

County of Kent,
Michigan



Year Ended
December 31, 2021

Annual
Comprehensive
Financial Report

Prepared by: Fiscal Services Department

Fiscal Services Director
Jeff Dood

County Administrator/Controller
Alan G. Vanderberg

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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, 2021

BOARD OF COMMISSIONERS

Mandy Bolter

Chair

Stan Stek

Vice Chair

Phil Skaggs

Minority Party Vice-Chair

Tom Antor
David Bulkowski
Ben Greene
Diane Jones
Melissa LaGrand
Roger Morgan
Monica Sparks
Robert Womack

Emily Brieve
Dan Burrill
Carol Hennessy
Matt Kallman
Michelle McCloud
Stan Ponstein
Lindsey Thiel
Stephen Wooden

Lisa Posthumus Lyons
Clerk-Register of Deeds

Ken Yonker
Drain Commissioner

Christopher Becker
Prosecuting Attorney

Michelle LaJoye-Young
Sheriff

Peter MacGregor
Treasurer

OFFICE OF THE ADMINISTRATOR

Alan G. Vanderberg, County Administrator/Controller



*Kent County Administration Building 300 Monroe Avenue, N.W. Grand Rapids, Michigan 49503-2206
Phone: (616) 632-7577 • Fax: (616) 632-7560 • E-mail: Al.Vanderberg@kentcountymi.gov*

June 15, 2022

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 annual comprehensive financial report for the County of Kent for the fiscal year ended December 31, 2021.

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 LLC, Certified Public Accountants, has issued an unmodified (“clean”) opinion on the County’s financial statements for the year ended December 31, 2021. 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 2021 estimated population of 658,046. 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 2020 census population of the County resides as follows: townships (254,017); cities (395,999); and villages (7,958). 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 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.

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 2021, for Kent County, is 3.2% 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 \$84.8 million at December 31, 2022, 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 2021, an additional \$14.2 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 April of 2022, the County issued \$12.7 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 Annual Comprehensive Financial Report (ACFR) for the fiscal year ended December 31, 2020. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. 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 ACFR 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,



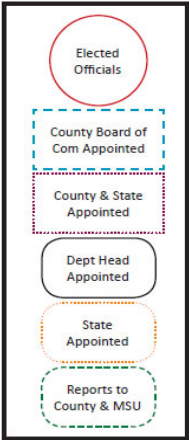
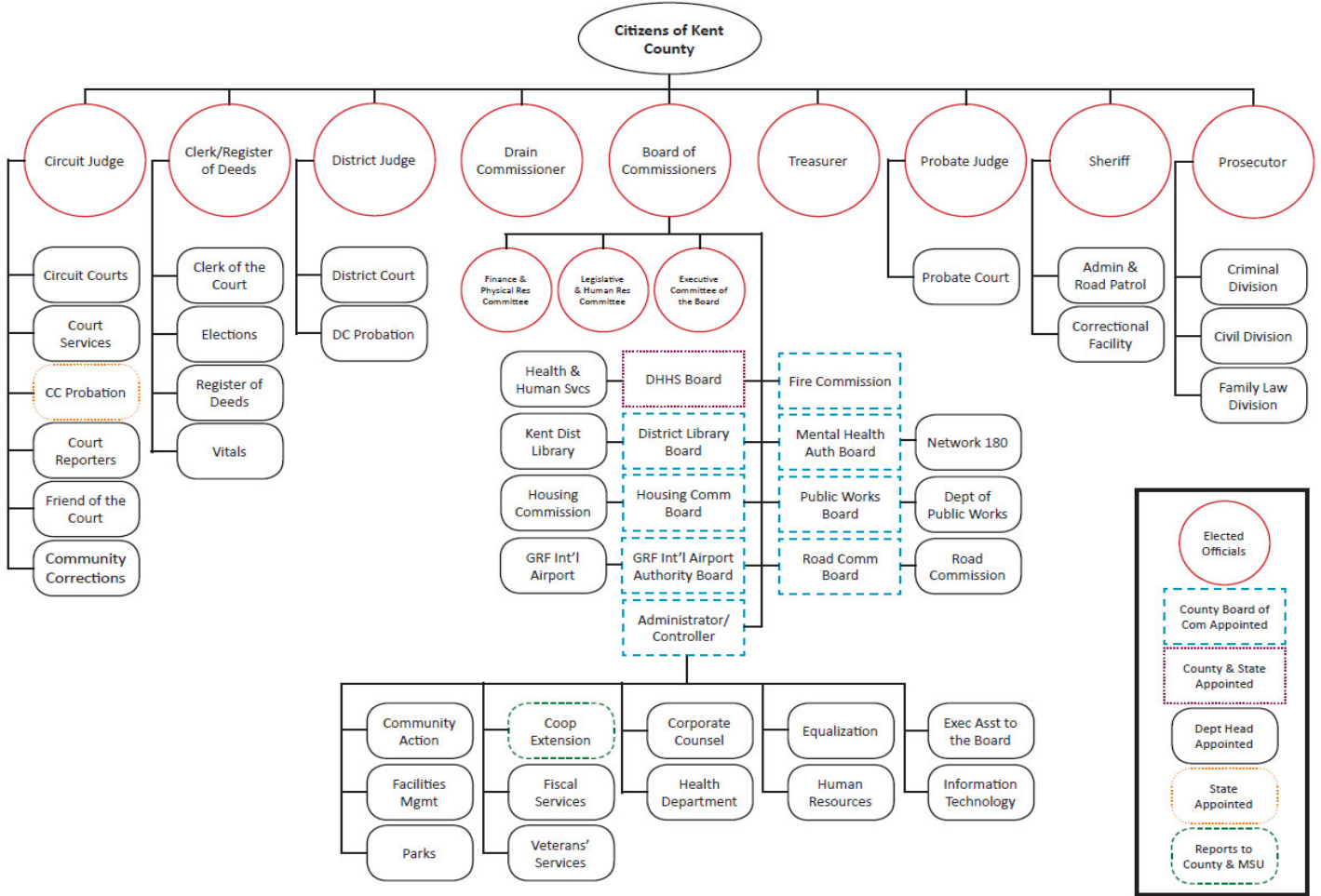
Alan G. Vanderberg
County Administrator/Controller



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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

June 15, 2022

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

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, based on our audit and the reports of the other auditors, the accompanying 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, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the 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	36.5%	49.8%	50.3%
Gerald R. Ford International Airport Authority	59.9%	43.3%	46.9%

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.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Independent Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued, under separate cover, our report dated June 15, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering 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, 2021. 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 \$520,114 (*net position*). Of this amount, \$173,273 (*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 \$71,616, comprised of a \$63,493 increase in governmental activities and an increase of \$8,123 in business-type activities.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$185,018, an increase of \$15,408 from the prior year. Approximately 28.1% of this total amount or \$51,947 is unassigned fund balance.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$51,947 or 38.1% of total General Fund expenditures.
- Total government-wide liabilities (including the net OPEB liability) increased by approximately \$68,903 or (26.6%) during the current fiscal year. Liabilities for governmental activities increased by approximately \$65,960 and liabilities for business-type activities increased by \$2,943. This increase in liabilities is primarily due to an increase in unearned revenue from the American Rescue Plan Act (ARPA) funding of \$63,802 and an increase in accounts payable of \$3,077 offset by a decrease in net OPEB liability of \$452.

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, 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 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, Coronavirus, General Debt Service, 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 and budget comparisons for the General Fund and the major special revenue fund.

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 \$520,114 at the close of the most recent fiscal year.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 459,688	\$ 335,520	\$ 138,881	\$ 131,570	\$ 598,569	\$ 467,090
Capital assets, net	307,418	302,454	54,632	50,857	362,050	353,311
Total assets	767,106	637,974	193,513	182,427	960,619	820,401
Total deferred outflows of resources	40,315	10,972	1,797	633	42,112	11,605
Long-term liabilities	136,871	126,346	60,423	60,280	197,294	186,626
Other liabilities	121,835	66,400	8,716	5,916	130,551	72,316
Total liabilities	258,706	192,746	69,139	66,196	327,845	258,942
Total deferred inflows of resources	150,849	121,827	3,923	2,739	154,772	124,566
Net position						
Net investment in capital assets	224,847	209,720	48,693	44,302	273,540	254,022
Restricted	65,434	43,796	7,867	6,692	73,301	50,488
Unrestricted	107,585	80,857	65,688	63,131	173,273	143,988
Total net position	\$ 397,866	\$ 334,373	\$ 122,248	\$ 114,125	\$ 520,114	\$ 448,498

COUNTY OF KENT, MICHIGAN

Management's Discussion and Analysis

A substantial portion of the County's net position, \$273,540 (52.6%), 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 \$73,301 (14.1%) 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 \$173,273 (33.3%) 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	
	2021	2020	2021	2020	2021	2020
Program revenues:						
Charges for services	\$ 62,941	\$ 59,377	\$ 50,528	\$ 44,582	\$ 113,469	\$ 103,959
Operating grants	116,891	174,515	226	1,160	117,117	175,675
Capital grants	5,134	5,924	72	339	5,206	6,263
General revenues:						
Property taxes	157,101	150,254	-	-	157,101	150,254
State revenue sharing	21,303	17,865	-	-	21,303	17,865
Other taxes	8,969	5,108	-	-	8,969	5,108
Other	1,010	3,375	223	205	1,233	3,580
Total revenues	373,349	416,418	51,049	46,286	424,398	462,704
Expenses:						
General government	36,468	54,020	-	-	36,468	54,020
Public safety	85,101	87,709	-	-	85,101	87,709
Health and welfare	92,680	99,996	-	-	92,680	99,996
Culture and recreation	16,560	18,111	-	-	16,560	18,111
Judicial	41,585	41,335	-	-	41,585	41,335
Community and economic development	11,311	60,810	-	-	11,311	60,810
Public works	22,728	809	41,029	35,476	63,757	36,285
Interest and fiscal charges	3,423	3,743	-	-	3,423	3,743
Delinquent tax collection	-	-	1,897	883	1,897	883
Total expenses	309,856	366,533	42,926	36,359	352,782	402,892
Change in net position, before transfers	63,493	49,885	8,123	9,927	71,616	59,812
Transfers	-	3,700	-	(3,700)	-	-
Change in net position	63,493	53,585	8,123	6,227	71,616	59,812
Net position:						
Beginning of year	334,373	280,788	114,125	107,898	448,498	388,686
End of year	\$ 397,866	\$ 334,373	\$ 122,248	\$ 114,125	\$ 520,114	\$ 448,498

COUNTY OF KENT, MICHIGAN

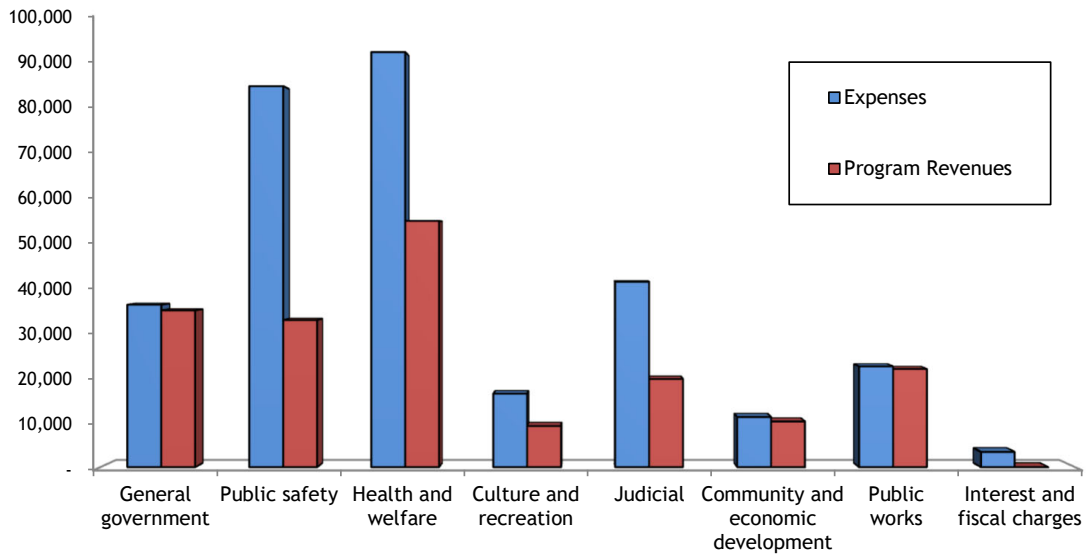
Management's Discussion and Analysis

The County's net position increased by \$71,616 during the current fiscal year. The majority of this increase is related to decreases in general government, health and welfare, and community economic development expenses; partially offset by an increase in public works expenses. These decreases work in conjunction with increases in the County's general revenues.

