	9,007,032	-	97,618,555	9.23%
2020	12,005,262	12,005,262	-	104,840,613	11.45%

⁽¹⁾ The actuarially determined contribution was calculated based on projected covered payroll. Employer contributions were made in full based on actual covered payroll. Accordingly, the actuarially-determined contribution has been expressed above as a percentage of actual payroll.

See notes to the required supplementary information.

COUNTY OF KENT, MICHIGAN

Required Supplementary Information

Employees' Retirement Plan

Schedule of Investment Returns

Year Ended December 31,	Annual Return ⁽¹⁾
2014	6.34%
2015	-0.31%
2016	7.37%
2017	16.68%
2018	-5.75%
2019	19.01%
2020	10.97%

⁽¹⁾ Annual money-weighted rate of return, net of investment expenses

See notes to the required supplementary information.

COUNTY OF KENT, MICHIGAN

Required Supplementary Information

Voluntary Employees' Beneficiary Association (VEBA) Trust Fund
 Schedule of Changes in the County's Net OPEB Liability and Related Ratios

	Year Ended December 31,			
	2017	2018	2019	2020
Total OPEB liability				
Service cost	\$ 1,127,286	\$ 1,072,729	\$ 1,359,413	\$ 1,321,125
Interest	3,974,131	4,038,791	3,807,630	4,065,569
Changes in benefit terms	-	1,527,575	-	-
Differences between expected and actual experience	-	(5,733,050)	1,832,578	(1,722,740)
Changes of assumptions	2,759,510	711,496	-	-
Benefit payments, including refunds of employee contributions	(3,145,772)	(3,104,339)	(2,992,778)	(3,325,532)
Net change in total OPEB liability	<u>4,715,155</u>	<u>(1,486,798)</u>	<u>4,006,843</u>	<u>338,422</u>
Total OPEB liability, beginning of year	<u>53,997,661</u>	<u>58,712,816</u>	<u>57,226,018</u>	<u>61,232,861</u>
Total OPEB liability, end of year	<u>58,712,816</u>	<u>57,226,018</u>	<u>61,232,861</u>	<u>61,571,283</u>
Plan fiduciary net position				
Employer contributions	5,271,289	5,321,892	4,475,538	6,909,780
Net investment income (loss)	3,554,463	(1,599,916)	5,422,212	5,037,638
Benefit payments, including refunds of employee contributions	(3,145,772)	(3,104,339)	(2,992,778)	(3,325,532)
Administrative expense	(34,479)	(48,229)	(61,225)	(59,854)
Other	4,334	6,132	-	-
Net change in plan fiduciary net position	<u>5,649,835</u>	<u>575,540</u>	<u>6,843,747</u>	<u>8,562,032</u>
Plan fiduciary net position, beginning of year	<u>19,665,737</u>	<u>25,315,572</u>	<u>25,891,112</u>	<u>32,734,859</u>
Plan fiduciary net position, end of year	<u>25,315,572</u>	<u>25,891,112</u>	<u>32,734,859</u>	<u>41,296,891</u>
County's net OPEB liability	<u>\$ 33,397,244</u>	<u>\$ 31,334,906</u>	<u>\$ 28,498,002</u>	<u>\$ 20,274,392</u>
Plan fiduciary net position as a percentage of total OPEB liability	43.12%	45.24%	53.46%	67.07%
Covered payroll	<u>\$ 88,846,626</u>	<u>\$ 92,095,534</u>	<u>\$ 109,665,514</u>	<u>\$ 119,307,486</u>
County's net OPEB liability as a percentage of covered payroll	37.59%	34.02%	25.99%	16.99%

See notes to the required supplementary information.

COUNTY OF KENT, MICHIGAN

Required Supplementary Information

Voluntary Employees' Beneficiary Association (VEBA) Trust Fund
 Schedule of the Net OPEB Liability

Fiscal Year Ended December 31,	Total OPEB Liability	Plan Net Position	Net OPEB Liability	Plan Net Position as Percentage of Total OPEB Liability	Covered Payroll	Net OPEB Liability as Percentage of Covered Payroll
2017	\$ 58,712,816	\$ 25,315,572	\$ 33,397,244	43.12%	\$ 88,846,626	37.59%
2018	57,226,018	25,891,112	31,334,906	45.24%	92,095,534	34.02%
2019	61,232,861	32,734,859	28,498,002	53.46%	109,665,514	25.99%
2020	61,571,283	41,296,891	20,274,392	67.07%	119,307,486	16.99%

See notes to the required supplementary information.

COUNTY OF KENT, MICHIGAN

Required Supplementary Information

Voluntary Employees' Beneficiary Association (VEBA) Trust Fund
 Schedule of Contributions

Fiscal Year Ended December 31,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution (Deficiency) Excess	Covered Payroll	Contributions as Percentage of Covered Payroll
2017	\$ 3,394,981	\$ 5,271,289	\$ 1,876,308	\$ 88,846,626	5.93%
2018	3,151,965	5,321,892	2,169,927	92,095,534	5.78%
2019	2,908,628	4,475,538	1,566,910	109,665,514	4.08%
2020	3,513,339	6,909,780	3,396,441	119,307,486	5.79%

See notes to the required supplementary information.

COUNTY OF KENT, MICHIGAN

Required Supplementary Information

Voluntary Employees' Beneficiary Association (VEBA) Trust Fund
Schedule of Investment Returns

Fiscal Year Ended December 31,	Annual Return ⁽¹⁾
2017	17.76%
2018	-6.09%
2019	20.98%
2020	15.20%

⁽¹⁾ Annual money-weighted rate of return, net of investment expenses

See notes to the required supplementary information.

COUNTY OF KENT, MICHIGAN

Notes to the Required Supplemental Information

Budget Policy and Compliance

Budgets presented in the financial statements were prepared on the same basis as the accounting basis used to reflect actual results. The General Fund and special revenue funds are subject to legal budgetary accounting controls and all are budgeted annually. Debt service funds are also included in the budgetary process; however, State statutes do not require legally adopted budgets for such funds. The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The County Administrator submits to the Finance and Physical Resources Committee a proposed operating budget for the fiscal year commencing the first day of the following fiscal year.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to the first day of the following fiscal year, the budget is legally enacted through passage of a resolution.
4. Formal budgetary integration is employed for the governmental fund types as a management control device.
5. Budgets for the General Fund and special revenue funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
6. Budgets are adopted and are authorized by resolution at the department (activity) level within funds by the County Board of Commissioners. This is the local legal level of budgetary control. All unexpended and unobligated appropriations lapse at year-end.
7. Adoption and amendments of all budgets used by the County are governed by Public Act 621, which was followed during the year. The appropriations resolution is based on the projected expenditures budget of the department heads of the County. Any amendment to the original budget must meet the requirements of Public Act 621. Any revisions that alter the total expenditures of any fund must be approved by the County Board of Commissioners. The County Administrator is authorized to transfer budgeted amounts within an activity, subject to the condition that the total expenditures do not exceed the approved appropriations by activity. Supplemental appropriations were necessary during the year.

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 department (activity) level basis for all governmental funds, which is the legal level of control. The budgetary schedules presented in the financial statements are at a greater level of detail than the legal level of budgetary control. During the current year, there were no expenditures in excess of budgeted amounts.

The County issues a separate annual budgetary report which provides additional information on historical budget data.

COUNTY OF KENT, MICHIGAN

Notes to the Required Supplemental Information

Employees' Retirement Plan

Notes to the Schedule of Changes in the County's Net Pension Liability (Asset) and Related Ratios

The December 31, 2018 valuation incorporates assumption changes in accordance with the experience study dated November 8, 2018 and adopted by the Board on November 14, 2018. The adopted changes are summarized as follows: 6.75% investment return assumption; 3.50% wage inflation assumption; MP-2018 mortality projection scale; decrease retirement rates; decrease withdrawal rates.

The December 31, 2016 and 2015 valuations incorporate changes to the benefit provisions and assumptions as of the measurement date were reflected in the rolled-forward total pension liability. These changes include updates to the mortality assumption and the non-duty disability provision for certain groups.

The December 31, 2015 valuation incorporates assumption changes that had a significant impact on the total pension liability from the prior measurement date. The most significant changes were related to the non-duty disability provision and the member contribution rate for certain groups.

GASB 67 was implemented in 2014. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Notes to the Schedule of the Net Pension Liability (Asset)

GASB 67 was implemented in 2014. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Notes to the Schedule of Contributions

Valuation Date Actuarially determined contribution rates are calculated as of December 31, which is 12 months prior to the beginning of the fiscal year in which contributions are reported. The actuarial assumptions noted below relate to the most recent valuation, dated December 31, 2019. Changes in assumptions have been identified where applicable.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	20 years
Asset valuation method	4-year smoothed market
Inflation	3.5%
Salary increases	3.5%-10.5%, including inflation
Investment rate of return	6.75%

COUNTY OF KENT, MICHIGAN

Notes to the Required Supplemental Information

Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to the January 1, 2013 – December 31, 2017 Experience Study.
Mortality	The RP-2014 Mortality Tables with 2-dimensional, fully generational improvements projected with the MP-2018 Mortality Improvement Scales. These tables were first used for the December 31, 2018 valuation
Cost-of-living adjustment	Varies from 1% to 3%, depending on union

Other information

Notes	The Employer Contribution for FY 2020 was determined in the December 31, 2018 actuarial valuation.
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Notes to the Schedule of Investment Returns

GASB 67 was implemented in 2014. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Voluntary Employees' Beneficiary Association (VEBA) Trust Fund

Notes to the Schedule of Changes in the County's Net OPEB Liability and Related Ratios

The December 31, 2018 valuation incorporates assumption changes in accordance with the pension experience study dated November 8, 2018 and adopted by the Board on November 14, 2018. Further the healthcare specific assumptions were investigated in the experience study dated February 8, 2018. The adopted changes are summarized as follows: 6.75% investment return assumption; 3.50% wage inflation assumption; MP-2018 mortality projection scale; decrease retirement rates; decrease withdrawal rates; lowered election percentage assumptions; public act 202 healthcare trend assumption. The overall impact of the assumption changes increased the contribution rate by 0.25% and slightly reduced the funded ratio.

For the December 31, 2018 valuation a benefit change was reflected for future retirees: the maximum monthly flat dollar stipend increased from \$350 to \$400. The benefit change increased the employer contribution rate by 0.18% and slightly reduced the funded ratio.

The December 31, 2017 valuation incorporates assumption changes, including: reduced the assumed rate of return from 7.5% to 7.0%; changed the amortization period from 30 years open to 23 years closed; reset the health care trend rate to increase by 9.0% in 2018 and trending down to 4.0% in 2028.

GASB 74 was implemented in fiscal year 2017. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

COUNTY OF KENT, MICHIGAN

Notes to the Required Supplemental Information

Notes to the Schedule of the Net OPEB Liability

GASB 74 was implemented in fiscal year 2017. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Notes to the Schedule of Contributions

Valuation Date December 31 of the year prior to the fiscal year in which the contributions are expected to be made

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, Open
Remaining amortization period	22 years
Asset valuation method	Market value of assets
Price inflation	2.5%
Salary increases	3.5% to 10.5%, including inflation
Investment rate of return	6.75%, net of OPEB plan investment expense, including inflation
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to the January 1, 2013 – December 31, 2017 Experience Study for the Retirement Plan and Trust.
Mortality	The RP-2014 Mortality Tables with 2-dimensional, fully generational improvements projected with the MP-2018 Mortality Improvement Scales. These tables were first used for the December 31, 2018 valuation.
Health care trend rates	Non-Medicare: Trend starting at 8.5% and gradually decreasing to an ultimate trend rate of 4.50% in the 17th year. Medicare: Trend starting at 7.0% and gradually decreasing to an ultimate trend rate of 4.50% in the 17th year.
Aging factors	The tables used in developing the retiree premium are based on a recent Society of Actuaries study of health costs.
Expenses	Investment expenses are net of the investment returns; Administrative expenses are included in the premium costs

GASB 74 was implemented in fiscal year 2017. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Notes to the Schedule of Investment Returns

GASB 74 was implemented in fiscal year 2017. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

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COUNTY OF KENT, MICHIGAN

General Fund

The General Fund accounts for resources traditionally associated with the County which are not required to be accounted for in another fund.

COUNTY OF KENT, MICHIGAN

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 104,624,710	\$ 104,624,710	\$ 104,217,072	\$ (407,638)
Licenses and permits	30,000	30,000	30,390	390
Intergovernmental	23,533,577	23,533,577	21,979,434	(1,554,143)
Charges for services	29,173,822	29,173,822	27,863,660	(1,310,162)
Fines and forfeitures	1,510,500	1,510,500	985,379	(525,121)
Investment earnings	1,665,000	1,665,000	1,330,427	(334,573)
Contributions and reimbursements	5,304,150	5,304,150	5,352,173	48,023
Other	3,498,055	3,498,055	3,492,356	(5,699)
Total revenues	169,339,814	169,339,814	165,250,891	(4,088,923)
Expenditures				
Current:				
General government:				
Information technology	7,237,442	7,237,442	6,391,804	(845,638)
Courthouse	8,794,605	8,794,605	7,825,300	(969,305)
Administrator	1,644,169	1,612,829	1,488,405	(124,424)
Clerk	2,847,244	2,847,244	2,628,365	(218,879)
Buildings and grounds	889,578	889,578	848,268	(41,310)
Fiscal services	2,186,346	2,186,346	1,928,583	(257,763)
Boiler plant operation	986,932	986,932	724,514	(262,418)
Energy use reduction program	45,000	45,000	37,306	(7,694)
Facilities management	526,839	526,839	498,053	(28,786)
Equalization	1,601,894	1,601,894	1,548,934	(52,960)
Treasurer	1,278,918	1,278,918	1,278,918	-
Board of Commissioners	1,189,643	1,189,643	1,173,507	(16,136)
Human resources	1,979,773	1,979,773	1,891,615	(88,158)
Buildings and grounds - 82 Ionia	984,897	984,897	736,739	(248,158)
Buildings and grounds - HSC	1,004,039	1,004,039	811,733	(192,306)
Purchasing	593,781	593,781	591,428	(2,353)
Elections	651,107	651,107	639,237	(11,870)
Audit	130,000	130,000	101,900	(28,100)
Management studies	199,000	280,312	244,938	(35,374)
Facilities management - district court	217,601	217,601	198,531	(19,070)
Central services	888,704	888,704	834,788	(53,916)
Buildings and ground - veterans' services	31,100	31,100	24,545	(6,555)
Facilities management - cooperative extension	55,314	55,314	33,786	(21,528)
Corporate counsel	117,500	117,500	114,936	(2,564)
Fleet services	621,060	621,060	469,900	(151,160)
Total general government	36,702,486	36,752,458	33,066,033	(3,686,425)
Public safety:				
Jail	39,911,577	34,319,577	33,291,893	(1,027,684)
Sheriff and road patrol	22,184,439	19,976,346	19,774,693	(201,653)
E-911	5,634,781	4,834,781	3,952,470	(882,311)
Total public safety	67,730,797	59,130,704	57,019,056	(2,111,648)

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COUNTY OF KENT, MICHIGAN

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Expenditures (continued)				
Current (continued):				
Health and welfare:				
Intergovernmental	\$ 3,775,943	\$ 3,775,943	\$ 3,773,280	\$ (2,663)
Prevention programming	1,455,000	1,455,000	1,427,526	(27,474)
Medical examiners	2,084,638	2,084,638	1,673,022	(411,616)
Department of Health and Human Services	484,338	484,338	483,989	(349)
Area Agency on Aging	15,560	15,560	15,560	-
Total health and welfare	7,815,479	7,815,479	7,373,377	(442,102)
Culture and recreation:				
Parks	6,147,176	6,124,176	5,834,644	(289,532)
John Ball Zoological Gardens	21,448	21,448	21,448	-
Total culture and recreation	6,168,624	6,145,624	5,856,092	(289,532)
Judicial:				
District court	3,269,902	3,269,902	3,147,086	(122,816)
Probate court	1,594,436	1,595,986	1,463,816	(132,170)
Circuit and family court	16,097,887	16,097,887	14,235,282	(1,862,605)
Probation	40,465	40,465	23,158	(17,307)
Prosecuting attorney	5,133,073	5,225,073	5,162,745	(62,328)
Law library	22,000	22,000	21,477	(523)
Total judicial	26,157,763	26,251,313	24,053,564	(2,197,749)
Community and economic development:				
Economic development	200,000	200,000	200,000	-
Cooperative extension	482,047	482,047	472,041	(10,006)
Register of deeds	637,047	637,047	496,262	(140,785)
Total community and economic development	1,319,094	1,319,094	1,168,303	(150,791)
Public works:				
Drain Commission	710,513	653,996	619,126	(34,870)
Drains at large	50,000	106,517	106,517	-
Total public works	760,513	760,513	725,643	(34,870)
Total expenditures	146,654,756	138,175,185	129,262,068	(8,913,117)
Revenues over expenditures	22,685,058	31,164,629	35,988,823	4,824,194

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COUNTY OF KENT, MICHIGAN

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual - General Fund
 For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Other financing sources (uses)				
Transfers in	\$ 20,534,338	\$ 20,534,338	\$ 19,134,338	\$ (1,400,000)
Transfers out	(47,727,860)	(56,250,860)	(53,771,478)	(2,479,382)
Proceeds from sale of capital assets	15,200	15,200	402,171	386,971
Total other financing sources (uses)	<u>(27,178,322)</u>	<u>(35,701,322)</u>	<u>(34,234,969)</u>	<u>1,466,353</u>
Net change in fund balance	(4,493,264)	(4,536,693)	1,753,854	6,290,547
Fund balance, beginning of year	80,778,430	80,778,430	80,778,430	-
Fund balance, end of year	<u>\$ 76,285,166</u>	<u>\$ 76,241,737</u>	<u>\$ 82,532,284</u>	<u>\$ 6,290,547</u>

concluded

COUNTY OF KENT, MICHIGAN

Nonmajor Governmental Funds

Special Revenue Funds

Fire Prevention Fund – accounts for the acquisition of fire trucks for participating local units of government. Financing is provided by participating units and General Fund appropriations.

Friend of the Court Fund – accounts for revenue and expenditures of the Friend of the Court office as required in Public Acts 294 – 298 of 1982. This fund also accounts for administration of the Title IV-D cooperative reimbursement program.

Health Fund – accounts for specific revenue set aside for the purpose of providing health protection for people within the County. Revenues are provided through state and federal grants and General Fund appropriations.

Lodging Excise Tax Fund – accounts for expenditures incurred in promoting Kent County and maintaining, acquiring, or constructing its public convention and entertainment facilities. Revenues are provided by the excise tax on transient room rentals.

Ready by Five Millage Fund – accounts for the proceeds of a dedicated millage levied to support services provided for early childhood development.

Register of Deeds Automation Fund – accounts for funds set aside under provisions of Public Act 698 of 2002 (MCL 600.2568) for upgrading technology in the Register of Deeds' office.

Indigent Defense Fund – accounts for earmarked state grant revenue to provide indigent defendants in criminal cases with effective assistance of counsel. This fund is required by the Michigan Indigent Defense Commission (MIDC) Act, Public Act 93 of 2013, as amended.

Central Dispatch Collection Fund – accounts for the collection of 911 surcharge revenue on mobile and other phone devices, and disbursement of such funds to the Kent County Dispatch Authority.

Concealed Pistol License Fund – accounts for the deposit of fees collected for the County Clerk under the Firearms Act 372 of 1927 (MCL 28.425x) for the regulation and licensing of certain firearms.

Local Corrections Officers Training Fund – accounts for the deposit of booking fees charged to each inmate when first admitted into the County jail. The booking fee, when collected, is used as a source of revenue for local correctional officers training programs. The County retains \$10 of the \$12 booking fee and the remaining \$2 is required to be remitted to the State.

Drug Forfeiture Fund – accounts for revenue awarded to the County related to assets seized from activities involved in the violation of controlled substances statutes, Public Act 135 of 1985 (MCL 333.7523). Authorized expenditures include expenses of seizure, forfeiture and sale of property. The balance remaining must be used to enhance law enforcement efforts.

State Project Fund – accounts for the expenditures and revenues of various activities financed by restricted grants of the State. Projects lengths vary from annually renewable to multi-year.

COUNTY OF KENT, MICHIGAN

Nonmajor Governmental Funds

Project Fund – accounts for the expenditures and revenues of various activities financed primarily by restricted grants or special revenues from sources other than the State and Federal government. Projects are renewable annually.

LTD Project Fund – accounts for the expenditures and revenues of various activities financed primarily by restricted grants or special revenues from sources other than the State and Federal government. Projects are multi-year.

Federal Project Fund – accounts for the expenditures and revenues of various activities financed by restricted grants of the Federal government. Project lengths vary from annually renewable to multi-year.

Community Development Federal Project Fund – accounts for the improvement, rehabilitation and preservation of public facilities in target areas as well as the issuance and repayment of rehabilitation loans. Financing is provided by Community Development Block Grants and program income.

Kent County Community Action Funds – accounts for the expenditures and revenues of various activities financed by restricted grants of the State and Federal governments, as well as local contributions. Project lengths vary from annually renewable to multi-year.

Child Care Fund – accounts for the care of neglected, abused and delinquent juveniles. Revenues are provided through state reimbursements and General Fund appropriations.

Veterans' Millage Fund – accounts for the proceeds of a dedicated millage levied to plan, coordinate, evaluate and provide services to qualified veterans.

Debt Service Funds

General Debt Service Fund – accounts for the retirement of principal and related interest and fiscal charges on long-term debt issued to fund various capital acquisitions within the County. Financing for the Human Services Complex is supported by a lease with the State of Michigan and the City of Grand Rapids.

Building Authority Debt Service Fund – accounts for the retirement of principal and related interest and fiscal charges on long-term debt of the Kent County Building Authority. Such buildings currently include the sheriff's building and the courthouse. Financing for the correctional facility is supported by a dedicated tax millage paid by County property owners.

Capital Projects Funds

Bond Capital Improvement Fund – accounts for construction projects funded by bonds which currently includes various building and land acquisitions within Kent County.

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COUNTY OF KENT, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2020

	Special Revenue Funds			
	Fire Prevention (206)	Friend of the Court (215)	Health (221)	Lodging Excise Tax (229)
Assets				
Cash, investments, and accrued interest	\$ 209,661	\$ -	\$ 2,764,806	\$ 3,748,334
Receivables, net:				
Accounts	-	-	747,620	257,172
Property taxes	-	-	-	-
Due from other governments	-	1,060,370	2,670,497	-
Loans	-	-	-	-
Due from other funds	-	147,099	1,923,719	4,000,000
Inventories	-	-	334,337	-
Prepays	190,329	-	-	-
Total assets	<u>\$ 399,990</u>	<u>\$ 1,207,469</u>	<u>\$ 8,440,979</u>	<u>\$ 8,005,506</u>
Liabilities				
Accounts payable	\$ 7,714	\$ 31,772	\$ 2,058,434	\$ 107,071
Accrued liabilities	-	447,932	1,010,985	5,260
Due to other governments	-	-	-	-
Due to other funds	-	477,765	3,185,695	-
Unearned revenue	-	-	1,485,867	-
Total liabilities	<u>7,714</u>	<u>957,469</u>	<u>7,740,981</u>	<u>112,331</u>
Deferred inflows of resources				
Property taxes levied for subsequent period	-	-	-	-
Unavailable revenue - loans receivable	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances				
Nonspendable	190,329	-	186,233	-
Restricted	201,947	-	-	7,893,175
Assigned	-	250,000	513,765	-
Total fund balances	<u>392,276</u>	<u>250,000</u>	<u>699,998</u>	<u>7,893,175</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 399,990</u>	<u>\$ 1,207,469</u>	<u>\$ 8,440,979</u>	<u>\$ 8,005,506</u>

Special Revenue Funds

Ready by Five Millage (253)	Register of Deeds Automation (256)	Indigent Defense (260)	Central Dispatch Collection (261)	Concealed Pistol License (263)	Local Corrections Officers Training (264)	Drug Forfeiture (265)
\$ 8,746,045	\$ 669,602	\$ 3,552,317	\$ 1,147,174	\$ 529,239	\$ 375,812	\$ 493,404
-	-	-	1,881,092	-	-	-
5,236,510	-	-	-	-	-	-
459,734	-	277,281	284,056	-	-	-
-	-	-	-	-	-	-
-	55	2,446,701	86,650	-	-	4,908
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 14,442,289</u>	<u>\$ 669,657</u>	<u>\$ 6,276,299</u>	<u>\$ 3,398,972</u>	<u>\$ 529,239</u>	<u>\$ 375,812</u>	<u>\$ 498,312</u>
\$ 375,772	\$ 34,632	\$ 322,179	\$ 2,172,567	\$ 2,074	\$ 4,347	\$ 24,502
-	6,871	34,920	-	4,712	202	4,554
-	-	-	-	-	-	-
49	9,416	-	86,650	1,035	-	2,975
-	-	-	-	-	-	-
<u>375,821</u>	<u>50,919</u>	<u>357,099</u>	<u>2,259,217</u>	<u>7,821</u>	<u>4,549</u>	<u>32,031</u>
6,112,340	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>6,112,340</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
7,954,128	618,738	5,919,200	10,761	521,418	371,263	466,281
-	-	-	1,128,994	-	-	-
<u>7,954,128</u>	<u>618,738</u>	<u>5,919,200</u>	<u>1,139,755</u>	<u>521,418</u>	<u>371,263</u>	<u>466,281</u>
<u>\$ 14,442,289</u>	<u>\$ 669,657</u>	<u>\$ 6,276,299</u>	<u>\$ 3,398,972</u>	<u>\$ 529,239</u>	<u>\$ 375,812</u>	<u>\$ 498,312</u>

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COUNTY OF KENT, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2020

	Special Revenue Funds			
	State Project (272)	Project (279)	LTD Project (280)	Federal Project (282)
Assets				
Cash, investments, and accrued interest	\$ -	\$ 134	\$ 2,241,852	\$ -
Receivables, net:				
Accounts	-	-	-	23,738
Property taxes	-	-	-	-
Due from other governments	746,446	1,444,167	10,000	516,587
Loans	-	-	-	-
Due from other funds	31,227	653,167	55,862	147,238
Inventories	-	-	-	-
Prepays	-	-	-	-
Total assets	<u>\$ 777,673</u>	<u>\$ 2,097,468</u>	<u>\$ 2,307,714</u>	<u>\$ 687,563</u>
Liabilities				
Accounts payable	\$ 200,724	\$ 716,286	\$ 51,751	\$ 44,352
Accrued liabilities	69,364	570,254	2,585	139,762
Due to other governments	-	-	-	812
Due to other funds	457,585	577,066	-	445,765
Unearned revenue	50,000	37,500	491	-
Total liabilities	<u>777,673</u>	<u>1,901,106</u>	<u>54,827</u>	<u>630,691</u>
Deferred inflows of resources				
Property taxes levied for subsequent period	-	-	-	-
Unavailable revenue - loans receivable	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances				
Nonspendable	-	-	-	-
Restricted	-	195,678	629,784	56,872
Assigned	-	684	1,623,103	-
Total fund balances	<u>-</u>	<u>196,362</u>	<u>2,252,887</u>	<u>56,872</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 777,673</u>	<u>\$ 2,097,468</u>	<u>\$ 2,307,714</u>	<u>\$ 687,563</u>

Special Revenue Funds				Debt Service Funds	
Community Development Federal Project (283)	Kent County Community Action (284, 285, 286)	Child Care (292)	Veterans' Millage (293)	General Debt Service (301)	Building Authority (369)
\$ -	\$ 142,086	\$ -	\$ 1,160,965	\$ -	\$ -
15,802	21,402	-	-	-	-
-	-	-	1,034,331	-	-
1,399,230	1,225,592	4,566,240	18,025	-	-
445,532	-	-	-	-	-
4,009	111,914	600,100	331,831	-	-
-	1,521,126	-	-	-	-
-	1,312	-	1,980	-	-
<u>\$ 1,864,573</u>	<u>\$ 3,023,432</u>	<u>\$ 5,166,340</u>	<u>\$ 2,547,132</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 977,269	\$ 293,582	\$ 722,527	\$ 319,078	\$ -	\$ -
13,885	103,748	719,960	37,324	-	-
66,950	110,640	49,805	-	-	-
233,868	461,008	3,424,048	498	-	-
127,069	1,951,393	-	-	-	-
<u>1,419,041</u>	<u>2,920,371</u>	<u>4,916,340</u>	<u>356,900</u>	<u>-</u>	<u>-</u>
-	-	-	1,187,808	-	-
445,532	-	-	-	-	-
<u>445,532</u>	<u>-</u>	<u>-</u>	<u>1,187,808</u>	<u>-</u>	<u>-</u>
-	1,312	-	1,980	-	-
-	101,749	-	1,000,444	-	-
-	-	250,000	-	-	-
<u>-</u>	<u>103,061</u>	<u>250,000</u>	<u>1,002,424</u>	<u>-</u>	<u>-</u>
<u>\$ 1,864,573</u>	<u>\$ 3,023,432</u>	<u>\$ 5,166,340</u>	<u>\$ 2,547,132</u>	<u>\$ -</u>	<u>\$ -</u>

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COUNTY OF KENT, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2020

	Capital Projects Fund	
	Bond Capital Improvement (401)	Total
Assets		
Cash, investments, and accrued interest	\$ 2,581,989	\$ 28,363,420
Receivables, net:		
Accounts	-	2,946,826
Property taxes	-	6,270,841
Due from other governments	-	14,678,225
Loans	-	445,532
Due from other funds	-	10,544,480
Inventories	-	1,855,463
Prepays	-	193,621
Total assets	<u>\$ 2,581,989</u>	<u>\$ 65,298,408</u>
Liabilities		
Accounts payable	\$ -	\$ 8,466,633
Accrued liabilities	-	3,172,318
Due to other governments	-	228,207
Due to other funds	-	9,363,423
Unearned revenue	-	3,652,320
Total liabilities	<u>-</u>	<u>24,882,901</u>
Deferred inflows of resources		
Property taxes levied for subsequent period	-	7,300,148
Unavailable revenue - loans receivable	-	445,532
Total deferred inflows of resources	<u>-</u>	<u>7,745,680</u>
Fund balances		
Nonspendable	-	379,854
Restricted	2,581,989	28,523,427
Assigned	-	3,766,546
Total fund balances	<u>2,581,989</u>	<u>32,669,827</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,581,989</u>	<u>\$ 65,298,408</u>

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COUNTY OF KENT, MICHIGAN

Combining Statement of Revenues, Expenditures
 and Changes in Fund Balances - Nonmajor Governmental Funds
 For the Year Ended December 31, 2020

	Special Revenue Funds			
	Fire Prevention (206)	Friend of the Court (215)	Health (221)	Lodging Excise Tax (229)
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ 5,107,828
Licenses and permits	-	-	863,441	-
Intergovernmental	263,697	6,910,566	13,564,759	-
Charges for services	-	1,000,913	2,040,417	-
Fines and forfeitures	-	216,675	74,168	6,496
Investment earnings	6,591	-	-	102,704
Contributions and reimbursements	164,585	-	3,650,021	-
Other	-	-	1,101,689	-
Total revenues	<u>434,873</u>	<u>8,128,154</u>	<u>21,294,495</u>	<u>5,217,028</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	843,080	-	-	-
Health and welfare	-	-	26,425,629	-
Judicial	-	9,942,933	-	-
Community and economic development	-	-	-	8,743,550
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>843,080</u>	<u>9,942,933</u>	<u>26,425,629</u>	<u>8,743,550</u>
Revenues over (under) expenditures	<u>(408,207)</u>	<u>(1,814,779)</u>	<u>(5,131,134)</u>	<u>(3,526,522)</u>
Other financing sources (uses)				
Transfers in	260,000	1,802,129	5,131,141	4,000,000
Transfers out	-	-	-	-
Proceeds from sale of capital assets	63,206	12,650	-	-
Total other financing sources (uses)	<u>323,206</u>	<u>1,814,779</u>	<u>5,131,141</u>	<u>4,000,000</u>
Net change in fund balances	<u>(85,001)</u>	<u>-</u>	<u>7</u>	<u>473,478</u>
Fund balances, beginning of year	<u>477,277</u>	<u>250,000</u>	<u>699,991</u>	<u>7,419,697</u>
Fund balances, end of year	<u>\$ 392,276</u>	<u>\$ 250,000</u>	<u>\$ 699,998</u>	<u>\$ 7,893,175</u>

Special Revenue Funds

Ready by Five Millage (253)	Register of Deeds Automation (256)	Indigent Defense (260)	Central Dispatch Collection (261)	Concealed Pistol License (263)	Local Corrections Officers Training (264)	Drug Forfeiture (265)
\$ 5,899,464	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	260,920	-	-
235,030	-	2,701,858	-	-	-	-
-	634,190	-	8,997,794	-	99,733	-
-	-	-	-	-	-	503,268
117,621	7,662	16,955	20,885	5,305	4,371	2,565
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>6,252,115</u>	<u>641,852</u>	<u>2,718,813</u>	<u>9,018,679</u>	<u>266,225</u>	<u>104,104</u>	<u>505,833</u>
-	780,897	-	-	106,496	-	-
-	-	-	6,969,156	-	61,443	168,499
3,639,710	-	-	-	-	-	-
-	-	4,840,146	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>3,639,710</u>	<u>780,897</u>	<u>4,840,146</u>	<u>6,969,156</u>	<u>106,496</u>	<u>61,443</u>	<u>168,499</u>
<u>2,612,405</u>	<u>(139,045)</u>	<u>(2,121,333)</u>	<u>2,049,523</u>	<u>159,729</u>	<u>42,661</u>	<u>337,334</u>
-	-	2,446,701	-	-	-	-
-	(9,416)	-	(1,692,300)	-	-	-
-	-	-	-	-	-	-
-	(9,416)	2,446,701	(1,692,300)	-	-	-
2,612,405	(148,461)	325,368	357,223	159,729	42,661	337,334
5,341,723	767,199	5,593,832	782,532	361,689	328,602	128,947
<u>\$ 7,954,128</u>	<u>\$ 618,738</u>	<u>\$ 5,919,200</u>	<u>\$ 1,139,755</u>	<u>\$ 521,418</u>	<u>\$ 371,263</u>	<u>\$ 466,281</u>