Governmental Activities. Governmental activities increased the County's net position by \$63,493. Key elements of this increase include the following:

- Current year property tax revenue increase of \$6,847 related to the increase in the value of taxable property.
- Charges for services increased by \$3,564 due to County facilities re-opening following the pandemic and providing services at pre-pandemic levels.
- State revenue sharing increased by \$3,438 primarily due to returning to more traditional funding levels.
- Other taxes increased by of \$3,861 due to an increase in transient lodging occupancy rates.
- Operating grants decreased by \$57,624 due to a decrease in grant revenues associated with the COVID-19 response.
- General government expenses decreased \$17,552 primarily due to a decrease in grant expenses related to COVID-19 funding.
- Health and welfare expenses decreased by \$7,316 due to decreased spending for COVID-19 relief activities.
- Community and economic development expenses decreased by \$49,499 primarily due to the end of COVID-19 programs related to grant assistance payments to schools, non-profits, and small business.
- Public works expenses increased by \$21,919 primarily due to the issuance of long-term debt for the Kent County Road Commission.

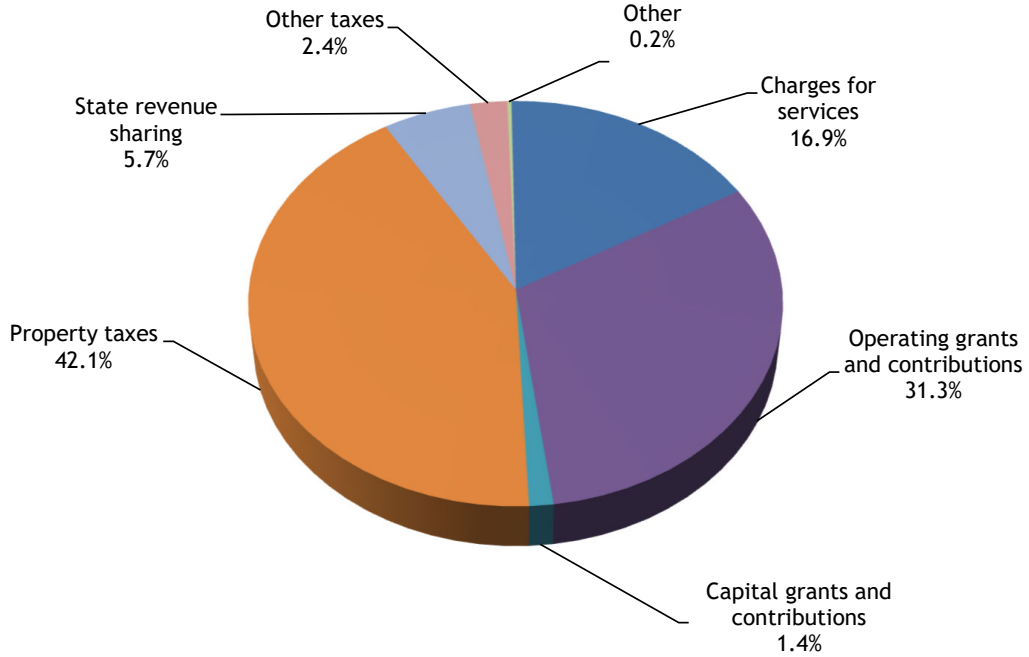
Expenses and Program Revenues - Governmental Activities



COUNTY OF KENT, MICHIGAN

Management's Discussion and Analysis

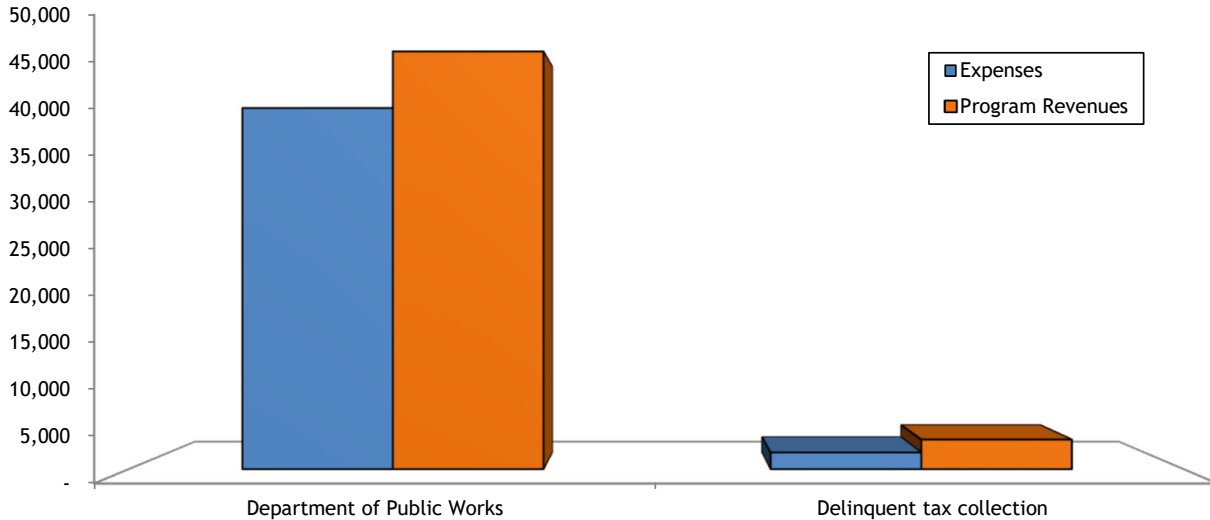
Revenues by Source - Governmental Activities



Business-type Activities. Business-type activities increased the County’s net position by \$8,123. Key elements of this increase include the following:

- Charges for Services revenue for the public works increased by \$5,427 primarily related to an increase in fee rates and to facilities being open to full capacity.
- Transfers out of the Delinquent Tax Revolving fund to the General Fund decreased by \$3,700.

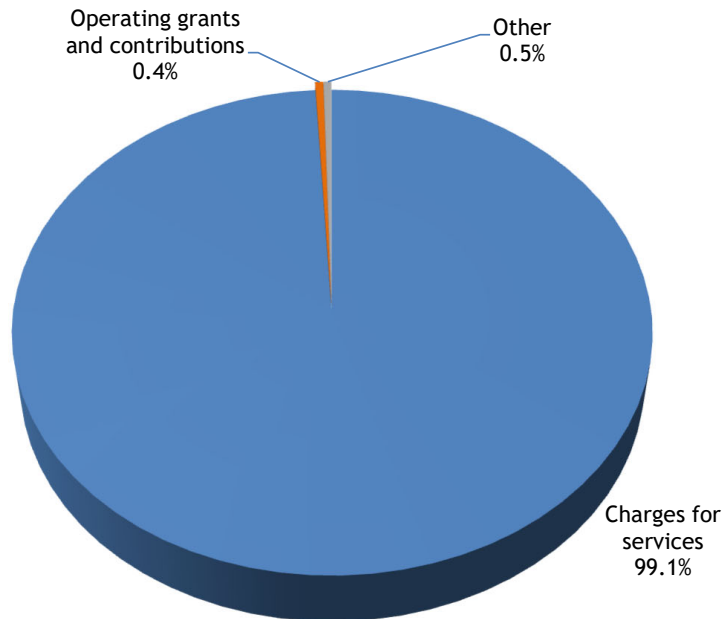
Expenses and Program Revenues - Business-type Activities



COUNTY OF KENT, MICHIGAN

Management's Discussion and Analysis

Revenues by Source - Business-type Activities



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 \$185,018 an increase of \$15,408 from the prior year. Of this amount, 28.1% (\$51,947) 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 (\$1,321), or 2) long-term cash advances to the Drainage District (\$618); B) Restricted for use per external/third party mandates (\$39,084); C) is committed for economic stabilization (\$31,005); or D) has been assigned for other specific uses in the County's general operations (\$61,043).

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 \$51,947 while total fund balance amounted to \$84,688. 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 38.1% of total General Fund expenditures, while total fund balance represents 62.0% of that same amount.

COUNTY OF KENT, MICHIGAN

Management's Discussion and Analysis

The fund balance of the County's General Fund increased by \$2,155 during the current fiscal year. Key factors in this change are as follows:

- Increasing property tax values resulting in an increase in current property tax revenues of \$4,184.
- Intergovernmental revenues from state revenue sharing increased \$3,749, returning to more traditional levels.
- Charges for services revenues increased by \$2,256 primarily due to a marked increase in activity for the Register of Deeds and the re-opening of Parks facilities to the public.
- General government expenditures increased by \$2,413 primarily due to expenditures that were no longer eligible in 2021 for COVID-19 relief funding reimbursements.
- Public safety expenditures increased \$4,268 primarily due to payroll costs no longer being allocated to the Coronavirus fund to be reimbursed by CARES Act funding sources.

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 \$366 and is attributable to interest earned on pooled cash.

The General Debt Service Fund accounts for specific activity related to the County debt issuances and payments. During 2021, the County issued 2021 Michigan Transportation Fund bonds totaling \$18,325,000 on behalf of the Kent County Road Commission (discretely presented component unit).

The Public Improvement Fund accounts for revenue set aside for public improvements. The ending fund balance increased by \$16,329, and is primarily attributable to transfers in from other funds and an increase in State grant revenues for park improvement projects.

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 no significant change (\$88) between the original and final amended budget.

The General Fund budgeted for a decrease in fund balance of \$6,588 and the actual change in fund balance was an increase of \$2,155. Significant budgetary variances are as follows:

- \$3,868 of intergovernmental revenue more than budgeted primarily due to an increase in State revenue sharing received.
- \$2,687 of general government expenditures were less than budgeted due to facilities being shutdown part of the year during the pandemic.
- \$2,200 of public safety expenditures were less than budgeted due to a larger than expected amount being allocated to CARES Act funding.
- \$2,179 of judicial expenditures less than budgeted due to courts being shut down during the pandemic.
- \$4,100 decrease in transfers in from the Delinquent Tax Revolving fund.

COUNTY OF KENT, MICHIGAN

Management's Discussion and Analysis

Capital Asset and Debt Administration

Capital Assets. The County's capital assets for its governmental and business-type activities as of December 31, 2021 amounted to \$362,050 (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 \$8,739 (a \$4,964 increase for governmental activities and a \$3,775 increase for business-type activities).

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

- \$4,414 increase in land purchases for park expansion projects.
- \$4,654 increase in construction in progress primarily related to capital improvements for the Parks Headquarters and Visitor's Center (\$1,679) and North County Campus facility (\$1,862).
- \$3,800 increase in construction in progress in the business-type activities primarily related to the administration building for the Department of Public Works.

	Capital Assets (Net of Depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 86,368	\$ 81,955	\$ 6,199	\$ 6,199	\$ 92,567	\$ 88,154
Property easements	37	37	-	-	37	37
Construction in progress	9,170	4,516	5,597	602	14,767	5,118
Landfill cells	-	-	10,722	8,083	10,722	8,083
Land improvements	18,334	17,608	3,300	3,647	21,634	21,255
Buildings and improvements	170,434	174,248	19,793	21,637	190,227	195,885
Machinery and equipment	14,844	15,587	8,748	10,444	23,592	26,031
Motor vehicles	5,703	5,807	273	245	5,976	6,052
Infrastructure	2,514	2,677	-	-	2,514	2,677
Animals	14	19	-	-	14	19
Total capital assets, net	\$ 307,418	\$ 302,454	\$ 54,632	\$ 50,857	\$ 362,050	\$ 353,311

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 \$136,157.

	Installment Debt					
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation bonds	\$ 107,280	\$ 98,135	\$ 5,500	\$ 6,060	\$ 112,780	\$ 104,195
Notes payable	-	-	19,900	20,300	19,900	20,300
Contracts payable	3,477	4,152	-	-	3,477	4,152
Total	\$ 110,757	\$ 102,287	\$ 25,400	\$ 26,360	\$ 136,157	\$ 128,647

The County's total installment debt increased by \$7,510 (5.8%) during the current fiscal year. The increase was a result of the County issuing \$18,325 of general obligation bonds on the behalf of the Road Commission off-set by a decrease attributable to debt payments throughout the fiscal year.

COUNTY OF KENT, MICHIGAN

Management's Discussion and Analysis

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 \$3,409,361 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 2021 was 4.7%, which is a 38.2% decrease from 2020, related to employees returning to the workforce following the COVID-19 pandemic. This is significantly below the State average annual unemployment rate of 5.9% for 2021.
- Inflationary trends in the region compare favorably to national indices.

The County considered these factors in preparing its budget for the 2022 fiscal year.

During the current fiscal year, unassigned fund balance in the General Fund was \$51,947. The County was able to adopt a balanced budget for the 2022 fiscal year without appropriating additional spending, or the need to raise taxes or charges above the current recommended levels during the 2022 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, 2021

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash, investments, and accrued interest	\$ 270,347,142	\$ 102,961,644	\$ 373,308,786	\$ 58,919,322
Receivables, net	100,846,235	5,274,895	106,121,130	39,317,348
Internal balances	(599,202)	599,202	-	-
Due from component units	742,246	-	742,246	-
Due from primary government	-	-	-	4,921
Restricted cash, investments, and accrued interest	-	19,545,403	19,545,403	144,001,597
Restricted receivables	-	7,105,071	7,105,071	1,077,582
Other assets	3,558,082	95,762	3,653,844	6,156,359
Advances to component units	618,097	-	618,097	-
Net pension asset	84,174,668	3,299,185	87,473,853	8,064,214
Net OPEB asset	-	-	-	1,731,357
Capital assets not being depreciated	95,575,133	11,796,450	107,371,583	72,802,244
Capital assets being depreciated, net	211,843,059	42,835,445	254,678,504	635,696,151
Total assets	767,105,460	193,513,057	960,618,517	967,771,095
Deferred outflows of resources				
Deferred charge on bond refunding, net	732,891	214,005	946,896	3,582,237
Deferred pension amounts	32,808,730	1,275,087	34,083,817	3,270,905
Deferred OPEB amounts	6,773,222	308,154	7,081,376	964,677
Total deferred outflows of resources	40,314,843	1,797,246	42,112,089	7,817,819
Liabilities				
Accounts payable and accrued liabilities	34,411,194	8,001,105	42,412,299	25,683,217
Due to component units	4,921	-	4,921	-
Due to primary government	-	-	-	742,246
Unearned revenue	68,310,523	-	68,310,523	725,392
Advances from primary government	-	-	-	618,097
Long-term liabilities:				
Due within one year	16,544,346	16,900,471	33,444,817	13,225,445
Due in more than one year	120,326,990	43,522,807	163,849,797	262,044,229
Net OPEB liability (due in more than one year)	19,107,580	714,800	19,822,380	-
Total liabilities	258,705,554	69,139,183	327,844,737	303,038,626
Deferred inflows of resources				
Property taxes levied for subsequent period	50,613,087	-	50,613,087	-
Deferred pension amounts	91,583,733	3,589,561	95,173,294	2,701,789
Deferred OPEB amounts	8,652,008	333,434	8,985,442	1,279,766
Total deferred inflows of resources	150,848,828	3,922,995	154,771,823	3,981,555
Net position				
Net investment in capital assets	224,846,542	48,693,187	273,539,729	566,794,941
Restricted for:				
Public safety	11,833,292	-	11,833,292	-
Health and welfare	11,300,240	-	11,300,240	-
Judicial	7,177,407	-	7,177,407	-
Community and economic development	8,318,075	-	8,318,075	-
Debt service	-	6,095,822	6,095,822	10,052,486
Capital projects	-	-	-	19,451,343
Property tax foreclosures	-	786,146	786,146	-
Pension benefits	25,399,665	984,711	26,384,376	8,633,330
OPEB benefits	-	-	-	1,416,268
Other state mandated programs	1,406,179	-	1,406,179	-
Unrestricted	107,584,521	65,688,259	173,272,780	62,220,365
Total net position	\$ 397,865,921	\$ 122,248,125	\$ 520,114,046	\$ 668,568,733

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, 2021

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	\$ 36,467,822	\$ 15,552,197	\$ 19,511,358	\$ 148,462	\$ (1,255,805)
Public safety	85,101,261	28,265,270	4,794,044	-	(52,041,947)
Health and welfare	92,680,153	2,193,967	52,920,293	-	(37,565,893)
Culture and recreation	16,560,246	2,774,636	1,507,129	4,985,641	(7,292,840)
Judicial	41,584,864	4,280,111	15,596,661	-	(21,708,092)
Community and economic development	11,311,250	9,817,258	484,446	-	(1,009,546)
Public works	22,728,361	57,664	22,076,929	-	(593,768)
Interest and fiscal charges	3,423,351	-	-	-	(3,423,351)
Total governmental activities	309,857,308	62,941,103	116,890,860	5,134,103	(124,891,242)
Business-type activities:					
Public works	41,028,425	47,162,183	225,709	71,803	6,431,270
Delinquent tax collection and administration	1,896,875	3,366,042	-	-	1,469,167
Total business-type activities	42,925,300	50,528,225	225,709	71,803	7,900,437
Total primary government	\$ 352,782,608	\$ 113,469,328	\$ 117,116,569	\$ 5,205,906	\$ (116,990,805)
Component units					
Road Commission	\$ 69,412,876	\$ 1,200,859	\$ 76,507,632	\$ 6,476,085	\$ 14,771,700
Drainage Districts	2,911,562	-	2,261,824	5,046,809	4,397,071
Housing Commission	4,736,666	36,597	4,684,508	-	(15,561)
Airport Authority	58,207,330	50,308,206	5,509,118	20,386,552	17,996,546
Total component units	\$ 135,268,434	\$ 51,545,662	\$ 88,963,082	\$ 31,909,446	\$ 37,149,756

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COUNTY OF KENT, MICHIGAN

Statement of Activities

For the Year Ended December 31, 2021

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Changes in net position				
Net revenue (expense)	\$ (124,891,242)	\$ 7,900,437	\$ (116,990,805)	\$ 37,149,756
General revenues:				
Property taxes	157,101,386	-	157,101,386	-
Lodging excise taxes	8,968,752	-	8,968,752	-
State revenue sharing	21,303,129	-	21,303,129	-
Unrestricted investment earnings	969,720	26,909	996,629	453,712
Gain on sale of capital assets	-	195,918	195,918	1,006,001
Other revenues	41,368	-	41,368	2,433,829
Total general revenues	188,384,355	222,827	188,607,182	3,893,542
Change in net position	63,493,113	8,123,264	71,616,377	41,043,298
Net position, beginning of year	334,372,808	114,124,861	448,497,669	627,525,435
Net position, end of year	<u>\$ 397,865,921</u>	<u>\$ 122,248,125</u>	<u>\$ 520,114,046</u>	<u>\$ 668,568,733</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, 2021

	General Fund (101)	Coronavirus (274)	General Debt Service (301)	Public Improvement (445)
Assets				
Cash, investments, and accrued interest	\$ 91,679,887	\$ 67,095,985	\$ -	\$ 45,919,946
Receivables, net:				
Accounts	934,067	40,631	-	1,456,500
Property taxes	3,018,726	-	-	-
Due from other governments	2,363,852	1,384,072	-	148,462
Loans	-	-	-	-
Installment sales agreement	-	-	22,076,929	-
Due from other funds	13,606,474	37	14,300	10,041,066
Due from component units	742,246	-	-	-
Advances to component units	618,097	-	-	-
Inventories	124,700	-	-	-
Prepays	967,041	-	-	-
Total assets	<u>\$ 114,055,090</u>	<u>\$ 68,520,725</u>	<u>\$ 22,091,229</u>	<u>\$ 57,565,974</u>
Liabilities				
Accounts payable	\$ 2,754,259	\$ 48,500	\$ 14,300	\$ 1,885,640
Accrued liabilities	7,858,145	16,416	-	-
Due to other governments	2,525	256,793	-	-
Due to other funds	16,615,375	3,267,725	-	70,710
Due to component units	4,921	-	-	-
Unearned revenue	619,425	64,564,860	-	-
Total liabilities	<u>27,854,650</u>	<u>68,154,294</u>	<u>14,300</u>	<u>1,956,350</u>
Deferred inflows of resources				
Property taxes levied for subsequent period	-	-	-	-
Unavailable revenue - installment sales agreements	-	-	22,076,929	-
Unavailable revenue - loans receivable	-	-	-	-
Unavailable revenue - property taxes	1,512,903	-	-	-
Total deferred inflows of resources	<u>1,512,903</u>	<u>-</u>	<u>22,076,929</u>	<u>-</u>
Fund balances				
Nonspendable	1,709,838	-	-	-
Restricted	-	138,321	-	-
Committed	31,004,887	-	-	-
Assigned	25,329	228,110	-	55,609,624
Unassigned	51,947,483	-	-	-
Total fund balances	<u>84,687,537</u>	<u>366,431</u>	<u>-</u>	<u>55,609,624</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 114,055,090</u>	<u>\$ 68,520,725</u>	<u>\$ 22,091,229</u>	<u>\$ 57,565,974</u>

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

Nonmajor Governmental Funds	Total Governmental Funds
\$ 49,841,170	\$ 254,536,988
5,189,077	7,620,275
46,387,565	49,406,291
15,047,413	18,943,799
928,902	928,902
-	22,076,929
7,317,456	30,979,333
-	742,246
-	618,097
1,513,305	1,638,005
27,524	994,565
<u>\$ 126,252,412</u>	<u>\$ 388,485,430</u>
\$ 12,458,672	\$ 17,161,371
3,587,427	11,461,988
155,032	414,350
11,028,825	30,982,635
-	4,921
3,126,238	68,310,523
<u>30,356,194</u>	<u>128,335,788</u>
50,613,087	50,613,087
-	22,076,929
928,902	928,902
-	1,512,903
<u>51,541,989</u>	<u>75,131,821</u>
228,437	1,938,275
38,945,660	39,083,981
-	31,004,887
5,180,132	61,043,195
-	51,947,483
<u>44,354,229</u>	<u>185,017,821</u>
<u>\$ 126,252,412</u>	<u>\$ 388,485,430</u>

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COUNTY OF KENT, MICHIGAN

Reconciliation

Fund Balances for Governmental Funds
to Net Position of Governmental Activities
December 31, 2021

Fund balances - total governmental funds \$ 185,017,821

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	95,575,133
Capital assets being depreciated, net	211,056,543

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	928,902
Deferred inflows for property taxes receivable	1,512,903
Deferred inflows for installment sales agreement receivable	22,076,929

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	14,523,860
Internal service fund net position accounted for in business-type activities	(596,838)

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

Bonds and contracts payable	(110,757,308)
Deferred charge on advance bond refundings, net	732,891
Bond premiums/discounts, net	(16,029,913)
Pollution remediation liability	(24,529)
Compensated absences	(10,059,586)
Accrued interest on long-term debt	(504,186)

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	84,174,668
Deferred outflows related to the net pension asset	32,808,730
Deferred inflows related to the net pension asset	(91,583,733)
Net OPEB liability	(19,107,580)
Deferred outflows related to the net OPEB liability	6,773,222
Deferred inflows related to the net OPEB liability	<u>(8,652,008)</u>

Net position of governmental activities \$ 397,865,921

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, 2021

	General Fund (101)	Coronavirus (274)	General Debt Service (301)	Public Improvement (445)
Revenues				
Taxes	\$ 108,400,812	\$ -	\$ -	\$ -
Licenses and permits	28,730	-	-	-
Intergovernmental	25,728,710	13,376,412	-	3,830,376
Charges for services	30,119,818	-	-	-
Fines and forfeitures	1,247,775	-	-	-
Investment earnings	34,076	261,442	-	-
Contributions and reimbursements	5,327,021	764,604	-	809,000
Other	3,454,023	-	-	-
Total revenues	174,340,965	14,402,458	-	4,639,376
Expenditures				
Current:				
General government	35,479,121	1,215,823	-	-
Public safety	61,287,495	8,753,330	-	-
Health and welfare	7,436,913	4,529,052	-	-
Culture and recreation	6,160,885	-	-	-
Judicial	24,242,048	12,300	-	-
Community and economic development	1,185,571	19,034	-	-
Public works	730,592	769	21,998,218	-
Debt service:				
Principal	-	-	6,294,356	-
Interest and fiscal charges	-	-	3,487,350	-
Capital outlay	-	-	-	13,088,838
Total expenditures	136,522,625	14,530,308	31,779,924	13,088,838
Revenues over (under) expenditures	37,818,340	(127,850)	(31,779,924)	(8,449,462)
Other financing sources (uses)				
Transfers in	18,450,000	-	9,781,706	25,605,034
Transfers out	(54,444,007)	-	-	(826,650)
Issuance of long-term debt	-	-	18,325,000	-
Premium on issuance of long-term debt	-	-	3,673,218	-
Proceeds from sale of capital assets	330,920	-	-	-
Total other financing sources (uses)	(35,663,087)	-	31,779,924	24,778,384
Net change in fund balances	2,155,253	(127,850)	-	16,328,922
Fund balances, beginning of year	82,532,284	494,281	-	39,280,702
Fund balances, end of year	\$ 84,687,537	\$ 366,431	\$ -	\$ 55,609,624

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

Nonmajor Governmental Funds	Total Governmental Funds
\$ 58,049,969	\$ 166,450,781
1,093,481	1,122,211
61,605,044	104,540,542
22,413,035	52,532,853
249,326	1,497,101
215,080	510,598
8,749,398	15,650,023
5,149,861	8,603,884
<u>157,525,194</u>	<u>350,907,993</u>