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COUNTY OF KENT, MICHIGAN

Combining Statement of Revenues, Expenditures
 and Changes in Fund Balances - Nonmajor Governmental Funds
 For the Year Ended December 31, 2020

	Special Revenue Funds			
	State Project (272)	Project (279)	LTD Project (280)	Federal Project (282)
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	2,584,111	394,989	143,281	2,017,087
Charges for services	-	7,341,094	55,965	-
Fines and forfeitures	-	-	-	-
Investment earnings	-	2,064	15,702	-
Contributions and reimbursements	-	405,208	220,397	628
Other	-	-	-	-
Total revenues	<u>2,584,111</u>	<u>8,143,355</u>	<u>435,345</u>	<u>2,017,715</u>
Expenditures				
Current:				
General government	-	201,625	147,060	-
Public safety	482,374	8,106,550	47,341	423,155
Health and welfare	138,003	633,377	288,894	119,054
Judicial	2,170,001	-	5,232	3,413,480
Community and economic development	-	-	37,033	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>2,790,378</u>	<u>8,941,552</u>	<u>525,560</u>	<u>3,955,689</u>
Revenues over (under) expenditures	<u>(206,267)</u>	<u>(798,197)</u>	<u>(90,215)</u>	<u>(1,937,974)</u>
Other financing sources (uses)				
Transfers in	206,267	758,223	268,513	1,937,974
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>206,267</u>	<u>758,223</u>	<u>268,513</u>	<u>1,937,974</u>
Net change in fund balances	-	(39,974)	178,298	-
Fund balances, beginning of year	-	236,336	2,074,589	56,872
Fund balances, end of year	<u>\$ -</u>	<u>\$ 196,362</u>	<u>\$ 2,252,887</u>	<u>\$ 56,872</u>

Special Revenue Funds				Debt Service Funds	
Community Development Federal Project (283)	Kent County Community Action (284, 285, 286)	Child Care (292)	Veterans' Millage (293)	General Debt Service (301)	Building Authority (369)
\$ -	\$ -	\$ -	\$ 1,148,668	\$ -	\$ -
-	-	-	-	-	-
5,135,808	4,480,372	12,175,545	45,737	-	-
-	-	287,881	-	-	-
-	-	-	-	-	-
-	1,192	-	19,931	-	-
83,123	3,240	39,471	4,725	-	-
-	-	-	-	-	5,106,165
<u>5,218,931</u>	<u>4,484,804</u>	<u>12,502,897</u>	<u>1,219,061</u>	<u>-</u>	<u>5,106,165</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	4,667,488	26,858,540	1,515,518	-	-
-	-	-	-	-	-
5,227,649	-	-	-	-	-
-	-	-	-	6,063,077	3,775,000
-	-	-	-	3,673,755	1,331,165
-	-	-	-	-	-
<u>5,227,649</u>	<u>4,667,488</u>	<u>26,858,540</u>	<u>1,515,518</u>	<u>9,736,832</u>	<u>5,106,165</u>
<u>(8,718)</u>	<u>(182,684)</u>	<u>(14,355,643)</u>	<u>(296,457)</u>	<u>(9,736,832)</u>	<u>-</u>
8,718	203,171	14,355,643	300,000	9,736,832	-
-	-	-	-	-	-
-	11,300	-	-	-	-
<u>8,718</u>	<u>214,471</u>	<u>14,355,643</u>	<u>300,000</u>	<u>9,736,832</u>	<u>-</u>
-	31,787	-	3,543	-	-
-	71,274	250,000	998,881	-	-
<u>\$ -</u>	<u>\$ 103,061</u>	<u>\$ 250,000</u>	<u>\$ 1,002,424</u>	<u>\$ -</u>	<u>\$ -</u>

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COUNTY OF KENT, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds For the Year Ended December 31, 2020

	Capital Projects Fund	
	Bond Capital Improvement (401)	Total
Revenues		
Taxes	\$ -	\$ 12,155,960
Licenses and permits	-	1,124,361
Intergovernmental	-	50,652,840
Charges for services	-	20,457,987
Fines and forfeitures	-	800,607
Investment earnings	49,971	373,519
Contributions and reimbursements	-	4,571,398
Other	-	6,207,854
Total revenues	<u>49,971</u>	<u>96,344,526</u>
Expenditures		
Current:		
General government	-	1,236,078
Public safety	-	17,101,598
Health and welfare	-	64,286,213
Judicial	-	20,371,792
Community and economic development	-	14,008,232
Debt service:		
Principal	-	9,838,077
Interest and fiscal charges	-	5,004,920
Capital outlay	2,180,746	2,180,746
Total expenditures	<u>2,180,746</u>	<u>134,027,656</u>
Revenues over (under) expenditures	<u>(2,130,775)</u>	<u>(37,683,130)</u>
Other financing sources (uses)		
Transfers in	-	41,415,312
Transfers out	(224)	(1,701,940)
Proceeds from sale of capital assets	-	87,156
Total other financing sources (uses)	<u>(224)</u>	<u>39,800,528</u>
Net change in fund balances	(2,130,999)	2,117,398
Fund balances, beginning of year	4,712,988	30,552,429
Fund balances, end of year	<u>\$ 2,581,989</u>	<u>\$ 32,669,827</u>

concluded

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual

Fire Prevention Fund (206)

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	275,000	275,000	263,697	(11,303)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	5,500	5,500	6,591	1,091
Contributions and reimbursements	200,000	366,984	164,585	(202,399)
Other	-	-	-	-
Total revenues	480,500	647,484	434,873	(212,611)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	916,560	879,145	843,080	(36,065)
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	916,560	879,145	843,080	(36,065)
Revenues over (under) expenditures	(436,060)	(231,661)	(408,207)	(176,546)
Other financing sources (uses)				
Transfers in	260,000	260,000	260,000	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	32,400	32,400	63,206	30,806
Total other financing sources (uses)	292,400	292,400	323,206	30,806
Net change in fund balances	(143,660)	60,739	(85,001)	(145,740)
Fund balances, beginning of year	477,277	477,277	477,277	-
Fund balances, end of year	\$ 333,617	\$ 538,016	\$ 392,276	\$ (145,740)

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual - Budgetary Basis

Friend of the Court Fund (215)

For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	7,320,520	7,320,520	6,875,692	(444,828)
Charges for services	877,000	877,000	970,617	93,617
Fines and forfeitures	191,000	191,000	203,601	12,601
Investment earnings	-	-	-	-
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	8,388,520	8,388,520	8,049,910	(338,610)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	10,528,374	10,528,374	9,815,211	(713,163)
Community and economic development	-	-	-	-
Total expenditures	10,528,374	10,528,374	9,815,211	(713,163)
Revenues over (under) expenditures	(2,139,854)	(2,139,854)	(1,765,301)	374,553
Other financing sources (uses)				
Transfers in	2,136,854	2,136,854	1,757,826	(379,028)
Transfers out	-	-	-	-
Proceeds from sale of capital assets	3,000	3,000	7,475	4,475
Total other financing sources (uses)	2,139,854	2,139,854	1,765,301	(374,553)
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual - Budgetary Basis

Health Fund (221)

For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	799,600	799,600	874,504	74,904
Intergovernmental	12,283,704	14,231,650	12,400,931	(1,830,719)
Charges for services	3,006,196	3,006,196	2,204,731	(801,465)
Fines and forfeitures	141,375	141,375	86,665	(54,710)
Investment earnings	-	-	-	-
Contributions and reimbursements	4,461,764	4,461,764	3,738,548	(723,216)
Other	1,047,698	1,949,389	1,166,158	(783,231)
Total revenues	21,740,337	24,589,974	20,471,537	(4,118,437)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	30,888,128	33,861,905	26,379,174	(7,482,731)
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	30,888,128	33,861,905	26,379,174	(7,482,731)
Revenues over (under) expenditures	(9,147,791)	(9,271,931)	(5,907,637)	3,364,294
Other financing sources (uses)				
Transfers in	8,457,634	8,572,341	5,907,637	(2,664,704)
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	8,457,634	8,572,341	5,907,637	(2,664,704)
Net change in fund balances	\$ (690,157)	\$ (699,590)	\$ -	\$ 699,590

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual

Lodging Excise Tax Fund (229)

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 12,500,000	\$ 12,500,000	\$ 5,107,828	\$ (7,392,172)
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	100	100	-	(100)
Fines and forfeitures	10,000	10,000	6,496	(3,504)
Investment earnings	150,000	150,000	102,704	(47,296)
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	<u>12,660,100</u>	<u>12,660,100</u>	<u>5,217,028</u>	<u>(7,443,072)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	10,089,164	10,089,164	8,743,550	(1,345,614)
Total expenditures	<u>10,089,164</u>	<u>10,089,164</u>	<u>8,743,550</u>	<u>(1,345,614)</u>
Revenues over (under) expenditures	<u>2,570,936</u>	<u>2,570,936</u>	<u>(3,526,522)</u>	<u>(6,097,458)</u>
Other financing sources (uses)				
Transfers in	-	4,000,000	4,000,000	-
Transfers out	(1,000,000)	(1,000,000)	-	(1,000,000)
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>(1,000,000)</u>	<u>3,000,000</u>	<u>4,000,000</u>	<u>1,000,000</u>
Net change in fund balances	<u>1,570,936</u>	<u>5,570,936</u>	<u>473,478</u>	<u>(5,097,458)</u>
Fund balances, beginning of year	<u>7,419,697</u>	<u>7,419,697</u>	<u>7,419,697</u>	<u>-</u>
Fund balances, end of year	<u>\$ 8,990,633</u>	<u>\$ 12,990,633</u>	<u>\$ 7,893,175</u>	<u>\$ (5,097,458)</u>

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual

Ready by Five Millage Fund (253)

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 5,907,966	\$ 5,907,966	\$ 5,899,464	\$ (8,502)
Licenses and permits	-	-	-	-
Intergovernmental	150,000	150,000	235,030	85,030
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	100	100	117,621	117,521
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	6,058,066	6,058,066	6,252,115	194,049
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	6,058,066	3,639,810	3,639,710	(100)
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	6,058,066	3,639,810	3,639,710	(100)
Revenues over (under) expenditures	-	2,418,256	2,612,405	194,149
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	2,418,256	2,612,405	194,149
Fund balances, beginning of year	5,341,723	5,341,723	5,341,723	-
Fund balances, end of year	\$ 5,341,723	\$ 7,759,979	\$ 7,954,128	\$ 194,149

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual

Register of Deeds Automation Fund (256)

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	525,000	525,000	634,190	109,190
Fines and forfeitures	-	-	-	-
Investment earnings	21,000	21,000	7,662	(13,338)
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	<u>546,000</u>	<u>546,000</u>	<u>641,852</u>	<u>95,852</u>
Expenditures				
Current:				
General government	630,990	780,897	780,897	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	<u>630,990</u>	<u>780,897</u>	<u>780,897</u>	<u>-</u>
Revenues over (under) expenditures	<u>(84,990)</u>	<u>(234,897)</u>	<u>(139,045)</u>	<u>95,852</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	(9,416)	(9,416)	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(9,416)</u>	<u>(9,416)</u>	<u>-</u>
Net change in fund balances	<u>(84,990)</u>	<u>(244,313)</u>	<u>(148,461)</u>	<u>95,852</u>
Fund balances, beginning of year	<u>767,199</u>	<u>767,199</u>	<u>767,199</u>	<u>-</u>
Fund balances, end of year	<u>\$ 682,209</u>	<u>\$ 522,886</u>	<u>\$ 618,738</u>	<u>\$ 95,852</u>

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual - Budgetary Basis

Indigent Defense Fund (260)

For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	4,204,200	4,128,335	4,128,335	-
Charges for services	134,720	134,720	-	(134,720)
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	8,843	8,843
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	<u>4,338,920</u>	<u>4,263,055</u>	<u>4,137,178</u>	<u>(125,877)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	6,788,019	6,904,218	4,628,523	(2,275,695)
Community and economic development	-	-	-	-
Total expenditures	<u>6,788,019</u>	<u>6,904,218</u>	<u>4,628,523</u>	<u>(2,275,695)</u>
Revenues over (under) expenditures	<u>(2,449,099)</u>	<u>(2,641,163)</u>	<u>(491,345)</u>	<u>2,149,818</u>
Other financing sources (uses)				
Transfers in	2,449,099	2,449,097	2,449,097	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>2,449,099</u>	<u>2,449,097</u>	<u>2,449,097</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (192,066)</u>	<u>\$ 1,957,752</u>	<u>\$ 2,149,818</u>

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual

Central Dispatch Collection Fund (261)

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	8,446,600	9,000,556	8,997,794	(2,762)
Fines and forfeitures	-	-	-	-
Investment earnings	7,500	7,500	20,885	13,385
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	8,454,100	9,008,056	9,018,679	10,623
Expenditures				
Current:				
General government	-	-	-	-
Public safety	6,411,500	6,969,156	6,969,156	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	6,411,500	6,969,156	6,969,156	-
Revenues over (under) expenditures	2,042,600	2,038,900	2,049,523	10,623
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(1,696,000)	(1,692,300)	(1,692,300)	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	(1,696,000)	(1,692,300)	(1,692,300)	-
Net change in fund balances	346,600	346,600	357,223	10,623
Fund balances, beginning of year	782,532	782,532	782,532	-
Fund balances, end of year	\$ 1,129,132	\$ 1,129,132	\$ 1,139,755	\$ 10,623

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual

Concealed Pistol License Fund (263)

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	150,000	150,000	260,920	110,920
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	3,000	3,000	5,305	2,305
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	153,000	153,000	266,225	113,225
Expenditures				
Current:				
General government	114,359	114,359	106,496	(7,863)
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	114,359	114,359	106,496	(7,863)
Revenues over (under) expenditures	38,641	38,641	159,729	121,088
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	38,641	38,641	159,729	121,088
Fund balances, beginning of year	361,689	361,689	361,689	-
Fund balances, end of year	\$ 400,330	\$ 400,330	\$ 521,418	\$ 121,088

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual

Local Corrections Officers Training Fund (264)

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	175,000	175,000	99,733	(75,267)
Fines and forfeitures	-	-	-	-
Investment earnings	2,000	2,000	4,371	2,371
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	<u>177,000</u>	<u>177,000</u>	<u>104,104</u>	<u>(72,896)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	267,475	267,475	61,443	(206,032)
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	<u>267,475</u>	<u>267,475</u>	<u>61,443</u>	<u>(206,032)</u>
Revenues over (under) expenditures	<u>(90,475)</u>	<u>(90,475)</u>	<u>42,661</u>	<u>133,136</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(90,475)</u>	<u>(90,475)</u>	<u>42,661</u>	<u>133,136</u>
Fund balances, beginning of year	<u>328,602</u>	<u>328,602</u>	<u>328,602</u>	<u>-</u>
Fund balances, end of year	<u>\$ 238,127</u>	<u>\$ 238,127</u>	<u>\$ 371,263</u>	<u>\$ 133,136</u>

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual

Drug Forfeiture Fund (265)

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	273,002	273,002	503,268	230,266
Investment earnings	500	500	2,565	2,065
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	273,502	273,502	505,833	232,331
Expenditures				
Current:				
General government	-	-	-	-
Public safety	310,101	310,101	168,499	(141,602)
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	310,101	310,101	168,499	(141,602)
Revenues over (under) expenditures	(36,599)	(36,599)	337,334	373,933
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(36,599)	(36,599)	337,334	373,933
Fund balances, beginning of year	128,947	128,947	128,947	-
Fund balances, end of year	\$ 92,348	\$ 92,348	\$ 466,281	\$ 373,933

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual - Budgetary Basis

State Project Fund (272)