424,642	37,119,586
22,664,380	92,705,205
87,215,863	99,181,828
11,184,650	17,345,535
22,230,158	46,484,506
10,300,607	11,505,212
-	22,729,579
3,980,000	10,274,356
1,127,338	4,614,688
3,013,126	16,101,964
<u>162,140,764</u>	<u>358,062,459</u>
<u>(4,615,570)</u>	<u>(7,154,466)</u>

25,245,886	79,082,626
(24,011,969)	(79,282,626)
419,357	18,744,357
-	3,673,218
14,205	345,125
<u>1,667,479</u>	<u>22,562,700</u>
(2,948,091)	15,408,234
<u>47,302,320</u>	<u>169,609,587</u>
<u>\$ 44,354,229</u>	<u>\$ 185,017,821</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, 2021

Net change in fund balances - total governmental funds \$ 15,408,234

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	15,926,531
Donated capital assets	485,177
Depreciation expense	(11,049,112)
Proceeds from sale of capital assets	(345,125)
Loss on sale of capital assets	(211,508)

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	483,370
Net change in deferred inflows for property taxes receivable	(380,643)
Net change in deferred inflows for installment sales agreement	22,076,929

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	10,274,356
Issuance of long-term debt	(18,744,357)
Premium on issuance of long-term debt	(3,673,218)

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	(105,071)
Amortization of bond premiums/discounts	1,416,790
Amortization of deferred charge on advance bond refundings	(120,382)
Change in the accrual for compensated absences	201,012
Change in the net pension asset and related deferred amounts	28,567,015
Change in the net other postemployment benefit liability and related deferred amounts	3,677,852

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 loss of the internal service funds	(1,369,746)
Operating loss of the internal service funds allocated to business-type activities	332,296
Interest earnings from internal service funds	460,713
Loss on sale of capital assets from internal service funds	(18,000)
Net operating transfers accounted for in the internal service funds	200,000

Change in net position of governmental activities \$ 63,493,113

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

COUNTY OF KENT, MICHIGAN

Statement of Net Position

Proprietary Funds
December 31, 2021

	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	\$ 5,886,294	\$ 97,075,350	\$ 102,961,644	\$ 15,810,154
Accounts receivable, net	-	3,396,137	3,396,137	1,850,289
Taxes receivable	805,839	-	805,839	-
Due from other governments	1,072,919	-	1,072,919	19,750
Due from other funds	2,363	281,793	284,156	938
Inventories	-	-	-	31,150
Prepays	-	95,762	95,762	894,362
Restricted cash, investments, and accrued interest	17,154,969	-	17,154,969	-
Restricted receivables	7,105,071	-	7,105,071	-
Total current assets	32,027,455	100,849,042	132,876,497	18,606,643
Noncurrent assets:				
Restricted cash, investments and accrued interest	-	2,390,434	2,390,434	-
Net pension asset	-	3,299,185	3,299,185	-
Capital assets not being depreciated	-	11,796,450	11,796,450	-
Capital assets being depreciated, net	-	42,835,445	42,835,445	786,516
Total noncurrent assets	-	60,321,514	60,321,514	786,516
Total assets	32,027,455	161,170,556	193,198,011	19,393,159
Deferred outflows of resources				
Deferred charge on bond refunding, net	-	214,005	214,005	-
Deferred pension amounts	-	1,275,087	1,275,087	-
Deferred OPEB amounts	-	308,154	308,154	-
Total deferred outflows of resources	-	1,797,246	1,797,246	-

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COUNTY OF KENT, MICHIGAN

Statement of Net Position

Proprietary Funds
December 31, 2021

	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	\$ 441,309	\$ 5,286,392	\$ 5,727,701	\$ 139,109
Accrued liabilities	1,436,274	622,061	2,058,335	4,730,190
Due to other funds	-	281,792	281,792	-
Accrued interest	172,711	42,358	215,069	-
Current portion of long-term debt	15,763,575	1,136,896	16,900,471	-
Total current liabilities	<u>17,813,869</u>	<u>7,369,499</u>	<u>25,183,368</u>	<u>4,869,299</u>
Noncurrent liabilities, net of current portion:				
Long-term debt	4,618,366	38,904,441	43,522,807	-
Net OPEB liability	-	714,800	714,800	-
Total noncurrent liabilities	<u>4,618,366</u>	<u>39,619,241</u>	<u>44,237,607</u>	<u>-</u>
Total liabilities	<u>22,432,235</u>	<u>46,988,740</u>	<u>69,420,975</u>	<u>4,869,299</u>
Deferred inflows of resources				
Deferred pension amounts	-	3,589,561	3,589,561	-
Deferred OPEB amounts	-	333,434	333,434	-
Total deferred inflows of resources	<u>-</u>	<u>3,922,995</u>	<u>3,922,995</u>	<u>-</u>
Net position				
Net investment in capital assets	-	48,693,187	48,693,187	786,516
Restricted for:				
Debt service	3,705,388	2,390,434	6,095,822	-
Property tax foreclosures	786,146	-	786,146	-
Pension benefits	-	984,711	984,711	-
Unrestricted	5,103,686	59,987,735	65,091,421	13,737,344
Total net position	<u>\$ 9,595,220</u>	<u>\$ 112,056,067</u>	<u>\$ 121,651,287</u>	<u>\$ 14,523,860</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, 2021

Net position - total enterprise funds \$ 121,651,287

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

596,838

Net position of business-type activities

\$ 122,248,125

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, 2021

	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	\$ 454,873	\$ 46,310,261	\$ 46,765,134	\$ 28,481,546
Intergovernmental	-	6,000	6,000	-
Interest and penalties	1,714,793	-	1,714,793	-
Collection fees	629,980	-	629,980	-
Auction proceeds, net	527,421	-	527,421	-
Other	38,975	851,922	890,897	-
Total operating revenues	3,366,042	47,168,183	50,534,225	28,481,546
Operating expenses				
Salaries and fringes	-	4,235,789	4,235,789	129,782
Materials and supplies	-	119,911	119,911	-
Administrative and general	-	452,146	452,146	-
Contractual services	343,732	22,568,526	22,912,258	93,527
Landfill maintenance	-	6,896,188	6,896,188	-
Benefit payments and refunds	-	-	-	28,039,240
Depreciation	-	6,017,337	6,017,337	225,712
Other	1,276,718	189,420	1,466,138	1,363,031
Total operating expenses	1,620,450	40,479,317	42,099,767	29,851,292
Operating income (loss)	1,745,592	6,688,866	8,434,458	(1,369,746)
Nonoperating revenues (expenses)				
Investment earnings	26,909	219,709	246,618	460,713
Interest expense	(276,425)	(216,812)	(493,237)	-
Gain (loss) on sale of capital assets	-	195,918	195,918	(18,000)
Total nonoperating revenues (expenses)	(249,516)	198,815	(50,701)	442,713
Income (loss) before capital contributions and transfers	1,496,076	6,887,681	8,383,757	(927,033)
Capital contributions	-	71,803	71,803	-
Transfers in	-	-	-	200,000
Change in net position	1,496,076	6,959,484	8,455,560	(727,033)
Net position, beginning of year	8,099,144	105,096,583	113,195,727	15,250,893
Net position, end of year	\$ 9,595,220	\$ 112,056,067	\$ 121,651,287	\$ 14,523,860

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, 2021

Change in net position - total enterprise funds \$ 8,455,560

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 loss from business-type activities accounted for in
governmental-type internal service funds

(332,296)

Change in net position of business-type activities

\$ 8,123,264

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, 2021

	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	\$ 20,526,105	\$ 47,357,580	\$ 67,883,685	\$ 28,253,151
Payments to vendors	(206,615)	(28,179,837)	(28,386,452)	(1,512,768)
Payments for personnel services	-	(5,454,642)	(5,454,642)	(154,443)
Benefit payments	-	-	-	(27,594,984)
Delinquent taxes purchased	(15,949,795)	-	(15,949,795)	-
Net cash provided by (used in) operating activities	<u>4,369,695</u>	<u>13,723,101</u>	<u>18,092,796</u>	<u>(1,009,044)</u>
Cash flows from noncapital financing activities				
Proceeds from issuance of long-term debt	15,800,000	-	15,800,000	-
Principal paid on long-term debt	(16,200,000)	-	(16,200,000)	-
Interest paid on long-term debt	(449,962)	-	(449,962)	-
Premium on issuance of long-term debt	710,201	-	710,201	-
Transfers from other funds	-	-	-	200,000
Net cash provided by (used in) noncapital financing activities	<u>(139,761)</u>	<u>-</u>	<u>(139,761)</u>	<u>200,000</u>
Cash flows from capital and related financing activities				
Proceeds from sale of capital assets	-	196,916	196,916	-
Purchase of capital assets	-	(9,793,224)	(9,793,224)	(402,096)
Capital contributions received	-	71,803	71,803	-
Principal paid on capital debt	-	(560,000)	(560,000)	-
Interest paid on capital debt	-	(276,551)	(276,551)	-
Net cash used in capital and related financing activities	<u>-</u>	<u>(10,361,056)</u>	<u>(10,361,056)</u>	<u>(402,096)</u>
Cash flows from investing activities				
Interest received on investments	<u>26,909</u>	<u>219,709</u>	<u>246,618</u>	<u>460,713</u>
Net change in cash and cash equivalents	<u>4,256,843</u>	<u>3,581,754</u>	<u>7,838,597</u>	<u>(750,427)</u>
Cash and cash equivalents, beginning of year	<u>18,784,420</u>	<u>95,884,030</u>	<u>114,668,450</u>	<u>16,560,581</u>
Cash and cash equivalents, end of year	<u>\$ 23,041,263</u>	<u>\$ 99,465,784</u>	<u>\$ 122,507,047</u>	<u>\$ 15,810,154</u>

continued...

COUNTY OF KENT, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2021

	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	\$ 5,886,294	\$ 97,075,350	\$ 102,961,644	\$ 15,810,154
Current restricted cash, investments, and accrued interest	17,154,969	-	17,154,969	-
Noncurrent restricted cash, investments, and accrued interest	-	2,390,434	2,390,434	-
	<u>\$ 23,041,263</u>	<u>\$ 99,465,784</u>	<u>\$ 122,507,047</u>	<u>\$ 15,810,154</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	\$ 1,745,592	\$ 6,688,866	\$ 8,434,458	\$ (1,369,746)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation expense	-	6,017,337	6,017,337	225,712
Change in:				
Accounts receivable	-	229,595	229,595	(101,938)
Taxes receivable	1,950,669	-	1,950,669	-
Due from other governments	(740,104)	-	(740,104)	500
Due from other funds	(297)	83,318	83,021	(668)
Inventories	-	-	-	(31,150)
Prepays	-	52,906	52,906	(307)
Accounts payable	(22,439)	1,250,628	1,228,189	(335,396)
Accrued liabilities	1,436,274	27,229	1,463,503	713,925
Net pension asset	-	(1,257,740)	(1,257,740)	-
Deferred inflows - pension	-	1,203,802	1,203,802	-
Deferred outflows - pension	-	(1,074,361)	(1,074,361)	-
Net OPEB liability	-	18,652	18,652	-
Deferred inflows - OPEB	-	(19,704)	(19,704)	-
Deferred outflows - OPEB	-	(116,731)	(116,731)	-
Due to other funds	-	(123,516)	(123,516)	(109,976)
Landfill closure and post-closure care liability	-	742,820	742,820	-
Net cash provided by (used in) operating activities	<u>\$ 4,369,695</u>	<u>\$ 13,723,101</u>	<u>\$ 18,092,796</u>	<u>\$ (1,009,044)</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, 2021

	Pension and Other Postemployment Benefits Trust Funds	Investment Trust Fund	Custodial Fund
Assets			
Cash and cash equivalents	\$ 656,720	\$ -	\$ -
Pooled cash, investments, and accrued interest	-	69,458,317	8,987,673
Contributions receivable	1,479,417	-	-
Interest receivable	688,556	-	-
Due from brokers	99,202	-	-
Investments, at fair value:			
U.S. government obligations	36,407,051	-	-
U.S. government agency obligations	467,878	-	-
Municipal obligations	656,466	-	-
Corporate obligations	40,426,906	-	-
Common stock	508,414,989	-	-
Foreign obligations	13,256,317	-	-
Foreign common stock	4,098,482	-	-
Money market funds	21,519,513	-	-
International equity mutual funds	220,729,407	-	-
Domestic equity mutual funds	20,028,032	-	-
Domestic fixed income mutual funds	6,501,313	-	-
International fixed income mutual funds	164,346,797	-	-
Real estate and infrastructure securities	83,208,610	-	-
Asset-backed securities	9,547,244	-	-
Mortgage-backed securities fund	56,960,665	-	-
Total investments, at fair value	<u>1,186,569,670</u>	<u>-</u>	<u>-</u>
Total assets	<u>1,189,493,565</u>	<u>69,458,317</u>	<u>8,987,673</u>
Liabilities			
Accounts payable	1,316,472	-	285,056
Due to brokers	2,963,721	-	-
Due to other governments	-	-	3,843,622
Total liabilities	<u>4,280,193</u>	<u>-</u>	<u>4,128,678</u>
Net position			
Restricted for:			
Employees' pension benefits	1,137,038,674	-	-
Other postemployment benefits	48,174,698	-	-
Investment pool participants	-	69,458,317	-
Individuals, organizations, and other governments	-	-	4,858,995
Total net position	<u>\$ 1,185,213,372</u>	<u>\$ 69,458,317</u>	<u>\$ 4,858,995</u>

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, 2021

	Pension and Other Postemployment Benefits Trust Funds	Investment Trust Fund	Custodial Fund
Additions			
Contributions:			
Employer	\$ 15,217,722	\$ -	\$ -
Employer - implicit rate subsidy	1,420,950	-	-
Plan members	10,908,085	-	-
Purchases by participants	-	25,852,015	-
Total contributions	27,546,757	25,852,015	-
Investment earnings:			
Net appreciation in fair value of securities	129,253,614	-	-
Interest	1,103,847	125,221	17,824
Dividends	10,721,286	-	-
Total investment income	141,078,747	125,221	17,824
Investment expense	(3,496,958)	-	-
Net investment income	137,581,789	125,221	17,824
Collections for other governments:			
Fines and fees	-	-	2,839,368
Property taxes	-	-	193,351,390
Collections for individuals:			
Collections of unclaimed property	-	-	37,868
Support payments	-	-	35,776,976
Bonds and restitution	-	-	7,559,130
Commissary collected	-	-	5,622,609
Miscellaneous	6,296	-	15,000
Total additions	165,134,842	25,977,236	245,220,165
Deductions			
Benefit payments	49,569,036	-	-
Benefit payments - implicit rate subsidy	1,420,950	-	-
Administrative expenses	782,766	-	-
Refunds of contributions	663,124	-	-
Redemption by participants	-	17,925,239	-
Payments to other governments:			
Fines and fees	-	-	2,939,212
Property taxes	-	-	193,352,146
Payments to individuals:			
Payment of unclaimed property	-	-	37,868
Support payments	-	-	32,765,666
Bonds and restitution	-	-	7,453,236
Commissary paid	-	-	5,536,628
Total deductions	52,435,876	17,925,239	242,084,756
Change in net position	112,698,966	8,051,997	3,135,409
Net position, beginning of year	1,072,514,406	61,406,320	1,723,586
Net position, end of year	\$ 1,185,213,372	\$ 69,458,317	\$ 4,858,995

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, 2021	December 31, 2021	
	Road Commission	Drainage Districts	Housing Commission
Assets			
Cash, investments, and accrued interest	\$ 29,485,770	\$ 8,117,762	\$ 709,260
Receivables, net	9,493,603	10,848,999	17,567
Due from primary government	-	4,921	-
Restricted cash, investments, and accrued interest	-	-	-
Restricted receivables	-	-	-
Other assets	3,914,416	1,000	-
Net pension asset	55,373	-	-
Net OPEB asset	1,731,357	-	-
Capital assets not being depreciated	15,283,017	10,546,386	-
Capital assets being depreciated, net	294,983,214	5,418,270	-
Total assets	354,946,750	34,937,338	726,827
Deferred outflows of resources			
Deferred charge on bond refunding, net	-	-	-
Deferred pension amounts	-	-	-
Deferred OPEB amounts	964,677	-	-
Total deferred outflows of resources	964,677	-	-
Liabilities			
Accounts payable and accrued liabilities	13,617,034	607,254	308,962
Due to primary government	-	742,246	-
Unearned revenue	-	-	-
Advances from primary government	-	618,097	-
Long-term liabilities:			
Due within one year	2,594,052	784,679	-
Due in more than one year	2,133,786	13,623,301	-
Total liabilities	18,344,872	16,375,577	308,962
Deferred inflows of resources			
Deferred pension amounts	3,787	-	-
Deferred OPEB amounts	1,279,766	-	-
Total deferred inflows of resources	1,283,553	-	-
Net position			
Net investment in capital assets	310,266,231	7,144,640	-
Restricted for capital projects	-	6,551,425	-
Restricted for debt service	-	-	-
Restricted for pension benefits	51,586	-	-
Restricted for OPEB benefits	1,416,268	-	-
Unrestricted	24,548,917	4,865,696	417,865
Total net position	\$ 336,283,002	\$ 18,561,761	\$ 417,865

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

December 31, 2021	
Airport Authority	Total
\$ 20,606,530	\$ 58,919,322
18,957,179	39,317,348
-	4,921
144,001,597	144,001,597
1,077,582	1,077,582
2,240,943	6,156,359
8,008,841	8,064,214
-	1,731,357
46,972,841	72,802,244
<u>335,294,667</u>	<u>635,696,151</u>
<u>577,160,180</u>	<u>967,771,095</u>
3,582,237	3,582,237
3,270,905	3,270,905
-	964,677
<u>6,853,142</u>	<u>7,817,819</u>
11,149,967	25,683,217
-	742,246
725,392	725,392
-	618,097
9,846,714	13,225,445
<u>246,287,142</u>	<u>262,044,229</u>
<u>268,009,215</u>	<u>303,038,626</u>
2,698,002	2,701,789
-	1,279,766
<u>2,698,002</u>	<u>3,981,555</u>
249,384,070	566,794,941
12,899,918	19,451,343
10,052,486	10,052,486
8,581,744	8,633,330
-	1,416,268
<u>32,387,887</u>	<u>62,220,365</u>
<u>\$ 313,306,105</u>	<u>\$ 668,568,733</u>

COUNTY OF KENT, MICHIGAN

Combining Statement of Activities
Discretely Presented Component Units

	For the Year Ended		
	September 30, 2021	December 31, 2021	
	Road Commission	Drainage Districts	Housing Commission
Expenses			
Road Commission	\$ 69,412,876	\$ -	\$ -
Drainage Districts	-	2,911,562	-
Housing Commission	-	-	4,736,666
Airport Authority	-	-	-
Total expenses	<u>69,412,876</u>	<u>2,911,562</u>	<u>4,736,666</u>
Program revenues			
Charges for services	1,200,859	-	36,597
Operating grants and contributions	76,507,632	2,261,824	4,684,508
Capital grants and contributions	6,476,085	5,046,809	-
Total program revenues	<u>84,184,576</u>	<u>7,308,633</u>	<u>4,721,105</u>
Net revenues (expense)	<u>14,771,700</u>	<u>4,397,071</u>	<u>(15,561)</u>
General revenues			
Unrestricted investment earnings	337,579	29,477	60
Gain on sale of capital assets	918,608	-	-
Other revenues	2,433,829	-	-
Total general revenues	<u>3,690,016</u>	<u>29,477</u>	<u>60</u>
Change in net position	18,461,716	4,426,548	(15,501)
Net position, beginning of year	<u>317,821,286</u>	<u>14,135,213</u>	<u>433,366</u>
Net position, end of year	<u>\$ 336,283,002</u>	<u>\$ 18,561,761</u>	<u>\$ 417,865</u>

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

For the Year Ended	
December 31, 2021	
Airport Authority	Total
\$ -	\$ 69,412,876
-	2,911,562
-	4,736,666
<u>58,207,330</u>	<u>58,207,330</u>
<u>58,207,330</u>	<u>135,268,434</u>
50,308,206	51,545,662
5,509,118	88,963,082
<u>20,386,552</u>	<u>31,909,446</u>
<u>76,203,876</u>	<u>172,418,190</u>
<u>17,996,546</u>	<u>37,149,756</u>
86,596	453,712
87,393	1,006,001
-	<u>2,433,829</u>
<u>173,989</u>	<u>3,893,542</u>
18,170,535	41,043,298
<u>295,135,570</u>	<u>627,525,435</u>
<u>\$ 313,306,105</u>	<u>\$ 668,568,733</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, 2021 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.

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.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Administrative Offices

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

Kent County Drainage Districts
775 Ball Avenue NE
Grand Rapids, MI 49503

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.

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.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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, 2021
Total assets	\$ 156,341,213
Total liabilities	77,843,734
Total deferred inflows of resources	<u>42,639</u>
Total net position	<u>\$ 78,454,840</u>
Statement of Revenues, Expenses and Change in Net Position	Year Ended June 30, 2021
Operating revenues	\$ -
Operating expenses	<u>4,396,675</u>
Operating loss	(4,396,675)
Nonoperating revenues (expenses), net	<u>3,857,238</u>
Change in net position	(539,437)
Net position, beginning of year	<u>78,994,277</u>
Net position, end of year	<u>\$ 78,454,840</u>

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

As of June 30, 2021, the Joint Building Authority had capital appreciation bonds payable outstanding in the amount of \$77,835,900 including accrued interest of \$49,381,807 and bond premium of \$832,668. 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
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	2,385,378	6,514,622	8,900,000
2027-2031	11,284,220	38,575,780	49,860,000
2032	2,134,759	9,005,242	11,140,001
Total	\$ 27,621,425	\$ 76,627,976	\$ 104,249,401

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.

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, 2021
Total assets	\$ 34,736,068
Total liabilities	<u>19,803,822</u>
Total net position	<u>\$ 14,932,246</u>

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Statement of Revenues, Expenses and Change in Net Position	Year Ended June 30, 2021
Operating revenues	\$ 1,583,320
Operating expenses	<u>12,115,764</u>
Operating loss	(10,532,444)
Nonoperating revenues (expenses), net	<u>2,886,203</u>
Change in net position	(7,646,241)
Net position, beginning of year	<u>22,578,487</u>
Net position, end of year	<u><u>\$ 14,932,246</u></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.

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.

COUNTY OF KENT, MICHIGAN

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

The *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. Financing for the Road Commission Complex is supported by an installment sales agreement to be paid by the Road Commission based on future principal and interest requirements.

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

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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, committed, or assigned 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 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.

The *Custodial Fund* 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.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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.
- 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.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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.

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, which are based on total estimated construction and maintenance costs of each drain project, reflect amounts due from benefiting parties including local units of government and property owners. No allowance for uncollectibles is recorded because the special assessments represent a lien on the respective properties.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

The installment sales agreement receivable consist of amounts due from local units of government to meet debt service requirements on bonds. 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 2020 and 2021 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.

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.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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.

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.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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.

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 three sources: loans, property taxes and installment sales agreement receivables. Additionally, the Drainage Districts component unit reports unavailable revenues from special assessments and installment sales agreements. 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 2021 ad valorem tax (excluding the portion for general operations) is levied and collectible on December 1, 2021, 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, 2021 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, 2021, the balance in the stabilization arrangement was \$31,004,887.

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, 2021, 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 (PFC) are collected from airlines that service the airport for each enplaned passenger, and such charges must be used to fund capital projects. The Authority received approval from the Federal Aviation Administration (FAA) on September 9, 1992 to start collecting a \$3 PFC. The Authority received approval to use PFC revenue previously collected, as well as future charges, on February 2, 1996. The PFC revenue is being used to pay debt service on the Airport Revenue Refunding Bonds, Series 2018 (previously, Series 2009). On September 8, 2005, the FAA approved a \$1.50 increase of the PFC to \$4.50. The additional PFC revenue will be used for terminal improvements. Passenger facility charges are recorded as nonoperating revenue when the underlying transaction between the airline and the passenger occurs.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Customer facility charges (CFC) are collected for rental-car-related capital projects. The CFC of \$3 per transaction day on rental car transactions was approved by the Gerald R. Ford International Airport Authority board on August 31, 2005. The CFC revenue was used to develop new rental car service facilities and rental vehicle ready/return spaces in the parking structure. Consequently, revenue is recognized when earned and is classified as nonoperating revenue. As of March 1, 2016, the amount collected in CFCs and rental income from the car rental agencies reached the total amount expended in the development of the new rental car service facilities. At that time, the 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. The Authority estimates that the total amount needed to pay off the debt and the maintenance fund for 15 years is \$37 million. Based on current collection rates, the Authority anticipates that the total amount will be collected via CFCs by December 31, 2030.

The Authority received a significant amount of funding through the Airport Improvement Program of the Federal Aviation Administration, with certain matching funds provided by the Authority and the State of Michigan. Capital funding provided under government grants is recognized when all eligibility criteria have been met, which is typically when the related allowable expenditures have been incurred. Grants for capital asset acquisitions, facilities development, and rehabilitation are reported in the statement of revenue, expenses, and changes in net position after nonoperating revenue (expenses) as capital contributions.

Revenue Concentrations

The Department of Public Works enterprise fund has five major customers accounting for 60.4% of net sales in 2021. The same customers accounted for 56.8% of accounts receivable at December 31, 2021.