For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	2,291,755	2,809,297	2,581,326	(227,971)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	-	-
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	<u>2,291,755</u>	<u>2,809,297</u>	<u>2,581,326</u>	<u>(227,971)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	411,985	494,445	456,562	(37,883)
Health and welfare	-	221,082	138,003	(83,079)
Culture and recreation	-	-	-	-
Judicial	2,125,149	2,339,149	2,177,750	(161,399)
Community and economic development	-	-	-	-
Total expenditures	<u>2,537,134</u>	<u>3,054,676</u>	<u>2,772,315</u>	<u>(282,361)</u>
Revenues over (under) expenditures	<u>(245,379)</u>	<u>(245,379)</u>	<u>(190,989)</u>	<u>54,390</u>
Other financing sources (uses)				
Transfers in	245,379	245,379	190,989	(54,390)
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>245,379</u>	<u>245,379</u>	<u>190,989</u>	<u>(54,390)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual

Project Fund (279)

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	588,942	487,393	394,989	(92,404)
Charges for services	10,313,134	10,313,134	7,341,094	(2,972,040)
Fines and forfeitures	-	-	-	-
Investment earnings	2,197	2,064	2,064	-
Contributions and reimbursements	254,984	394,511	405,208	10,697
Other	-	-	-	-
Total revenues	11,159,257	11,197,102	8,143,355	(3,053,747)
Expenditures				
Current:				
General government	127,809	202,809	201,625	(1,184)
Public safety	11,637,521	11,569,787	8,106,550	(3,463,237)
Health and welfare	572,900	633,377	633,377	-
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	12,338,230	12,405,973	8,941,552	(3,464,421)
Revenues over (under) expenditures	(1,178,973)	(1,208,871)	(798,197)	410,674
Other financing sources (uses)				
Transfers in	1,150,907	1,150,907	758,223	(392,684)
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	1,150,907	1,150,907	758,223	(392,684)
Net change in fund balances	(28,066)	(57,964)	(39,974)	17,990
Fund balances, beginning of year	236,336	236,336	236,336	-
Fund balances, end of year	\$ 208,270	\$ 178,372	\$ 196,362	\$ 17,990

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual

LTD Project Fund (280)

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	225,300	105,281	143,281	38,000
Charges for services	68,000	58,579	55,965	(2,614)
Fines and forfeitures	-	-	-	-
Investment earnings	7,650	7,650	15,702	8,052
Contributions and reimbursements	72,046	132,230	220,397	88,167
Other	4,000	1,865	-	(1,865)
Total revenues	376,996	305,605	435,345	129,740
Expenditures				
Current:				
General government	581,754	147,060	147,060	-
Public safety	5,595	47,341	47,341	-
Health and welfare	18,312	288,894	288,894	-
Culture and recreation	49,919	-	-	-
Judicial	177,557	5,232	5,232	-
Community and economic development	46,446	37,033	37,033	-
Total expenditures	879,583	525,560	525,560	-
Revenues over (under) expenditures	(502,587)	(219,955)	(90,215)	129,740
Other financing sources (uses)				
Transfers in	366,746	268,513	268,513	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	366,746	268,513	268,513	-
Net change in fund balances	(135,841)	48,558	178,298	129,740
Fund balances, beginning of year	2,074,589	2,074,589	2,074,589	-
Fund balances, end of year	\$ 1,938,748	\$ 2,123,147	\$ 2,252,887	\$ 129,740

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual - Budgetary Basis

Federal Project Fund (282)

For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	1,787,275	2,672,824	1,866,415	(806,409)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	-	-
Contributions and reimbursements	1,000	1,000	596	(404)
Other	-	-	-	-
Total revenues	<u>1,788,275</u>	<u>2,673,824</u>	<u>1,867,011</u>	<u>(806,813)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	202,975	688,992	376,257	(312,735)
Health and welfare	125,000	126,532	126,532	-
Culture and recreation	-	-	-	-
Judicial	3,453,125	3,851,125	3,283,679	(567,446)
Community and economic development	-	-	-	-
Total expenditures	<u>3,781,100</u>	<u>4,666,649</u>	<u>3,786,468</u>	<u>(880,181)</u>
Revenues over (under) expenditures	<u>(1,992,825)</u>	<u>(1,992,825)</u>	<u>(1,919,457)</u>	<u>73,368</u>
Other financing sources (uses)				
Transfers in	1,992,825	1,992,825	1,919,457	(73,368)
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>1,992,825</u>	<u>1,992,825</u>	<u>1,919,457</u>	<u>(73,368)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual - Budgetary Basis

Community Development Federal Project Fund (283)

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	4,310,900	8,415,084	3,091,751	(5,323,333)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	-	-
Contributions and reimbursements	100,000	70,003	70,003	-
Other	-	-	-	-
Total revenues	<u>4,410,900</u>	<u>8,485,087</u>	<u>3,161,754</u>	<u>(5,323,333)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	4,410,900	8,485,087	3,161,754	(5,323,333)
Total expenditures	<u>4,410,900</u>	<u>8,485,087</u>	<u>3,161,754</u>	<u>(5,323,333)</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual - Budgetary Basis

Kent County Community Action Fund (284)

For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	2,050,715	3,800,369	1,618,446	(2,181,923)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	53	53
Contributions and reimbursements	1,075	1,075	308	(767)
Other	-	-	-	-
Total revenues	<u>2,051,790</u>	<u>3,801,444</u>	<u>1,618,807</u>	<u>(2,182,637)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	2,233,926	4,007,066	1,660,371	(2,346,695)
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	<u>2,233,926</u>	<u>4,007,066</u>	<u>1,660,371</u>	<u>(2,346,695)</u>
Revenues over (under) expenditures	<u>(182,136)</u>	<u>(205,622)</u>	<u>(41,564)</u>	<u>164,058</u>
Other financing sources (uses)				
Transfers in	182,136	205,622	49,929	(155,693)
Transfers out	-	(418,039)	(418,039)	-
Proceeds from sale of capital assets	-	-	11,300	11,300
Total other financing sources (uses)	<u>182,136</u>	<u>(212,417)</u>	<u>(356,810)</u>	<u>(144,393)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (418,039)</u>	<u>\$ (398,374)</u>	<u>\$ 19,665</u>

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual - Budgetary Basis

Kent County Community Action Fund (285)

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	867,399	881,151	597,758	(283,393)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	315	315
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	867,399	881,151	598,073	(283,078)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	867,399	881,151	593,047	(288,104)
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	867,399	881,151	593,047	(288,104)
Revenues over (under) expenditures	-	-	5,026	5,026
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ 5,026	\$ 5,026

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual - Budgetary Basis

Kent County Community Action Fund (286)

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	553,099	2,196,252	1,448,112	(748,140)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	1,066	1,066
Contributions and reimbursements	5,200	5,200	3,032	(2,168)
Other	-	-	-	-
Total revenues	<u>558,299</u>	<u>2,201,452</u>	<u>1,452,210</u>	<u>(749,242)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	703,794	2,346,947	1,586,589	(760,358)
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	<u>703,794</u>	<u>2,346,947</u>	<u>1,586,589</u>	<u>(760,358)</u>
Revenues over (under) expenditures	<u>(145,495)</u>	<u>(145,495)</u>	<u>(134,379)</u>	<u>11,116</u>
Other financing sources (uses)				
Transfers in	145,495	145,495	145,495	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>145,495</u>	<u>145,495</u>	<u>145,495</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,116</u>	<u>\$ 11,116</u>

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual - Budgetary Basis

Child Care Fund (292)

For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	13,732,210	13,582,210	12,046,331	(1,535,879)
Charges for services	203,000	203,000	323,679	120,679
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	-	-
Contributions and reimbursements	100,000	100,000	57,941	(42,059)
Other	-	-	-	-
Total revenues	14,035,210	13,885,210	12,427,951	(1,457,259)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	29,670,337	29,520,337	26,985,104	(2,535,233)
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	29,670,337	29,520,337	26,985,104	(2,535,233)
Revenues over (under) expenditures	(15,635,127)	(15,635,127)	(14,557,153)	1,077,974
Other financing sources (uses)				
Transfers in	15,635,127	15,635,127	14,557,153	(1,077,974)
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	15,635,127	15,635,127	14,557,153	(1,077,974)
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual

Veterans' Millage Fund (293)

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 1,187,560	\$ 1,187,560	\$ 1,148,668	\$ (38,892)
Licenses and permits	-	-	-	-
Intergovernmental	18,000	18,000	45,737	27,737
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	18,000	18,000	19,931	1,931
Contributions and reimbursements	100	100	4,725	4,625
Other	-	-	-	-
Total revenues	<u>1,223,660</u>	<u>1,223,660</u>	<u>1,219,061</u>	<u>(4,599)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	1,523,660	1,523,660	1,515,518	(8,142)
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	<u>1,523,660</u>	<u>1,523,660</u>	<u>1,515,518</u>	<u>(8,142)</u>
Revenues over (under) expenditures	<u>(300,000)</u>	<u>(300,000)</u>	<u>(296,457)</u>	<u>3,543</u>
Other financing sources (uses)				
Transfers in	300,000	300,000	300,000	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
Net change in fund balances	-	-	3,543	3,543
Fund balances, beginning of year	<u>998,881</u>	<u>998,881</u>	<u>998,881</u>	<u>-</u>
Fund balances, end of year	<u>\$ 998,881</u>	<u>\$ 998,881</u>	<u>\$ 1,002,424</u>	<u>\$ 3,543</u>

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COUNTY OF KENT, MICHIGAN

Internal Service Funds

Employee Benefits Funds

Health Fund – accounts for the costs of providing healthcare benefits to employees.

Dental Fund – accounts for the costs of providing dental benefits to employees.

Unemployment Fund – accounts for the costs of providing unemployment benefits to employees.

Risk Management Funds

Property and Liability Fund – accounts for the County's property and liability self-insurance.

Workers' Compensation Fund – accounts for the County's workers' compensation self-insurance.

Sick and Accident Fund – accounts for the County's sick and accident self-insurance.

Other Internal Service Funds

Motor Pool Fund – accounts for the purchase of capital vehicles and rental to various County departments.

Equipment Pool Fund – accounts for the purchase of capital equipment and rental to various County departments.

COUNTY OF KENT, MICHIGAN

Combining Statement of Net Position

Internal Service Funds

December 31, 2020

	Employee Benefits		
	Health (677-6711 / 677-6712)	Dental (677-6714)	Unemployment (677-6715)
Assets			
Current assets:			
Cash, investments, and accrued interest	\$ 9,525,655	\$ 473,418	\$ 209,161
Accounts receivable, net	1,315,736	57,196	1,018
Due from other governments	-	-	-
Due from other funds	-	-	-
Prepays	-	-	-
Total current assets	10,841,391	530,614	210,179
Noncurrent assets:			
Capital assets being depreciated, net	-	-	-
Total assets	10,841,391	530,614	210,179
Liabilities			
Accounts payable	248,381	51,379	30,024
Accrued liabilities	978,448	127,110	-
Due to other funds	-	-	-
Total liabilities (all current)	1,226,829	178,489	30,024
Net position			
Investment in capital assets	-	-	-
Unrestricted	9,614,562	352,125	180,155
Total net position	\$ 9,614,562	\$ 352,125	\$ 180,155



Risk Management					
Property and Liability (677-6713)	Workers' Compensation (677-6716)	Sick and Accident Plan (677-6717)	Motor Pool (661)	Equipment Pool (664)	Total
\$ 3,711,208	\$ 930,111	\$ 443,862	\$ 606,528	\$ 660,638	\$ 16,560,581
100,000	246,224	28,177	-	-	1,748,351
1,000	-	19,250	-	-	20,250
-	-	-	270	-	270
786,910	107,145	-	-	-	894,055
<u>4,599,118</u>	<u>1,283,480</u>	<u>491,289</u>	<u>606,798</u>	<u>660,638</u>	<u>19,223,507</u>
-	-	-	463,044	165,088	628,132
<u>4,599,118</u>	<u>1,283,480</u>	<u>491,289</u>	<u>1,069,842</u>	<u>825,726</u>	<u>19,851,639</u>
70,544	12,302	-	52,150	9,725	474,505
2,564,425	346,282	-	-	-	4,016,265
35,837	-	-	74,139	-	109,976
<u>2,670,806</u>	<u>358,584</u>	<u>-</u>	<u>126,289</u>	<u>9,725</u>	<u>4,600,746</u>
-	-	-	463,044	165,088	628,132
<u>1,928,312</u>	<u>924,896</u>	<u>491,289</u>	<u>480,509</u>	<u>650,913</u>	<u>14,622,761</u>
<u>\$ 1,928,312</u>	<u>\$ 924,896</u>	<u>\$ 491,289</u>	<u>\$ 943,553</u>	<u>\$ 816,001</u>	<u>\$ 15,250,893</u>

COUNTY OF KENT, MICHIGAN

Combining Statement of Revenues, Expenses and

Changes in Fund Net Position

Internal Service Funds

For the Year Ended December 31, 2020

	Employee Benefits		
	Health (677-6711 / 677-6712)	Dental (677-6714)	Unemployment (677-6715)
Operating revenues			
Charges for services	\$ 21,799,597	\$ 1,741,778	\$ 27,651
Operating expenses			
Salaries and fringes	-	-	-
Contractual services	-	69,371	-
Benefit payments and refunds	21,626,381	1,353,003	30,024
Depreciation	-	-	-
Other	-	-	-
Total operating expenses	<u>21,626,381</u>	<u>1,422,374</u>	<u>30,024</u>
Operating income (loss)	173,216	319,404	(2,373)
Nonoperating revenues			
Investment earnings	<u>137,079</u>	<u>4,077</u>	<u>2,513</u>
Income (loss) before transfers	310,295	323,481	140
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	310,295	323,481	140
Net position, beginning of year	<u>9,304,267</u>	<u>28,644</u>	<u>180,015</u>
Net position, end of year	<u>\$ 9,614,562</u>	<u>\$ 352,125</u>	<u>\$ 180,155</u>

Risk Management					
Property and Liability (677-6713)	Workers' Compensation (677-6716)	Sick and Accident Plan (677-6717)	Motor Pool (661)	Equipment Pool (664)	Total
\$ 3,845,020	\$ 421,375	\$ 825,347	\$ 97,148	\$ 202,450	\$ 28,960,366
120,419	-	-	-	-	120,419
29,494	29,950	41,137	-	-	169,952
1,384,728	549,664	652,389	-	-	25,596,189
-	-	-	67,010	131,011	198,021
977,283	141,645	-	-	79,459	1,198,387
2,511,924	721,259	693,526	67,010	210,470	27,282,968
1,333,096	(299,884)	131,821	30,138	(8,020)	1,677,398
552,880	14,254	4,937	7,052	7,583	730,375
1,885,976	(285,630)	136,758	37,190	(437)	2,407,773
-	-	-	261,900	-	261,900
1,885,976	(285,630)	136,758	299,090	(437)	2,669,673
42,336	1,210,526	354,531	644,463	816,438	12,581,220
\$ 1,928,312	\$ 924,896	\$ 491,289	\$ 943,553	\$ 816,001	\$ 15,250,893

COUNTY OF KENT, MICHIGAN

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended December 31, 2020

	Employee Benefits		
	Health (677-6711 / 677-6712)	Dental (677-6714)	Unemployment (677-6715)
Cash flows from operating activities			
Receipts from customers and users	\$ 21,599,664	\$ 1,713,126	\$ 28,915
Payments to vendors	-	(69,371)	-
Payments for personnel services	-	-	(22,768)
Benefit payments	(21,798,391)	(1,337,826)	(30,024)
Net cash provided by (used in) operating activities	(198,727)	305,929	(23,877)
Cash flows from noncapital financing activities			
Transfers from other funds	-	-	-
Cash flows from capital and related financing activities			
Purchase of capital assets	-	-	-
Cash flows from investing activities			
Interest received on investments	137,079	4,077	2,513
Net change in cash and cash equivalents	(61,648)	310,006	(21,364)
Cash and cash equivalents, beginning of year	9,587,303	163,412	230,525
Cash and cash equivalents, end of year	\$ 9,525,655	\$ 473,418	\$ 209,161
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ 173,216	\$ 319,404	\$ (2,373)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	-	-	-
Change in:			
Accounts receivable	(199,933)	(28,652)	1,264
Due from other governments	-	-	-
Due from other funds	-	-	-
Prepays	-	-	-
Accounts payable	(116,866)	8,466	(22,768)
Accrued liabilities	(55,144)	6,711	-
Due to other funds	-	-	-
Net cash provided by (used in) operating activities	\$ (198,727)	\$ 305,929	\$ (23,877)

Risk Management					
Property and Liability (677-6713)	Workers' Compensation (677-6716)	Sick and Accident Plan (677-6717)	Motor Pool (661)	Equipment Pool (664)	Total
\$ 4,044,020	\$ 389,146	\$ 810,095	\$ 226,513	\$ 202,450	\$ 29,013,929
(1,236,710)	(179,507)	(41,137)	-	(96,257)	(1,622,982)
(120,419)	-	-	-	-	(143,187)
(990,551)	(593,823)	(665,780)	-	-	(25,416,395)
1,696,340	(384,184)	103,178	226,513	106,193	1,831,365
-	-	-	261,900	-	261,900
-	-	-	(318,248)	(22,019)	(340,267)
552,880	14,254	4,937	7,052	7,583	730,375
2,249,220	(369,930)	108,115	177,217	91,757	2,483,373
1,461,988	1,300,041	335,747	429,311	568,881	14,077,208
<u>\$ 3,711,208</u>	<u>\$ 930,111</u>	<u>\$ 443,862</u>	<u>\$ 606,528</u>	<u>\$ 660,638</u>	<u>\$ 16,560,581</u>
\$ 1,333,096	\$ (299,884)	\$ 131,821	\$ 30,138	\$ (8,020)	\$ 1,677,398
-	-	-	67,010	131,011	198,021
-	(32,229)	(15,252)	-	-	(274,802)
(1,000)	-	-	-	-	(1,000)
200,000	-	-	3,076	-	203,076
(228,973)	(18,264)	-	-	-	(247,237)
(36,797)	10,352	(13,391)	52,150	(16,798)	(135,652)
394,177	(44,159)	-	-	-	301,585
35,837	-	-	74,139	-	109,976
<u>\$ 1,696,340</u>	<u>\$ (384,184)</u>	<u>\$ 103,178</u>	<u>\$ 226,513</u>	<u>\$ 106,193</u>	<u>\$ 1,831,365</u>

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COUNTY OF KENT, MICHIGAN

Fiduciary Funds

Pension and Other Postemployment Benefits Trust Funds

Pension Trust Fund – accounts for the activity of the Employees' Retirement Plan, a defined-benefit pension plan, which accumulates resources for retiree benefit payments to qualified employees.