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.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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, which is managed by the County Treasurer. The external portion of the 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, 2021:

	Primary Government	Component Units	Totals
Statement of Net Position			
Cash, investments, and accrued interest	\$ 373,308,786	\$ 58,919,322	\$ 432,228,108
Restricted cash, investments, and accrued interest	19,545,403	144,001,597	163,547,000
Statement of Fiduciary Net Position			
Pension and other postemployment benefit trust funds:			
Cash and cash equivalents	656,720	-	656,720
Investments	1,186,569,670	-	1,186,569,670
Investment trust fund:			
Pooled cash, investments, and accrued interest	69,458,317	-	69,458,317
Custodial fund:			
Pooled cash, investments, and accrued interest	8,987,673	-	8,987,673
Total	<u>\$ 1,658,526,569</u>	<u>\$ 202,920,919</u>	<u>\$ 1,861,447,488</u>
Deposits and investments			
Bank deposits:			
Checking and savings accounts			\$ 251,722,495
Pooled certificates of deposit:			
Due within one year			187,218,579
Due in one to five years			125,065,618
Airport trustee collateralized deposits			12,511,075
Investments:			
Pooled investments, at fair value			107,971,792
Timing difference for certificate of deposit premium and discount			12,740
Accrued income on pooled investments			1,278,427
DPW Perpetual Care Fund (South Kent Landfill, Note 18)			2,390,434
Timing difference for funds and component units with different fiscal year-ends participating in pooled investments			(13,330,791)
Pension trust fund investments			1,138,815,760
VEBA trust fund investments			47,753,910
Cash on hand			37,449
Total			<u>\$ 1,861,447,488</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, \$573,757,093 of the County’s bank balance of \$579,590,342 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, 2021:

Pooled investments:	
Money market funds	\$ 15,402,046
U.S. government securities	92,569,746
Total pooled investments	<u>107,971,792</u>
Separately-held investments:	
Money market mutual fund	<u>2,390,434</u>
Total	<u><u>\$ 110,362,226</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, 2021, 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	\$ 15,402,046	\$ 2,390,434	\$ 17,792,480
S&P AA	92,569,746	-	92,569,746
Total	\$ 107,971,792	\$ 2,390,434	\$ 110,362,226

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	\$ 15,402,046	\$ -	\$ -	\$ 15,402,046
U.S. government securities	-	14,769,643	77,800,103	92,569,746
	15,402,046	14,769,643	77,800,103	107,971,792
Separately-held investments:				
Money market mutual funds	2,390,434	-	-	2,390,434
Total	\$ 17,792,480	\$ 14,769,643	\$ 77,800,103	\$ 110,362,226

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 75 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, 2021, 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, 2021:

	Level 1	Level 2	Carried at Amortized Cost	Total
Michigan Liquid Asset Fund	\$ -	\$ -	\$ 7,703,476	\$ 7,703,476
U.S. government securities	-	92,569,746	-	92,569,746
Money market mutual funds	2,390,434	-	-	2,390,434
	<u>2,390,434</u>	<u>-</u>	<u>-</u>	<u>2,390,434</u>
Total investments by fair value level	<u>\$ 2,390,434</u>	<u>\$ 92,569,746</u>	<u>\$ 7,703,476</u>	102,663,656
Investments carried at net asset value:				
Michigan CLASS government investment pool				<u>7,698,570</u>
Total investments				<u><u>\$ 110,362,226</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 \$7,698,570. 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 trust fund does 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, 2021:

	Pension Trust	VEBA Trust	Total
U.S. government obligations	\$ 36,407,051	\$ -	\$ 36,407,051
U.S. government agency obligations	467,878	-	467,878
Municipal obligations	656,466	-	656,466
Corporate obligations	40,426,906	-	40,426,906
Common stock	508,414,989	-	508,414,989
Foreign obligations	13,256,317	-	13,256,317
Foreign common stock	4,098,482	-	4,098,482
Money market funds	21,519,513	-	21,519,513
International equity mutual funds	211,079,134	9,650,273	220,729,407
Domestic equity mutual funds	-	20,028,032	20,028,032
Domestic fixed income mutual funds	-	6,501,313	6,501,313
International fixed income mutual funds	155,525,619	8,821,178	164,346,797
Real estate and infrastructure securities	80,455,496	2,753,114	83,208,610
Asset-backed securities	9,547,244	-	9,547,244
Mortgage-backed securities fund	56,960,665	-	56,960,665
Total investments	\$ 1,138,815,760	\$ 47,753,910	\$ 1,186,569,670

Credit Risk. The investment policies require that bonds have a minimum quality rating of BBB-/Baa3 at the time of purchase. The overall portfolio is expected to maintain an average credit quality of A- 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, 2021, the pension and other postemployment benefits trust investments had the following credit risk ratings:

	Pension Trust	VEBA Trust	Total
Standard and Poor's AAA	\$ 5,432,293	\$ -	\$ 5,432,293
Standard and Poor's AA	4,121,181	-	4,121,181
Standard and Poor's A	16,021,280	-	16,021,280
Standard and Poor's BBB	33,988,318	-	33,988,318
Standard and Poor's BB	435,340	-	435,340
Standard and Poor's B	64,867	-	64,867
Unrated	144,407,422	-	144,407,422
Not subject to credit risk	934,345,059	47,753,910	982,098,969
Total	\$ 1,138,815,760	\$ 47,753,910	\$ 1,186,569,670

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, 2021 was \$21,519,513, of which the insured amount was \$2,007,792; the remaining balance of \$19,511,721 is uninsured and uncollateralized. As of year-end, \$406,720 of the VEBA's bank balance of \$656,720 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, agencies and U.S. government sponsored (GSE's), 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 2% 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, 2021, 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	\$ 13,256,317	\$ -	\$ 13,256,317
Foreign common stock	4,098,482	-	4,098,482
International equity mutual funds	211,079,134	9,650,273	220,729,407
International fixed income mutual funds	155,525,619	8,821,178	164,346,797
Total	\$ 383,959,552	\$ 18,471,451	\$ 402,431,003

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 1.13 to 5.95 years.

At December 31, 2021, maturities of the County's pension and VEBA investments were as follows:

	Pension Trust	VEBA Trust	Total
Less than 1 year	\$ 3,594,610	\$ -	\$ 3,594,610
1 - 5 years	36,374,863	-	36,374,863
6 - 10 years	35,767,887	-	35,767,887
More than 10 years	50,361,763	-	50,361,763
No maturity	1,012,716,637	47,753,910	1,060,470,547
Total	\$ 1,138,815,760	\$ 47,753,910	\$ 1,186,569,670

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, 2021:

	Level 1	Level 2	Level 3	Total
U.S. government obligations	\$ -	\$ 36,407,051	\$ -	\$ 36,407,051
U.S. government agency obligations	-	467,878	-	467,878
Municipal obligations	-	656,466	-	656,466
Corporate obligations	-	40,426,906	-	40,426,906
Common stock	121,516,481	386,898,508	-	508,414,989
Foreign obligations	-	13,256,317	-	13,256,317
Foreign common stock	4,098,482	-	-	4,098,482
International equity mutual funds	-	211,079,134	-	211,079,134
International fixed income mutual funds	58,146,938	49,375,280	48,003,401	155,525,619
Real estate and infrastructure securities	-	-	80,455,496	80,455,496
Asset-backed securities	-	9,547,244	-	9,547,244
Mortgage-backed securities fund	-	56,960,665	-	56,960,665
Total investments by fair value level	<u>\$ 183,761,901</u>	<u>\$ 805,075,449</u>	<u>\$ 128,458,897</u>	1,117,296,247
Money market fund measured at amortized cost (which approximates fair value)				<u>21,519,513</u>
Total investments				<u>\$ 1,138,815,760</u>

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

	Level 1	Level 2	Level 3	Total
Domestic equity mutual funds	\$ 5,002,141	\$ 15,025,891	\$ -	\$ 20,028,032
International equity mutual funds	9,650,273	-	-	9,650,273
Domestic fixed income mutual funds	6,501,313	-	-	6,501,313
International fixed income mutual funds	2,393,076	6,428,102	-	8,821,178
Real estate securities	-	-	2,753,114	2,753,114
Total investments	<u>\$ 23,546,803</u>	<u>\$ 21,453,993</u>	<u>\$ 2,753,114</u>	<u>\$ 47,753,910</u>

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 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 cash and investment pool 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 cash and investment pool 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 cash and investments include the activity of all funds, component units and local units of government in the pool:

Condensed Statement of Net Position

Assets

Demand deposits	\$ 6,028,506
Savings accounts	93,018,568
Imprest cash	14,356
Cash on hand	309
Certificates of deposit	312,284,197
Pooled investments	107,971,792
Accrued interest	1,278,427

Total assets	\$ 520,596,155
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COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Net position	
Available for external pool participants	\$ 69,458,317
Available for internal pool participants	<u>451,137,838</u>
Total net position	<u><u>\$ 520,596,155</u></u>
Shares outstanding (unlimited shares authorized)	520,596,155
Net asset value , offering and redemption price per share	\$ 1

Condensed Statement of Changes in Net Position

Revenues	
Interest income	<u>\$ 1,013,610</u>
Shares transactions at net position value of \$1 per share	
Purchase of units	(2,484,184,478)
Redemption of units	<u>2,587,577,056</u>
Net change in net position and shares resulting from shares transactions	<u>103,392,578</u>
Change in net position	104,406,188
Net position, beginning of year	<u>416,189,967</u>
Net position, end of year	<u><u>\$ 520,596,155</u></u>

Custodial Credit Risk. At December 31, 2021, the carrying amount of the cash and investment pool's deposits was \$411,331,271 and the bank balances totaled \$414,924,326. Of the bank balance, \$5,750,000 was insured and \$409,174,326 was uninsured and uncollateralized. In addition, the cash and investment pool maintained imprest cash and cash on hand of \$14,665. There was no custodial credit risk related to the investments.

Credit risk ratings for the cash and investment pool 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	\$ 9,470,564	\$ 3,493,137	\$ 2,482,443
Less: allowance for uncollectibles	-	(97,000)	-
Taxes (current)	48,989,484	-	-
Taxes (delinquent)	416,807	7,910,910	-
Due from other governments	18,963,549	1,072,919	27,323,150
Loans	928,902	-	-
Special assessments	-	-	4,037,912
Installment sales agreement	22,076,929	-	6,551,425
Total receivables	<u>\$ 100,846,235</u>	<u>\$ 12,379,966</u>	<u>\$ 40,394,930</u>

The Airport Authority component unit and Delinquent Tax Revolving enterprise fund reported restricted receivables of \$1,077,582 and \$7,105,071, 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 2020 and 2021 General Obligation Limited Tax Notes.

Of the amounts reported for receivables above, special assessments, loans receivable and installment sales agreement in the amount of \$3,568,164, \$928,902, and \$25,812,732, 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	\$ -	\$ 928,902	\$ 928,902
Property taxes receivable	50,613,087	1,512,903	52,125,990
Installment sales agreement	-	22,076,929	22,076,929
Total	<u>\$ 50,613,087</u>	<u>\$ 24,518,734</u>	<u>\$ 75,131,821</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	\$ 1,669,155	\$ -	\$ 3,483,961
Prepays	1,888,927	95,762	2,672,398
Total	\$ 3,558,082	\$ 95,762	\$ 6,156,359

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Payables are comprised of the following at year-end:

	Governmental Activities	Business-type Activities	Component Units
Accounts	\$ 17,300,480	\$ 5,727,701	\$ 13,514,027
Accrued liabilities	16,192,178	2,058,335	4,313,410
Due to other governments	414,350	-	5,316,930
Accrued interest on long-term debt	504,186	215,069	2,538,850
Total	\$ 34,411,194	\$ 8,001,105	\$ 25,683,217

6. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

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

Due to and from primary government funds

	Due from Other Funds	Due to Other Funds
General fund	\$ 13,606,474	\$ 16,615,375
Coronavirus	37	3,267,725
General debt service	14,300	-
Public improvement	10,041,066	70,710
Nonmajor governmental funds	7,317,456	11,028,825
Delinquent tax revolving	2,363	-
Department of public works	281,793	281,792
Internal service funds	938	-
Total	\$ 31,264,427	\$ 31,264,427

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 \$596,838. 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	\$ 742,246	\$ -	\$ -	\$ 4,921
Drainage Districts	-	742,246	4,921	-
Total	<u>\$ 742,246</u>	<u>\$ 742,246</u>	<u>\$ 4,921</u>	<u>\$ 4,921</u>

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	\$ 618,097	\$ -
Drainage Districts	-	618,097
Total	<u>\$ 618,097</u>	<u>\$ 618,097</u>

For the year ended December 31, 2021, interfund transfers consisted of the following:

Transfers In	Transfers Out			Totals
	General Fund	Public Improvement	Nonmajor Governmental Funds	
General fund	\$ -	\$ -	\$ 18,450,000	\$ 18,450,000
General debt service	3,440,906	826,650	5,514,150	9,781,706
Public improvement	25,605,034	-	-	25,605,034
Nonmajor governmental funds	25,198,067	-	47,819	25,245,886
Internal service funds	200,000	-	-	200,000
Total	<u>\$ 54,444,007</u>	<u>\$ 826,650</u>	<u>\$ 24,011,969</u>	<u>\$ 79,282,626</u>

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.