Other Postemployment Benefits Trust Fund – accounts for the activity of the Voluntary Employees' Beneficiary Association (VEBA), a defined-benefit postemployment healthcare plan, which accumulates resources for retiree health insurance subsidies to qualified employees.

COUNTY OF KENT, MICHIGAN

Combining Statement of Fiduciary Net Position

Pension and Other Postemployment Benefits Trust Funds

December 31, 2020

	Pension Trust Fund	VEBA Trust Fund	Total
Assets			
Cash and cash equivalents	\$ -	\$ 2,023,378	\$ 2,023,378
Contributions receivable	1,210,481	389,112	1,599,593
Interest receivable	689,663	-	689,663
Due from brokers	847,787	-	847,787
Investments, at fair value:			
U.S. government obligations	34,940,815	-	34,940,815
U.S. government agency obligations	489,730	-	489,730
Municipal obligations	659,845	-	659,845
Corporate obligations	42,776,427	-	42,776,427
Common stock	433,494,153	-	433,494,153
Foreign obligations	10,652,282	-	10,652,282
Foreign common stock	4,096,689	-	4,096,689
Money market funds	21,868,992	-	21,868,992
International equity mutual funds	196,311,629	8,331,998	204,643,627
Domestic equity mutual funds	-	16,152,572	16,152,572
Domestic fixed income mutual funds	-	6,582,969	6,582,969
International fixed income mutual funds	147,842,935	7,266,088	155,109,023
Real estate and infrastructure securities	70,304,162	1,028,691	71,332,853
Asset-backed securities	10,125,368	-	10,125,368
Mortgage-backed securities fund	61,228,703	-	61,228,703
Total investments	<u>1,034,791,730</u>	<u>39,362,318</u>	<u>1,074,154,048</u>
Total assets	<u>1,037,539,661</u>	<u>41,774,808</u>	<u>1,079,314,469</u>
Liabilities			
Accounts payable	775,942	477,917	1,253,859
Due to brokers	5,546,204	-	5,546,204
Total liabilities	<u>6,322,146</u>	<u>477,917</u>	<u>6,800,063</u>
Net position			
Restricted for:			
Employees' pension benefits	1,031,217,515	-	1,031,217,515
Other postemployment benefits	-	41,296,891	41,296,891
Total net position	<u>\$ 1,031,217,515</u>	<u>\$ 41,296,891</u>	<u>\$ 1,072,514,406</u>

COUNTY OF KENT, MICHIGAN

Combining Statement of Changes in Fiduciary Net Position

Pension and Other Postemployment Benefits Trust Funds

For the Year Ended December 31, 2020

	Pension Trust Fund	VEBA Trust Fund	Total
Additions			
Contributions:			
Employer	\$ 12,005,262	\$ 5,429,793	\$ 17,435,055
Employer - implicit rate subsidy	-	1,479,987	1,479,987
Plan members	10,603,354	-	10,603,354
	<u>22,608,616</u>	<u>6,909,780</u>	<u>29,518,396</u>
Investment earnings:			
Net appreciation in fair value of securities	94,794,628	4,511,399	99,306,027
Interest	62,131	610,480	672,611
Dividends	11,730,050	-	11,730,050
Total investment income	106,586,809	5,121,879	111,708,688
Investment expense	(3,194,878)	(84,241)	(3,279,119)
	<u>103,391,931</u>	<u>5,037,638</u>	<u>108,429,569</u>
Total additions	<u>126,000,547</u>	<u>11,947,418</u>	<u>137,947,965</u>
Deductions			
Benefit payments	45,596,530	1,845,545	47,442,075
Benefit payments - implicit rate subsidy	-	1,479,987	1,479,987
Administrative expenses	672,716	59,854	732,570
Refunds of contributions	423,931	-	423,931
	<u>46,693,177</u>	<u>3,385,386</u>	<u>50,078,563</u>
Total deductions	<u>46,693,177</u>	<u>3,385,386</u>	<u>50,078,563</u>
Change in net position	79,307,370	8,562,032	87,869,402
Net position, beginning of year	951,910,145	32,734,859	984,645,004
Net position, end of year	<u>\$ 1,031,217,515</u>	<u>\$ 41,296,891</u>	<u>\$ 1,072,514,406</u>

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COUNTY OF KENT, MICHIGAN

Drainage Districts Component Unit

The drainage districts consist of over 500 individual districts created for alleviating drainage problems. Each drainage district accounts for the construction, maintenance, and financing costs associated with its drain program. Each individual district is a separate legal entity with power to assess the benefiting communities, including the County and the State of Michigan, for road drainage. The Kent County Drain Commissioner manages the drainage districts with the Kent County Board of Commissioners exercising legislative oversight. The County is a direct beneficiary of the service provided and its employees run the day-to-day operations. In addition, the County often pledges its full faith and credit for the long-term debt of the drainage districts.

COUNTY OF KENT, MICHIGAN

Combining Balance Sheet

Drainage Districts Component Unit

December 31, 2020

	Governmental Funds			
	Special Revenue	Debt Service	Capital Projects	Total
Assets				
Cash, investments, and accrued interest	\$ 2,211,448	\$ 12,287	\$ 5,094,675	\$ 7,318,410
Special assessments receivable	7,149,062	-	-	7,149,062
Due from other governments	74,293	-	-	74,293
Prepays	-	1,000	-	1,000
Total assets	<u>\$ 9,434,803</u>	<u>\$ 13,287</u>	<u>\$ 5,094,675</u>	<u>\$ 14,542,765</u>
Liabilities				
Accounts payable	\$ 131,132	\$ 500	\$ 16,425	\$ 148,057
Due to primary government	1,394,616	-	-	1,394,616
Advances from primary government	389,160	-	-	389,160
Unearned revenue	157,506	-	-	157,506
Total liabilities	<u>2,072,414</u>	<u>500</u>	<u>16,425</u>	<u>2,089,339</u>
Deferred inflows of resources				
Unavailable revenue - special assessments receivable	7,149,062	-	-	7,149,062
Fund balances				
Nonspendable	-	1,000	-	1,000
Restricted	-	11,787	5,078,250	5,090,037
Committed	213,327	-	-	213,327
Total fund balances	<u>213,327</u>	<u>12,787</u>	<u>5,078,250</u>	<u>5,304,364</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,434,803</u>	<u>\$ 13,287</u>	<u>\$ 5,094,675</u>	<u>\$ 14,542,765</u>

COUNTY OF KENT, MICHIGAN

Reconciliation

Fund Balances for Governmental Funds
to Net Position of Component Units
Drainage Districts Component Unit
December 31, 2020

Fund balances - total governmental funds \$ 5,304,364

Amounts reported for the *component unit* in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources, and therefore are not reported in the fund statement.

Capital assets not being depreciated	7,919,296
Capital assets being depreciated, net	5,983,494

Certain assets, such as assessments receivable from local units, are not due and receivable in the current period and therefore are offset with deferred inflows of resources in the fund statement.

Deferred inflows for special assessments receivable	7,149,062
---	-----------

Certain liabilities, such as bonds payable, are not due and payable in the current period, and therefore are not reported in the funds.

Bonds payable	(10,735,000)
Bond premiums, net	(1,406,395)
Accrued interest on bonds payable	<u>(79,608)</u>

Net position of component unit \$ 14,135,213

COUNTY OF KENT, MICHIGAN

Combining Statement of Revenues, Expenditures

and Changes in Fund Balances

Drainage Districts Component Unit

For the Year Ended December 31, 2020

	Governmental Funds			
	Special Revenue	Debt Service	Capital Projects	Total
Revenues				
Intergovernmental:				
Operating grants	\$ 1,859,261	\$ 1,311,796	\$ -	\$ 3,171,057
Capital grants	1,060,418	-	-	1,060,418
Investment earnings	32,324	165	65,625	98,114
Total revenues	<u>2,952,003</u>	<u>1,311,961</u>	<u>65,625</u>	<u>4,329,589</u>
Expenditures				
Current:				
General government	4,006,280	-	201,378	4,207,658
Debt service:				
Principal	-	805,000	-	805,000
Interest and fiscal charges	10,521	508,295	-	518,816
Total expenditures	<u>4,016,801</u>	<u>1,313,295</u>	<u>201,378</u>	<u>5,531,474</u>
Change in fund balances	(1,064,798)	(1,334)	(135,753)	(1,201,885)
Fund balances, beginning of year	<u>1,278,125</u>	<u>14,121</u>	<u>5,214,003</u>	<u>6,506,249</u>
Fund balances, end of year	<u>\$ 213,327</u>	<u>\$ 12,787</u>	<u>\$ 5,078,250</u>	<u>\$ 5,304,364</u>

COUNTY OF KENT, MICHIGAN

Reconciliation

Net Changes in Fund Balances of Governmental Funds
to Change in Net Position of Component Units
Drainage Districts Component Unit
For the Year Ended December 31, 2020

Net change in fund balances - total governmental funds \$ (1,201,885)

Amounts reported for the *component unit* in the statement of activities are different because:

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

Depreciation expense	(712,684)
Capital assets purchased/constructed	839,656

Special assessments receivable are long-term in nature and are collectable over several years. However, the current receipts are reflected as revenues on the fund statements.

Change in deferred inflows of resources for special assessments receivable	(732,959)
--	-----------

Bond proceeds provide current financial resources to governmental funds in the period issued, but issuing bonds increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal payments on long-term liabilities	805,000
Amortization of deferred charge on bond refunding	(33,246)
Amortization of bond premium	95,666
Change in accrued interest payable on bonds payable	4,858

Change in net position of component unit \$ (935,594)

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STATISTICAL SECTION

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COUNTY OF KENT, MICHIGAN

Statistical Section Table of Contents

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

		<u>Page</u>
Financial Trends Tables 1 - 4	These schedules contain trend information to help the reader understand and evaluate how the County’s financial condition, performance and well-being have changed over time.	214
Revenue Capacity Tables 5 - 8	These schedules contain information to help the reader assess the County’s ability to generate its most significant local revenue source, the property tax.	226
Debt Capacity Tables 9 - 12	These schedules present information to help the reader assess the affordability of the County’s current levels of outstanding debt and its ability to issue additional debt in the future.	234
Demographic and Economic Information Tables 13 - 14	These schedules present various demographic and economic indicators to help the reader understand the environment within which the County operates and how they affect the County’s financial activities.	242
Operating Information Tables 15 - 17	These schedules contain information about the County’s operations and resources to help the reader understand how the information in the County’s financial report relates to the services the County provides and the activities it performs.	246

COUNTY OF KENT, MICHIGAN

Net Position By Component Last Ten Fiscal Years (Unaudited)

<i>December 31,</i>	2020	2019	2018	2017 ⁽⁴⁾
Governmental Activities				
Net investment in capital assets	\$ 209,720,320	\$ 196,646,702	\$ 181,071,887	\$ 166,022,017
Restricted	43,795,073	42,578,405	26,286,651	22,033,504
Unrestricted	80,857,415	41,562,599	45,368,761	72,207,515
Total Governmental Activities Net Position	334,372,808	280,787,706	252,727,299	260,263,036
Business-type Activities				
Net investment in capital assets	44,302,293	43,039,033	40,470,296	42,330,098
Restricted	6,691,728	6,785,567	7,306,693	7,633,013
Unrestricted	63,130,840	58,074,113	58,748,669	55,618,810
Total Business-type Activities Net Position	114,124,861	107,898,713	106,525,658	105,581,921
Primary Government				
Net investment in capital assets	254,022,613	239,685,735	221,542,183	208,352,115
Restricted	50,486,801	49,363,972	33,593,344	29,666,517
Unrestricted	143,988,255	99,636,712	104,117,430	127,826,325
Total Primary Government Net Position	\$ 448,497,669	\$ 388,686,419	\$ 359,252,957	\$ 365,844,957

⁽¹⁾ GASB 63 and 65 were implemented for the fiscal year ended December 31, 2012. This resulted in a change renaming net assets to net position and invested in capital assets, net of related debt to net investment in capital assets. As a result of implementation, bond issuance costs have been eliminated. Prior years were not restated.

⁽²⁾ GASB 68 was implemented for the fiscal year ended December 31, 2015. This resulted in presentation of the County's net pension liability on the statement of net position. Prior years were not restated.

⁽³⁾ Effective July 1, 2016, operations of the Kent County Airport were transferred to a legally-separate authority. The Authority is reported as a discretely-presented component unit and is not included in the table above.

⁽⁴⁾ GASB 75 was implemented for the fiscal year ended December 31, 2017. This resulted in presentation of the County's net OPEB liability on the statement of net position. Prior years were not restated.

Table 1

2016 ⁽³⁾	2015 ⁽²⁾	2014	2013	2012 ⁽¹⁾	2011
\$ 169,625,052	\$ 144,841,222	\$ 137,317,974	\$ 134,749,571	\$ 132,497,037	\$ 132,742,530
15,660,065	12,429,488	15,008,391	14,939,951	13,656,864	14,617,082
107,209,919	119,734,209	84,106,474	83,654,458	84,608,441	83,495,633
292,495,036	277,004,919	236,432,839	233,343,980	230,762,342	230,855,245
41,693,740	204,739,054	194,890,258	187,333,318	187,567,730	193,838,321
7,191,825	36,058,623	36,074,751	33,112,338	29,953,688	26,260,691
56,181,965	85,352,356	80,190,415	74,976,292	76,767,194	67,636,081
105,067,530	326,150,033	311,155,424	295,421,948	294,288,612	287,735,093
211,318,792	349,580,276	332,208,232	322,082,889	320,064,767	326,580,851
22,851,890	48,488,111	51,083,142	48,052,289	43,610,552	40,877,773
163,391,884	205,086,565	164,296,889	158,630,750	161,375,635	151,131,714
\$ 397,562,566	\$ 603,154,952	\$ 547,588,263	\$ 528,765,928	\$ 525,050,954	\$ 518,590,338

COUNTY OF KENT, MICHIGAN

Changes in Net Position Last Ten Fiscal Years (Unaudited)

<i>Fiscal Year Ended December 31,</i>	2020	2019	2018	2017
Primary Government Expenses				
Governmental activities:				
General government	\$ 54,020,162	\$ 37,806,709	\$ 37,702,435	\$ 42,862,570
Public safety	87,709,328	96,210,088	114,428,078	97,192,006
Health and welfare	99,995,881	85,750,320	71,226,745	70,223,101
Cultural and recreation	18,111,214	18,753,539	17,099,832	15,563,307
Judicial	41,334,970	42,798,692	46,040,382	34,698,720
Community and economic development	60,809,969	11,136,156	14,269,821	12,554,063
Public works	808,594	683,478	664,910	-
Interest and fiscal charges	3,742,616	4,651,833	5,335,224	6,238,433
Total governmental activities expenses	366,532,734	297,790,815	306,767,427	279,332,200
Business-type activities:				
Airport operations	-	-	-	-
Public works	35,476,856	40,991,239	37,298,349	35,381,206
Delinquent tax collection and administration	882,892	937,812	879,357	824,162
Total business-type activities expenses	36,359,748	41,929,051	38,177,706	36,205,368
Total Primary Government Expenses	\$ 402,892,482	\$ 339,719,866	\$ 344,945,133	\$ 315,537,568
Primary Government Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 16,753,902	\$ 17,280,387	\$ 15,731,621	\$ 16,640,809
Public safety	25,388,690	29,651,104	27,282,082	14,719,759
Health and welfare	3,540,499	4,323,571	4,201,812	3,623,435
Cultural and recreation	2,184,561	2,363,843	2,341,234	2,322,374
Judicial	4,079,940	5,184,021	5,265,195	5,159,807
Community and economic development	7,367,912	6,655,952	6,546,416	9,007
Public works	61,686	51,903	40,423	-
Operating grants and contributions	174,515,173	68,080,880	65,290,979	73,691,229
Capital grants and contributions	5,923,593	6,892,650	850,481	728,376
Total governmental activities program revenues	239,815,956	140,484,311	127,550,243	116,894,796

Table 2

2016 ⁽¹⁾	2015	2014	2013	2012	2011
\$ 38,218,905	\$ 37,929,237	\$ 37,821,762	\$ 37,897,662	\$ 39,423,751	\$ 30,356,607
85,758,049	76,807,751	72,136,071	72,186,534	71,235,993	66,779,986
77,975,773	84,000,390	69,449,438	68,667,812	70,824,320	70,988,245
9,076,548	9,488,048	9,346,586	10,603,153	9,927,214	8,768,185
36,717,659	37,321,998	33,157,928	33,382,950	33,390,049	32,241,005
11,764,186	13,160,594	11,568,226	10,800,313	11,176,196	13,559,429
-	-	-	-	-	-
5,524,853	5,106,216	5,445,115	5,642,451	5,867,337	6,101,253
265,035,973	263,814,234	238,925,126	239,180,875	241,844,860	228,794,710
23,016,276	45,049,985	43,499,655	43,890,966	41,996,655	41,834,242
36,892,123	31,000,535	30,359,452	28,914,109	30,657,439	31,874,739
637,425	782,829	677,818	842,489	842,964	1,121,577
60,545,824	76,833,349	74,536,925	73,647,564	73,497,058	74,830,558
\$ 325,581,797	\$ 340,647,583	\$ 313,462,051	\$ 312,828,439	\$ 315,341,918	\$ 303,625,268
\$ 16,717,554	\$ 14,818,640	\$ 14,080,877	\$ 14,465,624	\$ 13,443,601	\$ 10,570,786
10,852,983	10,714,765	14,857,858	9,232,063	9,115,580	9,138,839
3,663,851	4,269,416	3,673,754	3,554,912	3,850,232	3,943,509
2,228,892	2,177,498	2,032,421	4,078,062	3,781,659	3,245,124
6,008,464	5,787,836	5,168,180	5,324,415	5,046,223	5,052,987
15,831	128,991	17,252	6,597	3,024	8,044
-	-	-	-	-	-
70,326,431	83,317,159	72,012,278	77,011,338	73,849,257	74,819,127
1,128,144	3,904,476	155,712	1,697,906	4,754,422	-
110,942,150	125,118,781	111,998,332	115,370,917	113,843,998	106,778,416

continued...

COUNTY OF KENT, MICHIGAN

Changes in Net Position
Last Ten Fiscal Years
(Unaudited)

<i>Fiscal Year Ended December 31,</i>	2020	2019	2018	2017
Business-type activities:				
Charges for services:				
Airport operations:				
Passenger airlines	\$ -	\$ -	\$ -	\$ -
Ground transportation	-	-	-	-
Car rental agencies	-	-	-	-
Cargo airlines	-	-	-	-
Other	-	-	-	-
Public works:				
Charges for services	41,310,871	41,502,362	37,771,639	37,267,654
Intergovernmental	-	-	-	-
Scrap and other	-	-	-	-
Delinquent tax collection and administrative:				
County processing fees	-	-	-	-
Interest and penalties on				
delinquent taxes	1,837,993	1,897,652	1,857,255	1,760,737
Collection fees	644,174	646,087	624,655	669,909
Title search fees	295,400	317,450	350,350	343,175
Auction proceeds	255,205	111,398	369,929	689,707
Other	238,764	262,496	280,659	292,649
Operating grants and contributions	1,160,070	2,142,981	1,329,814	712,662
Capital grants and contributions	339,121	-	319,946	-
Total business-type activities program revenues	46,081,598	46,880,426	42,904,247	41,736,493
Total Primary Government Program Revenues	\$ 285,897,554	\$ 187,364,737	\$ 170,454,490	\$ 169,286,736
Primary Government Net (Expense) Revenue				
Governmental activities	\$(126,716,778)	\$(157,306,504)	\$(179,217,184)	\$(179,217,184)
Business-type activities	9,721,850	4,951,375	4,726,541	3,558,787
Total Primary Government Net Expense	\$(116,994,928)	\$(152,355,129)	\$(174,490,643)	\$(175,658,397)

Table 2

	2016 ⁽¹⁾	2015	2014	2013	2012	2011
\$	6,039,754	\$ 12,120,448	\$ 11,475,779	\$ 10,267,491	\$ 10,899,720	\$ 10,296,427
	8,849,794	15,471,428	14,276,394	13,305,649	11,806,870	12,331,820
	1,768,293	3,856,055	3,544,348	3,474,840	3,071,542	3,179,463
	126,669	2,551,693	2,493,862	2,459,388	2,638,184	2,420,444
	3,259,864	4,219,582	4,052,047	3,682,551	3,456,829	3,401,526
	34,540,752	31,438,816	32,014,002	30,245,817	30,533,380	33,334,823
	-	-	-	-	-	111,160
	-	-	-	-	489,643	688,439
	-	-	-	-	(1,333,409)	(53,033)
	2,075,709	2,376,219	2,939,949	2,959,361	3,661,297	2,972,340
	711,907	778,238	799,609	947,053	1,757,222	1,229,113
	392,864	453,950	531,125	602,350	910,123	529,552
	223,820	42,063	543,764	677,589	477,279	(258,270)
	258,869	270,458	269,288	256,054	561,301	243,165
	653,736	435,677	408,902	344,591	435,676	483,823
	3,498,996	18,831,319	21,434,625	10,710,724	15,452,306	7,618,724
	62,401,027	92,845,946	94,783,694	79,933,458	84,817,963	78,529,516
\$	179,295,823	\$ 203,788,096	\$ 219,902,475	\$ 191,931,790	\$ 200,188,880	\$ 192,373,514
\$	(162,437,404)	\$ (154,093,823)	\$ (138,695,453)	\$ (126,926,794)	\$ (123,809,958)	\$ (128,000,862)
	26,195,659	32,300,122	17,950,345	5,396,533	11,170,399	5,032,458
\$	(136,241,745)	\$ (121,793,701)	\$ (120,745,108)	\$ (121,530,261)	\$ (112,639,559)	\$ (122,968,404)

continued...

COUNTY OF KENT, MICHIGAN

Changes in Net Position Last Ten Fiscal Years (Unaudited)

<i>Fiscal Year Ended December 31,</i>	2020	2019	2018	2017
Primary Government General Revenues and Other Changes in Net Position				
Governmental activities:				
Property taxes	\$ 150,254,258	\$ 145,121,691	\$ 133,474,951	\$ 128,060,651
Lodging excise taxes	5,107,828	11,432,225	10,807,009	10,205,658
State revenue sharing	17,864,593	20,349,897	18,026,778	19,237,522
Unrestricted investment earnings	3,323,420	4,323,119	2,791,475	1,592,269
Gain on sale of capital assets	-	-	2,404,705	-
Other revenues	51,781	39,979	76,529	243,349
Transfers	3,700,000	4,100,000	4,100,000	4,100,000
Total governmental activities	180,301,880	185,366,911	171,681,447	163,439,449
Business-type activities:				
Unrestricted investment earnings	204,298	395,056	317,196	181,145
Gain on sale of capital assets	-	126,624	-	-
Transfers	(3,700,000)	(4,100,000)	(4,100,000)	(4,100,000)
Total business-type activities	(3,495,702)	(3,578,320)	(3,782,804)	(3,918,855)
Total Primary Government General Revenues and Other Changes in Net Position	\$ 176,806,178	\$ 181,788,591	\$ 167,898,643	\$ 159,520,594
Primary Government Change in Net Position Before Special and Extraordinary Items				
Governmental activities	\$ 53,585,102	\$ 28,060,407	\$ (7,535,737)	\$ 1,002,045
Business-type activities	6,226,148	1,373,055	943,737	1,612,270
Special items, net	-	-	-	-
Extraordinary item	-	-	-	-
Total Primary Government Change in Net Position	\$ 59,811,250	\$ 29,433,462	\$ (6,592,000)	\$ 2,614,315

⁽¹⁾ Effective July 1, 2016, operations of the Kent County Airport were transferred to a legally-separate authority. The Authority is reported as a discretely-presented component unit and is not included in the table above.

Table 2

2016 ⁽¹⁾	2015	2014	2013	2012	2011
\$ 115,262,736	\$ 114,415,844	\$ 106,210,619	\$ 104,454,749	\$ 104,359,631	\$ 107,247,129
9,494,361	8,786,045	7,660,224	6,897,106	6,597,840	5,803,776
18,408,464	12,027,403	10,384,212	9,329,896	9,214,573	10,225,945
1,095,490	455,004	412,719	407,043	513,042	698,556
-	-	-	-	-	-
38,813	104,165	142,328	198,649	92,547	(284,009)
4,100,000	8,758,731	5,205,551	5,104,153	6,096,980	4,652,165
148,399,864	144,547,192	130,015,653	126,391,596	126,874,613	128,343,562
142,251	78,625	93,639	90,392	127,387	150,538
30,227	30,895	93,068	477,050	22,793	49,731
(4,100,000)	(4,600,000)	(4,700,000)	(5,720,000)	(5,203,000)	(5,000,000)
(3,927,522)	(4,490,480)	(4,513,293)	(5,152,558)	(5,052,820)	(4,799,731)
\$ 144,472,342	\$ 140,056,712	\$ 125,502,360	\$ 121,239,038	\$ 121,821,793	\$ 123,543,831
\$ (30,817,320)	\$ (17,890,212)	\$ (24,078,170)	\$ (12,303,857)	\$ (52,181)	\$ 4,533,604
(368,735)	21,705,179	27,786,829	12,797,787	343,713	6,370,668
(197,826,108)	-	-	-	-	-
-	-	-	-	1,754,167	-
\$ (229,012,163)	\$ 3,814,967	\$ 3,708,659	\$ 493,930	\$ 2,045,699	\$ 10,904,272

concluded

COUNTY OF KENT, MICHIGAN

Fund Balances, Governmental Funds Last Ten Fiscal Years (Unaudited)

<i>Fiscal Year Ended December 31,</i>	2020	2019	2018	2017
General Fund				
Nonspendable	\$ 1,251,722	\$ 894,979	\$ 844,968	\$ 1,195,550
Committed	27,913,617	27,513,807	26,635,550	25,524,542
Assigned	3,424,133	2,921,941	2,220,558	-
Unassigned	49,942,812	49,447,703	44,785,918	44,071,718
Total General Fund	82,532,284	80,778,430	74,486,994	70,791,810
All other governmental funds:				
Nonspendable	736,903	403,054	934,539	400,621
Restricted	43,155,920	42,164,426	27,622,244	42,176,419
Committed	-	-	-	-
Assigned	43,184,480	33,053,492	33,403,042	20,717,767
Unassigned	-	-	-	-
Total all other governmental funds	87,077,303	75,620,972	61,959,825	63,294,807
Total Fund Balance for Governmental Funds	\$ 169,609,587	\$ 156,399,402	\$ 136,446,819	\$ 134,086,617

Table 3

2016	2015	2014	2013	2012	2011
\$ 980,017	\$ 1,196,918	\$ 1,972,795	\$ 1,724,116	\$ 1,222,976	\$ 1,114,383
26,013,929	24,580,290	23,861,959	23,380,820	23,452,233	23,054,680
-	47,850	68,871	15,969	16,930	56,318
42,569,416	43,277,242	42,936,312	43,552,031	43,970,150	44,428,169
69,563,362	69,102,300	68,839,937	68,672,936	68,662,289	68,653,550
99,465	102,066	167,430	243,036	193,990	144,497
30,766,471	12,202,392	13,050,442	11,292,058	15,786,664	25,236,629
336,064	336,064	-	-	-	-
21,613,570	19,524,030	10,971,700	9,061,379	7,242,328	5,918,423
-	-	-	(70,036)	-	-
52,815,570	32,164,552	24,189,572	20,526,437	23,222,982	31,299,549
\$ 122,378,932	\$ 101,266,852	\$ 93,029,509	\$ 89,199,373	\$ 91,885,271	\$ 99,953,099

COUNTY OF KENT, MICHIGAN

Changes in Fund Balances, Governmental Funds Last Ten Fiscal Years (Unaudited)

<i>Fiscal Year Ended December 31,</i>	2020	2019	2018	2017
Revenues				
Taxes	\$ 156,427,665	\$ 156,237,265	\$ 144,220,328	\$ 138,620,627
Licenses and permits	1,154,751	1,049,928	988,465	920,977
Intergovernmental	182,770,894	77,265,050	67,734,097	67,787,833
Charges for service	48,321,647	54,057,789	51,591,122	30,714,783
Fines and forfeitures	1,785,986	2,126,338	916,355	956,362
Investment earnings	2,617,415	3,585,051	2,224,166	1,209,495
Contributions and reimbursements	10,017,491	13,012,705	11,917,808	27,144,737
Other	9,700,210	11,912,974	12,420,580	15,208,357
Total revenues	412,796,059	319,247,100	292,012,921	282,563,171
Expenditures				
General government	53,538,736	33,495,272	32,085,439	40,622,907
Public safety	93,492,081	85,587,751	81,106,209	79,877,862
Health and welfare	106,114,317	82,914,380	77,226,809	76,209,699
Cultural and recreation	16,605,383	16,264,910	15,111,676	14,547,986
Judicial	44,986,793	42,277,630	39,836,275	35,159,912
Community and economic development	60,968,586	11,067,526	14,173,344	12,558,039
Public works	813,891	683,478	664,910	-
Debt principal retirement	9,838,077	9,609,810	9,579,810	8,802,790
Debt interest and fiscal charges	5,004,920	5,640,602	6,345,678	6,604,132
Bond issuance costs	-	158,579	-	400,679
Capital outlay	17,340,901	15,803,300	22,694,142	25,584,314
Total expenditures	408,703,685	303,503,238	298,824,292	300,368,320
Revenues over (under) expenditures	4,092,374	15,743,862	(6,811,371)	(17,805,149)
Other Financing Sources (Uses)				
Issuance of long-term debt	5,190,384	-	-	21,930,000
Issuance of refunding debt	-	18,850,000	-	22,780,000
Payment to refunded bond escrow agent	-	(21,974,683)	-	(26,500,894)
Premium on issuance of long-term debt	-	3,396,362	-	7,153,728
Proceeds from sale of capital assets	489,327	337,042	5,376,574	50,000
Transfers in	79,445,438	69,491,389	61,316,876	53,159,368
Transfers out	(76,007,338)	(65,891,389)	(57,521,877)	(49,059,368)
Insurance recoveries	-	-	-	-
Total other financing sources (uses)	9,117,811	4,208,721	9,171,573	29,512,834
Net Change in Fund Balances	\$ 13,210,185	\$ 19,952,583	\$ 2,360,202	\$ 11,707,685
Debt Service as a Percentage of				
Noncapital Expenditures	3.79%	5.32%	5.62%	5.42%

Table 4

2016	2015	2014	2013	2012	2011
\$ 125,254,523	\$ 123,219,119	\$ 114,062,333	\$ 111,502,155	\$ 111,538,374	\$ 113,186,534
853,858	2,619,680	2,169,687	2,048,435	1,933,261	1,878,410
63,986,277	69,551,746	60,763,335	59,138,391	59,833,761	63,639,002
27,317,220	25,697,103	23,788,612	26,402,338	25,671,343	24,124,366
1,277,683	725,444	634,117	595,310	747,800	591,026
737,968	425,839	383,895	376,973	458,822	636,854
26,269,177	26,873,997	22,505,656	20,725,437	21,419,896	21,514,163
15,223,272	15,982,293	15,986,979	16,148,193	13,766,859	10,381,912
260,919,978	265,095,221	240,294,614	236,937,232	235,370,116	235,952,267
39,351,341	39,791,579	39,429,914	39,917,794	39,802,424	38,189,222
74,745,204	71,789,412	69,129,351	68,006,701	65,998,422	66,134,805
73,343,748	81,767,800	68,130,806	67,103,479	69,789,758	71,262,557
7,118,024	7,208,482	6,940,088	8,474,782	7,915,210	7,593,227
32,728,314	34,426,661	31,392,404	31,335,266	31,811,362	31,433,217
11,664,297	13,104,272	11,538,115	10,796,942	11,174,056	13,571,048
-	-	-	-	-	-
8,397,930	8,146,537	6,982,041	6,516,576	5,220,683	4,989,990
5,635,575	5,414,587	5,616,405	5,918,707	6,139,119	6,323,222
255,195	-	112,548	-	-	-
16,016,864	8,678,718	7,325,207	6,775,034	12,866,888	12,735,600
269,256,492	270,328,048	246,596,879	244,845,281	250,717,922	252,232,888
(8,336,514)	(5,232,827)	(6,302,265)	(7,908,049)	(15,347,806)	(16,280,621)
20,675,000	4,724,050	4,697,811	-	-	243,620
-	-	4,460,000	-	-	-
-	-	(4,860,748)	-	-	-
4,823,670	-	443,943	-	-	-
349,924	287,389	185,844	117,998	79,039	269,401
48,824,626	57,414,419	48,823,589	48,511,001	49,529,306	53,160,704
(45,224,626)	(48,955,688)	(43,618,038)	(43,406,848)	(43,432,326)	(48,508,539)
-	-	-	-	1,103,959	-
29,448,594	13,470,170	10,132,401	5,222,151	7,279,978	5,165,186
\$ 21,112,080	\$ 8,237,343	\$ 3,830,136	\$ (2,685,898)	\$ (8,067,828)	\$ (11,115,435)
5.49%	5.21%	5.29%	5.25%	4.73%	4.78%