7. CAPITAL ASSETS

Primary government

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

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Governmental Activities					
Capital assets, not being depreciated:					
Land	\$ 81,954,770	\$ 4,413,648	\$ -	\$ -	\$ 86,368,418
Property easements	36,583	-	-	-	36,583
Construction in progress	4,516,497	8,706,965	(67,699)	(3,985,631)	9,170,132
	<u>86,507,850</u>	<u>13,120,613</u>	<u>(67,699)</u>	<u>(3,985,631)</u>	<u>95,575,133</u>
Capital assets, being depreciated:					
Land improvements	42,744,944	206,482	-	2,145,856	45,097,282
Buildings and improvements	267,939,678	528,237	(167,937)	1,060,598	269,360,576
Machinery and equipment	47,996,490	2,191,028	(4,069,429)	779,177	46,897,266
Motor vehicles	10,591,627	767,444	(342,128)	-	11,016,943
Infrastructure	3,266,929	-	-	-	3,266,929
Animals	39,787	-	-	-	39,787
	<u>372,579,455</u>	<u>3,693,191</u>	<u>(4,579,494)</u>	<u>3,985,631</u>	<u>375,678,783</u>
Less accumulated depreciation for:					
Land improvements	(25,136,822)	(1,626,344)	-	-	(26,763,166)
Buildings and improvements	(93,691,504)	(5,284,080)	49,019	-	(98,926,565)
Machinery and equipment	(32,409,315)	(3,398,390)	3,754,376	-	(32,053,329)
Motor vehicles	(4,784,839)	(797,820)	269,165	-	(5,313,494)
Infrastructure	(590,294)	(162,732)	-	-	(753,026)
Animals	(20,686)	(5,458)	-	-	(26,144)
	<u>(156,633,460)</u>	<u>(11,274,824)</u>	<u>4,072,560</u>	<u>-</u>	<u>(163,835,724)</u>
Total capital assets being depreciated, net	<u>215,945,995</u>	<u>(7,581,633)</u>	<u>(506,934)</u>	<u>3,985,631</u>	<u>211,843,059</u>
Governmental activities capital assets, net	<u>\$ 302,453,845</u>	<u>\$ 5,538,980</u>	<u>\$ (574,633)</u>	<u>\$ -</u>	<u>\$ 307,418,192</u>

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

At December 31, 2021, the County's governmental activities had outstanding commitments through construction contracts of approximately \$14,500,000.

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Business-type Activities					
Capital assets, not being depreciated:					
Land	\$ 6,198,964	\$ -	\$ -	\$ -	\$ 6,198,964
Construction in progress	602,465	5,523,305	-	(528,284)	5,597,486
	<u>6,801,429</u>	<u>5,523,305</u>	<u>-</u>	<u>(528,284)</u>	<u>11,796,450</u>
Capital assets, being depreciated:					
Landfill cells	20,805,172	3,472,030	-	-	24,277,202
Land improvements	10,885,176	-	-	-	10,885,176
Buildings and improvements	86,829,893	318,284	(113,935)	271,926	87,306,168
Machinery and equipment	23,947,745	383,285	(868,430)	256,358	23,718,958
Vehicles	824,860	96,320	-	-	921,180
	<u>143,292,846</u>	<u>4,269,919</u>	<u>(982,365)</u>	<u>528,284</u>	<u>147,108,684</u>
Less accumulated depreciation for:					
Landfill cells	(12,722,636)	(833,154)	-	-	(13,555,790)
Land improvements	(7,238,432)	(346,536)	-	-	(7,584,968)
Buildings and improvements	(65,192,860)	(2,434,848)	113,935	-	(67,513,773)
Machinery and equipment	(13,504,013)	(2,334,338)	867,432	-	(14,970,919)
Vehicles	(579,328)	(68,461)	-	-	(647,789)
	<u>(99,237,269)</u>	<u>(6,017,337)</u>	<u>981,367</u>	<u>-</u>	<u>(104,273,239)</u>
Total capital assets being depreciated, net	<u>44,055,577</u>	<u>(1,747,418)</u>	<u>(998)</u>	<u>528,284</u>	<u>42,835,445</u>
Business-type activities capital assets, net	<u>\$ 50,857,006</u>	<u>\$ 3,775,887</u>	<u>\$ (998)</u>	<u>\$ -</u>	<u>\$ 54,631,895</u>

At December 31, 2021, the County's business-type activities construction in progress was near completion and did not have significant amounts remaining in outstanding construction commitments.

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	\$ 2,258,517
Public safety	2,887,749
Health and welfare	1,170,573
Cultural and recreation	2,679,200
Judicial	2,053,073
Internal service funds	<u>225,712</u>

Total \$ 11,274,824

Depreciation of business-type activities by function

Department of public works	<u><u>\$ 6,017,337</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, 2021, was as follows:

	Beginning Balance	Additions	Disposals and Adjustments	Transfers	Ending Balance
Component Unit - Road Commission					
Capital assets, not being depreciated:					
Land and right-of-way	\$ 5,237,272	\$ 103,087	\$ -	\$ -	\$ 5,340,359
Construction in progress	2,346,885	9,701,753	-	(2,105,980)	9,942,658
	<u>7,584,157</u>	<u>9,804,840</u>	<u>-</u>	<u>(2,105,980)</u>	<u>15,283,017</u>
Capital assets, being depreciated:					
Buildings and improvements	14,153,726	389,815	(5,264)	-	14,538,277
Equipment	40,591,826	3,705,938	(3,908,479)	2,105,980	42,495,265
Infrastructure	696,807,545	30,708,413	-	-	727,515,958
	<u>751,553,097</u>	<u>34,804,166</u>	<u>(3,913,743)</u>	<u>2,105,980</u>	<u>784,549,500</u>
Less accumulated depreciation for:					
Buildings and improvements	(8,114,893)	(349,880)	4,130	-	(8,460,643)
Equipment	(30,388,999)	(3,841,119)	3,682,718	-	(30,547,400)
Infrastructure	(427,662,664)	(22,895,579)	-	-	(450,558,243)
	<u>(466,166,556)</u>	<u>(27,086,578)</u>	<u>3,686,848</u>	<u>-</u>	<u>(489,566,286)</u>
Total capital assets being depreciated, net	<u>285,386,541</u>	<u>7,717,588</u>	<u>(226,895)</u>	<u>2,105,980</u>	<u>294,983,214</u>
Road Commission capital assets, net	<u><u>\$ 292,970,698</u></u>	<u><u>\$ 17,522,428</u></u>	<u><u>\$ (226,895)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 310,266,231</u></u>

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

At September 30, 2021, the Road Commission discretely presented component unit had outstanding commitments through construction contracts of approximately \$42 million, of which approximately \$6 million was spent prior to September 30, 2021.

Capital assets activity for the Drainage Districts component unit for the year ended December 31, 2021, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Component Unit - Drainage Districts					
Capital assets, not being depreciated:					
Land	\$ 2,117,137	\$ -	\$ -	\$ -	\$ 2,117,137
Construction in progress	5,802,159	2,627,090	-	-	8,429,249
	<u>7,919,296</u>	<u>2,627,090</u>	<u>-</u>	<u>-</u>	<u>10,546,386</u>
Capital assets, being depreciated:					
Infrastructure	31,096,060	20,317	-	-	31,116,377
Less accumulated depreciation for:					
Infrastructure	(25,112,566)	(585,541)	-	-	(25,698,107)
Total capital assets being depreciated, net	<u>5,983,494</u>	<u>(585,224)</u>	<u>-</u>	<u>-</u>	<u>5,418,270</u>
Drainage Districts capital assets, net	<u>\$ 13,902,790</u>	<u>\$ 2,061,866</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,964,656</u>

At December 31, 2021, the Drainage Districts component unit had outstanding commitments through construction contracts of approximately \$3,200,000.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Capital assets activity for the Airport Authority component unit for the year ended December 31, 2021, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Component Unit - Airport Authority					
Capital assets, not being depreciated:					
Construction in progress	\$ 69,668,847	\$ 17,690,450	\$ -	\$ (40,386,456)	\$ 46,972,841
Capital assets, being depreciated:					
Land improvements	275,591,000	-	-	35,875,481	311,466,481
Buildings and improvements	322,592,034	-	-	1,930,265	324,522,299
Equipment	28,648,086	-	(322,510)	2,001,540	30,327,116
Systems	14,831,544	-	-	343,216	15,174,760
Office equipment and furniture	5,150,808	-	-	84,496	5,235,304
Vehicles	1,374,536	-	(64,680)	151,458	1,461,314
	<u>648,188,008</u>	<u>-</u>	<u>(387,190)</u>	<u>40,386,456</u>	<u>688,187,274</u>
Less accumulated depreciation for:					
Land improvements	(168,025,474)	(9,587,989)	-	-	(177,613,463)
Buildings and improvements	(138,388,526)	(10,619,810)	-	-	(149,008,336)
Equipment	(12,802,029)	(1,370,055)	276,050	-	(13,896,034)
Systems	(7,739,617)	(1,312,194)	-	-	(9,051,811)
Office equipment and furniture	(1,961,847)	(239,046)	-	-	(2,200,893)
Vehicles	(1,027,284)	(159,464)	64,678	-	(1,122,070)
	<u>(329,944,777)</u>	<u>(23,288,558)</u>	<u>340,728</u>	<u>-</u>	<u>(352,892,607)</u>
Total capital assets being depreciated, net	<u>318,243,231</u>	<u>(23,288,558)</u>	<u>(46,462)</u>	<u>40,386,456</u>	<u>335,294,667</u>
Airport Authority capital assets, net	<u>\$ 387,912,078</u>	<u>\$ (5,598,108)</u>	<u>\$ (46,462)</u>	<u>\$ -</u>	<u>\$ 382,267,508</u>

As of December 31, 2021, the Airport Authority's commitments with contractors were approximately \$84.8 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	\$ 98,135,000	\$ 18,325,000	\$ (9,180,000)	\$ 107,280,000	\$ 10,450,000
Contracts payable from direct borrowings	4,152,307	419,357	(1,094,356)	3,477,308	1,094,077
Total installment debt	102,287,307	18,744,357	(10,274,356)	110,757,308	11,544,077
Net bond premium/discount	13,773,485	3,673,218	(1,416,790)	16,029,913	1,718,425
Pollution remediation liability	24,529	-	-	24,529	24,529
Compensated absences	10,260,598	9,244,379	(9,445,391)	10,059,586	3,257,315
Total governmental activities	\$ 126,345,919	\$ 31,661,954	\$ (21,136,537)	\$ 136,871,336	\$ 16,544,346
Business-type activities					
General obligation bonds	\$ 6,060,000	\$ -	\$ (560,000)	\$ 5,500,000	\$ 585,000
Notes payable	20,300,000	15,800,000	(16,200,000)	19,900,000	15,400,000
Total installment debt	26,360,000	15,800,000	(16,760,000)	25,400,000	15,985,000
Net bond premium/discount	774,337	710,201	(349,884)	1,134,654	446,900
Landfill closure and post-closure liabilities	33,145,804	1,454,613	(711,793)	33,888,624	468,571
Total business-type activities	\$ 60,280,141	\$ 17,964,814	\$ (17,821,677)	\$ 60,423,278	\$ 16,900,471
Discretely-Presented Component Units					
Road Commission					
Compensated absences	\$ 4,648,468	\$ 1,483,681	\$ (1,404,311)	\$ 4,727,838	\$ 2,594,052
Drainage Districts					
Special assessment bonds	\$ 10,735,000	\$ -	\$ (515,000)	\$ 10,220,000	\$ 530,000
Special assessment bonds from direct borrowings	-	2,857,000	-	2,857,000	164,000
Net bond premium/discount	1,406,395	15,077	(90,492)	1,330,980	90,679
Total Drainage Districts	\$ 12,141,395	\$ 2,872,077	\$ (605,492)	\$ 14,407,980	\$ 784,679

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Airport Authority					
Revenue bonds	\$ 130,715,000	\$ 113,465,000	\$ (28,600,000)	\$ 215,580,000	\$ 8,795,000
Net bond premium/discount	15,770,984	26,857,110	(2,074,238)	40,553,856	1,051,714
Total Airport Authority	\$ 146,485,984	\$ 140,322,110	\$ (30,674,238)	\$ 256,133,856	\$ 9,846,714

	Maturity Date	Interest Rate	Amount Outstanding
Governmental activities			
2014 Capital Improvement Refunding Bonds	12/1/2024	2.00-4.00%	\$ 1,510,000
2019 Capital Improvement Refunding Bonds	12/1/2030	2.00-4.00%	15,970,000
2016 Capital Improvement Bonds	6/1/2036	5.00%	17,260,000
2005 Building Authority Refunding Bonds	6/1/2026	3.625-5.50%	18,610,000
2017A Capital Improvement Bonds	6/1/2037	3.00-5.00%	19,045,000
2017B Capital Improvement Refunding Bonds	6/1/2029	2.00-5.00%	16,560,000
2021 Michigan Transportation Fund Bonds	9/1/2031	2.00-5.00%	18,325,000
Software licensing agreement	5/2024	N/A	3,114,230
Cell phone tower agreement	Unknown	N/A	363,078
			<u>\$ 110,757,308</u>

	Maturity Date	Interest Rate	Amount Outstanding
Business-type activities			
2017 Refuse Disposal Refunding Bonds	11/1/2029	3.00-5.00%	\$ 5,500,000
2020 General Obligation Tax Note	4/1/2022	1.25%	4,100,000
2021 General Obligation Tax Note	4/1/2023	4.00%	15,800,000
			<u>\$ 25,400,000</u>

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The original amount of general obligation bonds issued in prior years was \$145,285,000. The County issues general obligation notes to provide monies for the purchase of the delinquent taxes receivable from local units of government. The original amount of general obligation tax notes issued in prior years still outstanding at year end was \$16,200,000. General obligation tax notes totaling \$15,800,000 were issued during the current year.