COUNTY OF KENT, MICHIGAN

Assessed and Estimated Actual Value of Taxable Property Last Ten Fiscal Years (Unaudited)

Fiscal Year	Real Property				
	Agricultural	Commercial	Industrial	Residential	Developmental
2011	\$ 309,355,300	\$ 4,628,214,200	\$ 1,241,393,670	\$ 13,714,614,950	\$ -
2012	313,849,700	4,421,845,250	1,143,589,100	13,212,462,650	-
2013	316,506,600	4,259,065,700	1,058,172,900	13,429,948,693	-
2014	327,526,500	4,255,861,650	1,082,395,400	13,999,731,225	-
2015	340,968,100	4,407,074,300	1,127,884,700	15,094,776,165	-
2016	349,792,700	4,662,215,500	1,158,645,200	16,306,359,600	992,100
2017	359,750,646	5,105,513,010	1,210,706,400	17,638,777,919	-
2018	375,061,400	5,408,307,200	1,316,905,800	18,411,167,221	-
2019	382,120,000	5,911,965,222	1,438,231,200	20,119,508,050	-
2020	408,240,000	6,467,804,433	1,530,251,000	21,861,286,615	-

⁽¹⁾ For taxes levied in 1995, and each year thereafter, the legislature shall provide for the taxable value of each parcel of property not to increase by more than the increase in the immediately preceding general price level (CPI), or 5%, whichever is less, until such time as ownership of the property is transferred. When ownership of the parcel is transferred, the parcel shall be assessed at the applicable proportion of the current true cash value.

⁽²⁾ Includes tax-exempt property

⁽³⁾ Includes taxes that have been abated (i.e. Renaissance Zones) and/or have been captured by other tax increment finance authorities.

According to State statute, taxable property is to be assessed at 50% of market value (State equalized assessed value)

Source: Kent County Bureau of Equalization

Table 5

Personal Property	Total Taxable Value ⁽¹⁾	Total Assessed Value ⁽²⁾	Total Estimated Actual Value ⁽³⁾	Percentage of Assessed to Estimated Values	Percent Increase (Decrease) in Estimated Value Over Prior Year	County Direct Rate
\$ 1,841,588,405	\$ 20,506,183,649	\$ 21,735,166,525	\$ 43,749,317,597	49.68%	-3.73%	5.3940
1,897,109,655	20,039,365,841	20,988,856,355	42,212,729,586	49.72%	-3.51%	5.3940
1,929,155,113	20,025,808,959	20,992,849,006	42,230,266,045	49.71%	0.04%	5.3940
1,945,821,829	20,353,174,066	21,611,336,604	43,453,665,525	49.73%	2.90%	5.6196
2,065,745,858	20,989,594,390	23,036,449,123	46,369,630,278	49.68%	6.71%	5.6196
1,651,410,955	21,119,691,880	24,129,416,055	48,495,297,813	49.76%	4.58%	6.0596
1,599,663,700	21,838,346,564	25,914,411,675	52,131,927,299	49.71%	7.50%	6.0518
1,620,522,000	22,889,416,524	27,131,963,621	54,515,199,465	49.77%	4.57%	6.2947
1,650,256,100	24,219,497,487	29,502,080,572	59,255,353,533	49.79%	8.70%	6.2584
1,641,479,841	25,416,817,753	31,909,061,889	64,169,554,816	49.73%	8.29%	6.2100

COUNTY OF KENT, MICHIGAN

Property Tax Rates (\$1 per \$1,000 of Taxable Value) - Direct and Overlapping Governments Last Ten Fiscal Years (Unaudited)

	Year Taxes Are Payable			
	2020	2019	2018	2017
County Direct Rates:				
Allocated Operating	4.2243	4.2571	4.2803	4.2803
Correctional Facility	0.7717	0.7777	0.7828	0.7859
Senior Services	0.4888	0.4926	0.4958	0.4978
Veterans Services	0.0487	0.0491	0.0495	0.0497
Zoo/Museum	0.4301	0.4335	0.4363	0.4381
Ready by Five	0.2464	0.2484	0.2500	0.0000
Total County Direct Rate	6.2100	6.2584	6.2947	6.0518
City Rates:				
Cedar Springs	19.0335	16.4414	16.4414	16.3414
East Grand Rapids	14.8250	14.9649	15.2157	15.6146
Grand Rapids	8.8070	8.9011	8.9710	9.0258
Grandville	11.0500	11.0500	11.0500	10.3000
Kentwood	9.6066	9.6066	9.6066	9.6066
Lowell	15.9335	15.9423	15.9423	15.9423
Rockford	12.9000	12.9000	12.9000	12.9000
Walker	1.3360	1.3360	1.3360	1.3360
Wyoming	11.9788	12.0309	12.1192	12.1192
Township Rates	.7501-4.9016	.7100-4.1953	.7100-4.1953	.7100-4.1977
Village Rates	7.9440-18.4054	7.9440-18.4561	7.9440-18.4561	7.9440-18.1761
District Library	1.2581	1.2661	1.2733	1.2774
Interurban Transit Partnership	1.4457	1.4556	1.4658	1.4632
Rockford DDA	1.9226	1.9226	1.9271	1.9351
Ada DDA	1.9724	1.9724	1.9940	0.0000
School Districts ⁽¹⁾	1.7472-33.4633	1.7606-33.5116	1.7716-32.5282	1.7788-32.5476

Source: Kent County Bureau of Equalization

⁽¹⁾ Includes Community Colleges and Intermediate School Districts

Table 6

Year Taxes Are Payable					
2016	2015	2014	2013	2012	2011
4.2803	4.2803	4.2803	4.2803	4.2803	4.2803
0.7893	0.7893	0.7893	0.7893	0.7893	0.7893
0.5000	0.5000	0.5000	0.3244	0.3244	0.3244
0.0500	0.0500	0.0500	0.0000	0.0000	0.0000
0.4400	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
6.0596	5.6196	5.6196	5.3940	5.3940	5.3940
16.3214	16.3214	16.3214	16.3214	16.3214	16.3214
15.8366	16.0791	14.2891	14.2287	14.6523	14.7095
9.1166	9.1515	9.1518	8.1719	8.1716	8.3713
10.3000	10.3000	10.3000	9.1540	9.1540	9.1540
9.6066	9.6066	9.6066	9.7064	9.7064	9.7064
15.9424	15.9424	15.9424	15.9424	16.0724	16.0724
10.9000	10.9000	10.9000	10.9000	10.9000	10.9000
1.3360	1.3360	1.3360	1.3360	1.3360	1.3360
11.9073	11.9073	11.9073	11.6573	11.8873	11.8873
.7100-4.2000	.7100-3.7000	.7100-3.5244	.7100-3.7626	.7100-3.7626	.7100-3.7626
6.4440-19.6261	6.4440-19.6261	6.4440-19.6261	6.4440-18.5761	6.4440-18.5761	6.4440-18.5761
1.2800	1.2800	1.2800	0.8800	0.8800	0.8800
1.4688	1.4700	1.4700	1.4700	1.4100	1.2900
1.9628	1.9942	2.0000	2.0000	2.0000	2.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
1.7865-38.5476	1.7865-38.5876	1.7865-37.1176	1.7865-35.4765	2.3625-35.4765	2.3625-35.4426

COUNTY OF KENT, MICHIGAN

Profile of Ten Largest Ad Valorem Taxpayers Current Year and Nine Years Ago (Unaudited)

Taxpayer	Principal Product or Service	2020 Taxable Valuation	Rank	Percent of 2020 Taxable Valuation
Consumers Energy	Public utility	\$ 384,352,866	1	1.51%
Amway Corp/Altacor	Household products	150,897,789	2	0.59%
DTE Energy/Gas Co.	Utility	141,499,909	3	0.56%
Meijer / Goodwill / Seedling	Retail sales	124,643,237	4	0.49%
PR Woodland LP	Retail shopping center	79,071,815	5	0.31%
TEG	Housing/Apartments	60,720,804	6	0.24%
Holland Home	Senior citizens residence	51,598,400	7	0.20%
Steelcase, Inc.	Office equipment/furniture	49,369,749	8	0.19%
Rivertown Crossings	Retail shopping center	49,191,900	9	0.19%
Comcast	Public utility	33,585,493	10	0.13%
Hearthside Food Solutions, Inc.	Food distributor/retailer			
Brookfield Properties Retail	Real estate			
Centerpoint Owner, LLC	Real estate			
Michigan Consolidated Gas Co.	Utility			
Fifth Third / Old Kent Bank	Banking services			
Keebler Company	Food distributor/retailer			
General Growth Properties, Grandville	Retail shopping center			
		\$ 1,124,931,962		4.41%

Source: County of Kent

Table 7

2011 Taxable Valuation	Rank	Percent of 2011 Taxable Valuation
\$ 222,981,547	1	1.09%
147,613,452	2	0.72%
119,931,618	3	0.58%
56,864,631	6	0.28%
49,604,819	7	0.24%
99,358,463	5	0.48%
103,449,754	4	0.50%
46,702,987	8	0.23%
40,877,800	9	0.20%
39,768,162	10	0.19%
<hr/>		
\$ 927,153,233		4.51%

COUNTY OF KENT, MICHIGAN

Property Taxes, Levies and Collections Last Ten Fiscal Years (Unaudited)

Tax Year	Fiscal Year	Total Tax Levy ⁽¹⁾	Current Tax Collections ⁽²⁾	Percent of Levy Collected Current	Delinquent Tax Collections
2011	2012	\$ 109,643,936	\$ 101,685,742	92.74%	\$ 7,957,136
2012	2013	106,659,819	99,398,868	93.19%	7,259,620
2013	2014	107,089,614	100,710,662	94.04%	6,377,975
2014	2015	113,079,325	106,850,820	94.49%	6,227,240
2015	2016	117,005,336	109,543,141	93.62%	7,460,012
2016	2017	127,153,181	118,842,367	93.46%	8,305,062
2017	2018	131,664,667	123,510,169	93.81%	8,134,510
2018	2019	143,744,229	134,267,071	93.41%	9,393,365
2019	2020	150,915,274	140,644,952	93.20%	9,870,149
2020	2021	156,505,188	145,555,517	93.00%	-

⁽¹⁾ The levy does not include taxes from Sections 198 and 255 property.

⁽²⁾ Balance on March 1st of each Fiscal Year.

Table 8

Total Tax Collections	Total Collections As Percent of Current Levy	Outstanding Delinquent Taxes	Outstanding Delinquent as Percent of Current Levy
\$ 109,642,878	100.00%	\$ 1,058	0.00%
106,658,488	100.00%	1,331	0.00%
107,088,637	100.00%	977	0.00%
113,078,060	100.00%	1,265	0.00%
117,003,153	100.00%	2,183	0.00%
127,147,429	100.00%	5,752	0.01%
131,644,679	99.99%	19,988	0.02%
143,660,436	99.94%	83,793	0.06%
150,515,101	99.74%	400,173	0.27%
145,555,517	93.00%	10,949,671	7.00%

Table 9

COUNTY OF KENT, MICHIGAN

Ratio of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Governmental Activities ⁽¹⁾		Business-type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Debt	Capital Leases / Contracts Payable	Revenue Bonds	General Obligation Debt	Delinquent Tax Notes			
2011	\$ 131,026,449	\$ 794,316	\$ 203,745,155	\$ 2,074,733	\$ 40,795,267	\$ 378,435,920	1.70%	\$ 627.98
2012	126,054,680	468,633	187,389,536	12,406,028	36,563,972	362,882,849	1.52%	590.57
2013	119,546,567	127,057	181,726,240	11,430,000	31,500,000	344,329,864	1.39%	553.85
2014	115,818,825	1,237,827	175,527,055	10,454,860	26,408,586	329,447,153	1.12%	523.57
2015	108,818,005	4,455,340	190,200,516	9,322,790	24,640,935	337,437,586	1.09%	530.25
2016 ⁽²⁾	126,940,166	2,932,410	-	8,810,721	22,917,827	161,601,124	0.51%	251.65
2017	143,791,730	1,889,620	-	8,705,151	21,701,452	176,087,953	0.52%	271.49
2018	134,090,708	944,810	-	8,074,757	20,148,301	163,258,576	0.46%	249.71
2019	122,072,670	-	-	7,419,363	20,229,678	149,721,711	0.42%	227.90
2020	111,908,485	4,152,307	-	6,796,038	20,338,299	143,195,129	N/A	217.39

⁽¹⁾ Includes information from blended component units

⁽²⁾ Effective July 1, 2016, operations of the Kent County Airport were transferred to a legally-separate authority. The Authority is reported as a discretely-presented component unit and is not included in the table above.

N/A Data is Not Available

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COUNTY OF KENT, MICHIGAN

Ratio of Net General Bonded Debt to Estimated Actual Value and Net General Bonded Debt Per Capita Last Ten Fiscal Years (Unaudited)

Fiscal Year	Population ⁽¹⁾	Estimated Actual Value in (000's)	Gross Bonded Debt	Debt Payable By Others	Net General Bonded Debt
2011	602,622	\$ 43,749,318	\$ 377,641,604	\$ 258,279,550	\$ 119,362,054
2012	614,462	42,212,730	362,414,216	228,770,000	133,644,216
2013	621,700	42,230,266	344,202,807	217,510,000	126,692,807
2014	629,237	43,453,666	328,209,326	212,390,501	115,818,825
2015	636,369	46,369,630	332,982,246	224,164,241	108,818,005
2016	642,173	48,495,298	158,668,714	31,728,548	126,940,166
2017	648,594	52,131,927	174,198,333	30,406,603	143,791,730
2018	653,786	54,515,199	162,313,766	28,223,058	134,090,708
2019	656,955	59,255,354	149,721,711	27,649,041	122,072,670
2020	658,708	64,169,555	139,042,822	27,134,337	111,908,485

⁽¹⁾ Source: U.S. Census Bureau

⁽²⁾ This balance includes debt being repaid from general resources.

⁽³⁾ This balance excludes restricted assets from the business-type activities as the amounts will not be used to liquidate general bonded debt.

Table 10

Debt Service Funds Available ⁽³⁾	Net Bonded Debt ⁽²⁾	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt Per Capita
\$ 433,945	\$ 118,928,109	0.27%	\$ 197.35
255,336	133,388,880	0.32%	217.08
-	126,692,807	0.30%	203.78
50,267	115,768,558	0.27%	183.98
51,369	108,766,636	0.23%	170.92
55,841	126,884,325	0.26%	197.59
601,900	143,189,830	0.27%	220.77
612,692	133,478,016	0.24%	204.16
-	122,072,670	0.21%	185.82
-	111,908,485	0.17%	169.89

COUNTY OF KENT, MICHIGAN

Computation of Direct and Overlapping Debt
December 31, 2020
(Unaudited)

DEBT STATEMENT

The following table reflects a breakdown of the County's direct and overlapping debt as of December 31, 2020.

Bonds designated as LTGO are limited tax pledge bonds or notes.

Direct Debt	Gross	Self Supporting or Portion Paid by Benefitting Municipality	Net	Per Capita	Percent of Estimated Actual Value
CIP Bond Series	\$ 87,825,385	\$ 11,295,470	\$ 76,529,915		
Contracts Payable	4,152,307	-	4,152,307		
Kent County Building Authority (LTGO)	24,083,100	-	24,083,100		
Total Direct Debt	\$ 116,060,792	\$ 11,295,470	\$ 104,765,322	\$ 176.19	0.18%
County Overlapping Debt^{(1) (2)}					
Cities, Villages and Townships	203,554,587		\$ 203,554,587		
School Districts	1,565,336,035		1,565,336,035		
Community College and Intermediate School Districts	30,037,223		30,037,223		
Total Overlapping Debt	\$ 1,798,927,845		\$ 1,798,927,845	\$ 2,730.99	2.80%
Total County Direct Debt and Overlapping Debt	\$ 1,914,988,637	\$ 11,295,470	\$ 1,903,693,167	\$ 2,907.18	2.98%

⁽¹⁾ Overlapping debt is the portion of other public debt for which a County taxpayer is liable in addition to the Direct Debt of the County. It is calculated based on the local unit's proportionate share of real property taxable values.

⁽²⁾ Outstanding balances are reported as of December 31, 2020

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COUNTY OF KENT, MICHIGAN

Computation of Legal Debt Margin for General Obligation Bonds Last Ten Fiscal Years (Unaudited)

Constitutional Debt Limitation

Article VII, Section 6 of the Michigan Constitution states: "No County shall incur any indebtedness which shall increase its total debt beyond 10% of its assessed valuation."

Statement of Legal Debt Margin (as of December 31,)	2020	2019	2018	2017
State Equalized Valuation	\$ 31,909,061,889	\$ 29,502,080,572	\$ 27,131,963,621	\$ 25,914,411,675
Legal Debt Limit (10% of SEV)	3,190,906,189	2,950,208,057	2,713,196,362	2,591,441,168
Debt Outstanding	293,566,425	314,606,601	341,085,551	364,750,203
Margin of additional debt which could be incurred subject to debt limit	\$ 2,897,339,764	\$ 2,635,601,456	\$ 2,372,110,811	\$ 2,226,690,965
Percentage of debt outstanding to SEV	0.92%	1.07%	1.26%	1.41%

Source: County of Kent

Table 12

2016	2015	2014	2013	2012	2011
\$ 24,129,416,055	\$ 23,036,449,123	\$ 21,611,336,604	\$ 20,992,849,006	\$ 20,988,856,355	\$ 21,735,166,525
2,412,941,606	2,303,644,912	2,161,133,660	2,099,284,901	2,098,885,636	2,173,516,653
368,252,897	360,196,633	374,926,731	392,130,961	416,883,904	437,868,904
\$ 2,044,688,709	\$ 1,943,448,279	\$ 1,786,206,929	\$ 1,707,153,940	\$ 1,682,001,732	\$ 1,735,647,749
1.53%	1.56%	1.73%	1.87%	1.99%	2.01%

COUNTY OF KENT, MICHIGAN

Demographic Statistics Last Ten Fiscal Years (Unaudited)

Fiscal Year	Population ⁽¹⁾⁽²⁾	Personal Income Thousands of Dollars ⁽²⁾	Per Capita Income ⁽²⁾	School Enrollment ^{(3), (5), (6)}	Unemployment ⁽⁴⁾
2011	602,622	\$ 22,262,941	\$ 36,589	119,372	8.0%
2012	614,462	23,856,032	38,824	106,774	6.5%
2013	621,700	24,747,216	39,806	110,268	6.5%
2014	629,237	29,328,952	46,610	109,106	4.9%
2015	636,369	30,861,524	48,496	108,981	3.6%
2016	642,173	31,850,853	49,599	108,768	3.4%
2017	648,594	33,597,704	51,801	108,708	3.5%
2018	653,786	35,262,035	53,935	108,376	3.0%
2019	656,955	35,255,155	53,664	106,176	2.9%
2020	658,708	N/A	N/A	106,293 ⁽⁷⁾	7.6%

⁽¹⁾ Source: U.S. Census Bureau

⁽²⁾ Source: Bureau of Economic Analysis (for years without a census)

⁽³⁾ Source: Michigan Department of Education (Fourth Friday Count)

⁽⁴⁾ Source: Michigan Employment Security Commission (Yearly Average)

⁽⁵⁾ For fiscal year 2012, information is received from Kent Intermediate School District and is for public schools only for Pupil Membership FTE

⁽⁶⁾ Source: Michigan Department of Education-Kent ISD State Aid Financial Status Report for years 2014 and forward

⁽⁷⁾ Preliminary amount

N/A Data is Not Available

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COUNTY OF KENT, MICHIGAN

Principal Employers Current and Nine Years Ago (Unaudited)

<i>Fiscal Year Ended December 31,</i>	2020		
Employer	Employees ⁽¹⁾	Rank	Percentage of Total Employment
Spectrum Health	25,000	1	7.00%
Meijer, Inc.	10,340	2	2.90%
Mercy Health/St. Mary's Health	8,500	3	2.38%
Gordon Food Service	5,000	4	1.40%
Amway Corp./Alticor, Inc.	3,791	5	1.06%
Steelcase, Inc.	3,500	6	0.98%
Farmers Insurance Group	3,500	7	0.98%
Lacks Enterprises	3,000	8	0.84%
Grand Rapids Public Schools	2,800	9	0.78%
Hope Network	2,162	10	0.61%
Axios, Inc.			
Spartan Nash/Stores			
Wal-Mart			
St. Mary's Health			
Magna Donnelly Mirror			
Total	67,593		18.93%

⁽¹⁾ Source: The Right Place, Inc.

Table 14

2011		
Employees ⁽¹⁾	Rank	Percentage of Total Employment
16,600	1	5.49%
7,725	2	2.55%
4,000	5	1.32%
3,227	7	1.07%
3,297	6	1.09%
7,372	3	2.44%
4,258	4	1.41%
3,131	8	1.04%
2,672	9	0.88%
2,500	10	0.83%
54,782		18.12%

COUNTY OF KENT, MICHIGAN

Full-Time Equivalent Government Employees by Function/Program Last Ten Fiscal Years (Unaudited)

<i>December 31,</i>	2020	2019	2018	2017
Function/Program				
General Government:				
Administrator's Office	24	23	32	32
Bureau of Equalization	14	14	14	14
County Clerk	47	45	45	44
Drain Commissioner	6	5	6	6
Facilities Management	30	27	30	30
Fiscal Services	36	37	33	33
Human Resources	14	15	15	15
Information Technology	36	37	37	37
Kent/MSU Cooperative Extension	1	1	2	2
Prosecutor's Office - Criminal/Juvenile	59	60	59	59
Treasurer's Office	12	12	12	12
Public Safety:				
Sheriff's Department	621	617	604	594
Judicial:				
17th Circuit Court	230	230	228	228
63rd District Court	33	33	33	33
Community Corrections	2	2	3	3
Probate Court	15	15	15	15
Prosecutor's Office - Cooperative Reimbursement	18	19	19	19

Table 15

2016	2015	2014	2013	2012	2011
32	32	31	31	31	31
14	15	16	15	15	17
45	44	44	44	44	47
5	6	7	7	6	6
30	21	21	21	21	21
31	31	31	33	33	34
16	16	16	17	16	16
39	38	38	36	36	36
3	3	3	3	3	4
57	57	57	57	57	57
12	12	12	12	12	12
557	550	547	547	540	549
222	223	223	225	225	228
32	32	32	32	33	35
3	3	3	3	3	3
15	15	15	15	15	15
19	19	19	19	19	19

continued...

COUNTY OF KENT, MICHIGAN

Full-Time Equivalent Government Employees by Function/Program Last Ten Fiscal Years (Unaudited)

<i>December 31,</i>	2020	2019	2018	2017
Community and Economic Development:				
Community Development	5	4	6	6
Housing Commission	5	4	4	4
Lodging Excise Tax	1	1	1	1
Cultural and Recreation:				
John Ball Zoological Gardens	-	-	-	-
Parks	64	64	64	63
Health and Welfare:				
Child Care	145	146	132	132
Health Department	268	254	247	245
Veteran's Affairs Department	8	8	7	7
Community Action Agency ⁽²⁾	28	23	21	21
Enterprise Activities:				
Aeronautics ⁽¹⁾	-	-	-	-
Public works	60	60	54	54
Other:				
Risk Management	1	1	1	1
Total	1,783	1,757	1,729	1,721

⁽¹⁾ Effective July 1, 2016, operations of the Kent County Airport were transferred to a legally-separate authority. The Authority is reported as a discretely-presented component unit and is not included in the table above.

⁽²⁾ During 2017 an agreement with Area Community Services Employment & Training Council was executed to create a joined Community Action Agency within the County, adding employees to the County.

Source: County of Kent

Table 15

2016	2015	2014	2013	2012	2011
6	4	5	7	8	8
4	5	4	4	4	3
2	2	2	2	2	2
-	-	47	47	45	44
59	57	57	57	57	59
133	132	132	133	134	135
240	245	244	248	246	250
7	7	3	3	1	1
-	-	-	-	-	-
-	99	99	108	106	125
54	53	52	62	64	66
1	1	1	1	2	2
1,638	1,722	1,761	1,789	1,778	1,825

concluded

COUNTY OF KENT, MICHIGAN

Operating Indicators by Function/Program Last Ten Fiscal Years (Unaudited)

<i>Fiscal Year Ended December 31,</i>	2020	2019	2018	2017
Function/Program				
General Government:				
County bond rating (Per S&P/Moody's)	AAA/Aaa	AAA/Aaa	AAA/Aaa	AAA/Aaa
Dollars saved or leveraged due to collaboration with other agencies	N/A ⁽⁵⁾	N/A ⁽⁵⁾	\$ 3,699,840	\$ 163,000
Number of programs or collaborative partnerships developed	N/A ⁽⁵⁾	N/A ⁽⁵⁾	4	3
General Fund cost per resident for all County services	\$ 278	\$ 275	\$ 260	\$ 252
Number of voter registrations processed	12,144	12,060	15,089	9,467
Number of invoices processed ⁽¹⁾	54,562	57,258	58,693	57,402
Number of vehicles in County fleet	294	291	288	236
Number of tax receipts processed ⁽¹⁾	14,973	16,637	17,255	19,812
General Fund investment income ⁽¹⁾	\$ 1,330,427	\$ 2,009,372	\$ 1,595,335	\$ 837,799
Public Safety:				
Percentage of 911 calls answered within 15 seconds	98	96	95	94
Percentage of 911 calls answered within 40 seconds	100	100	100	100
Neighborhood Watch satisfaction rating ⁽²⁾	N/A	N/A	N/A	N/A
Judicial:				
Number of case filings District Court trials ⁽¹⁾	N/A ⁽⁵⁾	37	47	50
Number invoices processed ⁽¹⁾	N/A	N/A	N/A	N/A
Amount of Restitution Awarded via the Crime Victims Compensation Board	\$ 207,729	\$ 128,841	\$ 175,538	\$ 246,689
Community and Economic Development:				
Percent of clients enrolled in financial literacy classes ⁽¹⁾	N/A	N/A	N/A	N/A
Percent of clients enrolled in the Family Self Sufficiency program ⁽¹⁾	17%	17%	23%	24%
Percent of participants who are referred to financial literacy and homeownership classes	100%	100%	100%	100%

Table 16

	2016	2015	2014	2013	2012	2011
	AAA/Aaa	AAA/Aaa	AAA/Aaa	AAA/Aaa	AAA/Aaa	AAA/Aaa
\$	711,785	\$ 3,140,421	\$ 3,985,000	\$ 1,050,000	\$ 1,689,644	\$ 1,158,240
	7	8	6	5	5	5
\$	254	\$ 253	\$ 255	\$ 259	\$ 211	\$ 217
	29,340	10,044	14,820	26,244	N/A	N/A
	60,578	62,448	61,542	61,240	61,298	65,534
	239	239	230	200	229	210
	20,186	22,306	22,937	24,808	24,318	25,856
\$	524,165	\$ 274,733	\$ 275,759	\$ 232,607	\$ 285,886	\$ 459,384
	96	97	98	97	N/A	N/A
	100	100	100	100	N/A	N/A
	N/A	N/A	4.8	4.6	4.7	4.7
	62	88	112	89	128	147
	72	72	79	57	76	75
\$	273,896	\$ 218,826	\$ 295,674	\$ 540,897	\$ 465,832	\$ 279,372
	N/A	N/A	20%	20%	27%	18%
	25%	24%	20%	20%	27%	N/A
	100%	\$ 1	N/A	N/A	N/A	N/A

continued...

COUNTY OF KENT, MICHIGAN

Operating Indicators by Function/Program Last Ten Fiscal Years (Unaudited)

<i>Fiscal Year Ended December 31,</i>	2020	2019	2018	2017
Cultural and Recreation:				
Staff participation in conservation management programs	N/A	N/A	N/A	N/A
Beach/splash pad attendance through SPLASH program	N/A	12,885	12,393	13,368
Total Millennium Park beach/splash pad attendance	91,780	85,204	83,642	89,995
Number of project collaborations with outside agencies	24	86	83	87
Number of Action Plan items completed from				
Parks Action Plan	9	9	7	9
Acres of park land acquired	1	164.00	-	12.80
Health and Welfare:⁽³⁾				
Percent of children aged 19-35 months who are fully immunized	65%	81%	82%	83%
Number of children receiving Hearing/Vision screenings	72,180	93,724	93,698	91,804
Number of outreach programs participated in	N/A	N/A	N/A	N/A
Enterprise Activities:				
Airfield operations-takeoffs and landings ⁽⁴⁾				
Airline passengers ⁽⁴⁾				
General aviation: total based aircraft ⁽⁴⁾				
Number of households served/year	N/A	5,981	5,500	5,039
Solid waste landfilled (in tons)	275,874	328,183	347,121	347,464
Electricity sold (Mwh)	101,198	96,332	102,288	99,570
Tons of solid waste processed (Waste to Energy)	186,517	188,182	185,413	185,209
Recyclable materials processed (in tons)	28,336	31,089	33,133	32,132

⁽¹⁾ 2020 Amount is Estimated

⁽²⁾ Five Point Scale

⁽³⁾ Children within Kent County

⁽⁴⁾ Effective July 1, 2016, operations of the Kent County Airport were transferred to a legally-separate authority. The Authority is reported as a discretely-presented component unit and is not included in the table above.

⁽⁵⁾ Due to the COVID-19 crisis this data was not available for inclusion in the 2019 and 2020 Comprehensive Annual Financial Report

N/A Data is Not Available

Source: County of Kent

Table 16

2016	2015	2014	2013	2012	2011
N/A	N/A	N/A	N/A	N/A	N/A
16,997	40,388	24,825	12,203	12,746	N/A
101,709	135,908	90,780	63,431	87,141	N/A
81	90	55	73	13	13
8	9	13	8	6	N/A
170.50	-	-	22.00	-	10.44
82%	82%	82%	83%	81%	82%
92,927	89,490	84,360	89,677	93,503	91,733
39	32	14	13	12	23
	76,256	75,128	75,998	85,306	87,545
	2,550,193	2,335,105	2,237,979	2,134,956	2,275,332
	92	89	86	86	86
4,563	3,930	3,500	3,284	3,117	2,877
312,256	289,410	N/A	N/A	N/A	N/A
100,944	100,234	100,000	104,438	96,640	101,549
182,470	178,434	189,000	189,321	183,849	185,998
34,821	33,396	32,000	30,000	25,364	23,600

concluded

COUNTY OF KENT, MICHIGAN

Capital Asset Statistics by Function/Program

Last Ten Fiscal Years
(Unaudited)

<i>December 31,</i>	2020	2019	2018	2017
Function/Program				
General Government:				
Number of buildings	15	15	15	15
Video conferencing sites	2	2	2	2
Computer training facilities	1	1	1	1
Public Safety:				
Fire engines	15	15	15	15
Patrol vehicles/motorcycles	90	90	89	82
Jail	1	1	1	1
Sheriff's stations/substations	4	4	4	4
Communications towers	6	6	7	7
Training facilities	-	-	-	-
Video arraignment stations	11	8	8	8
Judicial:				
Video arraignment stations	48	48	48	49
Cultural and Recreation:				
Number of parks	42	42	42	42
Number of golf courses	1	1	1	1
Number of zoos	1	1	1	1
Acres of public space	7,381	7,077	6,923	6,921
Health and Welfare:				
Number of clinics	5	5	5	5
Enterprise Activities:				
Number of landfills	4	4	4	4
Number of recycling facilities	1	1	1	1
Airports ⁽¹⁾	-	-	-	-

⁽¹⁾ Effective July 1, 2016, operations of the Kent County Airport were transferred to a legally-separate authority. The Authority is reported as a discretely-presented component unit and is not included in the table above.

Source: County of Kent

Table 17

2016	2015	2014	2013	2012	2011
15	15	14	14	14	14
2	2	2	2	2	2
1	1	1	1	1	1
15	16	16	16	18	19
70	70	68	69	70	67
1	1	1	1	1	1
4	5	6	8	6	6
7	7	7	8	8	8
-	-	-	-	-	1
8	8	8	8	7	7
53	53	53	52	52	52
42	42	42	42	42	42
1	1	1	1	1	1
1	1	1	1	1	1
6,906	6,735	6,708	6,739	6,948	7,372
5	5	5	6	6	6
4	4	4	4	4	4
1	1	1	1	1	1
-	1	1	1	1	1