During the year ended December 31, 2021, the County issued 2021 Michigan Transportation Fund Bonds in the amount of \$18,325,000 on the behalf of the Road Commission discretely presented component unit. Under the terms of an agreement with the Road Commission, the Road Commission is to pay the County each year amounts sufficient to provide for debt service.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

The original amount of contracts payable issued in prior years was \$5,190,384. Additionally during the year ended December 31, 2021, the County entered into a contract with a local municipality for cell phone tower improvements of \$419,357. As part of the agreement the County is to make payments equal to cell tower revenue collections quarterly until the improvement balance has been paid in full.

	Maturity Date	Interest Rate	Amount Outstanding
Drainage district discretely-presented component unit			
2014 Grand River Floodwalls Drain Bonds	11/1/2034	2.00-4.00%	\$ 3,275,000
2016 Grand River Floodwalls Drain Bonds	11/1/2036	2.00-5.00%	6,945,000
2021 Cedar Springs Drain Bonds	6/1/2041	1.00-2.10%	1,810,000
2021 Troy with Mosher & Farnham Drain Bonds	6/1/2036	1.63%	<u>1,047,000</u>
			<u>\$ 13,077,000</u>

Special assessment drain improvement bonds are issued to finance certain drainage district construction projects. The original amount of general obligation bonds and notes issued in prior years was \$12,995,000. During the year, special assessment bonds of \$2,857,000 were issued.

	Maturity Date	Interest Rate	Amount Outstanding
Airport Authority discretely-presented component unit			
2015 Airport Revenue Bonds	1/1/2035	1.50-5.00%	\$ 11,600,000
2015 Airport Revenue Refunding Bonds	1/1/2037	4.00-5.00%	81,565,000
2018 Airport Revenue Refunding Bonds	1/1/2025	5.00%	8,950,000
2021 Airport Revenue Refunding Bonds	1/1/2028	4.00-5.00%	19,815,000
2021 Airport Revenue Bonds	1/1/2051	5.00%	<u>93,650,000</u>
			<u>\$ 215,580,000</u>

The Airport Authority issues revenue bonds to provide funds for the acquisition and construction of major capital facilities. The original amount of revenue bonds issued in prior years was \$121,250,000. Revenue and Revenue Refunding Bonds totaling \$113,465,000 were issued during the current year.

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
2022	\$ 10,450,000	\$ 4,890,838	\$ 15,985,000	\$ 685,775
2023	10,720,000	4,512,650	5,110,000	320,750
2024	11,250,000	3,969,975	635,000	200,250
2025	11,255,000	3,400,225	670,000	168,500
2026	11,805,000	2,824,450	700,000	135,000
2027-2031	35,685,000	8,055,650	2,300,000	209,250
2032-2036	14,465,000	2,177,725	-	-
2037	1,650,000	41,250	-	-
Totals	<u>\$ 107,280,000</u>	<u>\$ 29,872,763</u>	<u>\$ 25,400,000</u>	<u>\$ 1,719,525</u>

Year Ended December 31,	Governmental Activities	
	Direct Borrowings	
	Principal	Interest
2022	\$ 1,094,077	\$ -
2023	1,038,077	-
2024	1,038,076	-
Totals	3,170,230	\$ -
	<u>307,078</u>	Plus: variable payment debt less amount due within one year
	<u>\$ 3,477,308</u>	

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Year Ended December 31,	Discretely-presented Component Units			
	Drainage Districts			
	Other Debt		Direct Borrowings	
	Principal	Interest	Principal	Interest
2022	\$ 530,000	\$ 457,046	\$ 164,000	\$ 47,524
2023	555,000	435,846	165,000	44,491
2024	580,000	413,646	160,000	41,950
2025	600,000	389,146	160,000	39,909
2026	625,000	363,746	160,000	37,868
2027-2031	3,550,000	1,365,766	798,000	154,321
2032-2036	3,780,000	511,802	800,000	83,113
2037-2041	-	-	450,000	23,445
Totals	\$ 10,220,000	\$ 3,936,998	\$ 2,857,000	\$ 472,621

Year Ended December 31,	Discretely-presented Component Unit	
	Airport Authority	
	Other Debt	
	Principal	Interest
2022	\$ 8,795,000	\$ 7,515,143
2023	9,295,000	9,140,690
2024	9,635,000	8,798,437
2025	9,980,000	8,435,262
2026	9,175,000	8,079,859
2027-2031	42,795,000	34,910,931
2032-2036	45,500,000	25,338,188
2037-2041	25,030,000	16,468,750
2042-2046	24,330,000	10,920,500
2047-2051	31,045,000	4,031,375
Totals	\$ 215,580,000	\$ 133,639,135

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.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

There are a number of limitations and restrictions contained in the various bond indentures. 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 \$17,844,417, 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.

Pledged Revenue

The Airport Authority has pledged airport revenue as security for outstanding bonds, which were issued to provide funding for various capital projects. The Authority has committed to appropriate each year, from certain airport revenue net of related operating expenses, amounts sufficient to cover the principal and interest requirements of the debt. Total principal and interest remaining on the debt is \$349,219,135, with annual requirements ranging from \$16,310,143 in 2022 to \$6,995,625 in the final year. For the year ended December 31, 2021, there was \$8,265,000 in principal payments and interest expense totaled \$5,556,018. Net revenue pledged for debt service was approximately \$29,134,000 for the year ended December 31, 2021.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Bond Refunding

In July 2021, the Airport Authority issued \$19,815,000 million in Series 2021 revenue refunding bonds with an interest rate ranging from 4.0-5.0 percent. The proceeds of these bonds were used to refund \$20,335,000 of outstanding Series 2011 revenue refunding bonds and \$153,761 of accrued interest, with an interest rate ranging from 2.0-5.0 percent. The net proceeds of \$22,037,761 (including cash on hand of \$2,300,761 and after payment of \$78,000 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities and a deposit of \$1,549,000 into a redemption account. Those securities were deposited in an irrevocable trust with an escrow agent to currently refund on the Series 2011 revenue refunding bonds originally scheduled to mature on January 1, 2028. As a result, the Series 2011 revenue refunding bonds have been removed from long-term debt. The refunding reduced total debt service payments over the next 7 years by approximately \$3,353,000, which represents an economic gain of approximately \$3,264,000.

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
2022	\$ 2,509,862
2023	2,483,758
2024	2,483,734
2025	2,424,465
2026	<u>2,419,233</u>
Total	<u>\$ 12,321,052</u>

The cost of the portion of courthouse facility leased to the City is \$15,137,126 and related accumulated depreciation at December 31, 2021 was \$5,945,863. Annual depreciation expense is \$274,165.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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
2022	\$ 9,171,277
2023	6,625,071
2024	5,720,162
2025	4,934,170
2026	4,906,846
Thereafter	<u>53,498,854</u>
Total	<u>\$ 84,856,380</u>

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 \$7,981,750 for the year ended December 31, 2021.

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, 2021, there are two such bond issues of the Joint Building Authority dated November 29, 2001 and May 15, 2013, with balances of \$23,248,855 and \$610,000, 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
2022	\$ 8,279,400
2023	8,582,400
2024	8,575,000
2025	8,900,000
2026	9,240,000
2027-2031	<u>51,760,000</u>
Total	<u>\$ 95,336,800</u>

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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.

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.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

Changes in the balances of claims liabilities are as follows:

	Employee Benefits		
	Health	Dental	Unemployment
Estimated liability, January 1, 2020	\$ 1,033,592	\$ 120,399	\$ -
Estimated claims incurred	21,626,381	1,353,003	30,024
Claim payments	<u>(21,681,525)</u>	<u>(1,346,292)</u>	<u>(30,024)</u>
Estimated liability, December 31, 2020	978,448	127,110	-
Estimated claims incurred	22,791,611	1,641,120	5,372
Claim payments	<u>(22,845,392)</u>	<u>(1,644,359)</u>	<u>(5,372)</u>
Estimated liability, December 31, 2021	<u>\$ 924,667</u>	<u>\$ 123,871</u>	<u>\$ -</u>

	Risk Management		
	Property and Liability	Workers' Compensation	Sick and Accident Plan
Estimated liability, January 1, 2020	\$ 2,165,052	\$ 390,441	\$ -
Estimated claims incurred	1,384,728	549,664	652,389
Claim payments	<u>(992,021)</u>	<u>(593,823)</u>	<u>(652,389)</u>
Estimated liability, December 31, 2020	2,557,759	346,282	-
Estimated claims incurred	2,548,767	344,214	703,838
Claim payments	<u>(1,778,701)</u>	<u>(343,807)</u>	<u>(703,838)</u>
Estimated liability, December 31, 2021	<u>\$ 3,327,825</u>	<u>\$ 346,689</u>	<u>\$ -</u>

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.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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 2021, for which revenue was recognized in the General Fund, was \$26,557,114,520. The general operating tax rate for this levy was 4.1850 mills. The taxable value of real and personal property for 2020, for which revenue was recognized in all other funds, was \$25,416,817,753. The tax rates for these levies were 0.7717 mills for Correction and Detention operations and debt service related to the expansion of facilities, 0.4888 mills assessed for services provided to senior citizens, 0.0487 mills assessed for services provided to veterans, 0.4301 mills assessed for the zoo and museum and 0.2464 mills assessed for early childhood development.

Tax Abatements

The County property tax revenues during 2021 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 2021 amounted to \$1,593,844.

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 \$1,418,656 in reduced tax revenues to the County for the fiscal year 2021.

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 \$698,599 for the year.

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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. Due to recent court settlements related to sales of auctioned/foreclosed properties the County has estimated a maximum potential impact of \$3.4 million. The County has estimated actual claims to be \$1.2 million which has been recorded as an accrued liability at December 31, 2021. The remaining \$2.2 million is considered a contingent liability at year end.

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.

In March 2018, the Gerald R. Ford International Airport Authority was approached by the Michigan Department of Environmental Quality (MDEQ) Remediation and Redevelopment Division, Grand Rapids District Office, regarding historical use of firefighting foam. In response, the 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 our 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 Michigan Department of Environment, Great Lakes, and Energy (EGLE - formerly 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 has continued through 2021 and is still ongoing. Management of the 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 Authority that the outcome of any legal proceedings is unknown and have, therefore, not reflected any loss reserves in the financial statements.

COUNTY OF KENT, MICHIGAN

Notes to 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 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.

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. An early retirement option is offered for retirement at age 55 with 15 or more 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, 2021, plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	1,612
Terminated employees entitled to but not yet receiving benefits	236
Vested and non-vested active participants	<u>1,545</u>
Total membership	<u><u>3,393</u></u>

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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 8.73% for the year ended December 31, 2021. 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, 2021 was 10.31% 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 19 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, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 13.10%. 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, 2021 is disclosed in Note 3 to the separately issued financial statements.

Net Pension Asset. The components of the net pension asset of the Plan at December 31, 2021, were as follows:

Total pension liability	\$ 1,049,564,821
Plan fiduciary net position	<u>1,137,038,674</u>
County's net pension asset	<u>\$ (87,473,853)</u>
Plan fiduciary net position as percentage of total pension liability	108.33%

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation as of December 31, 2020 (rolled forward to December 31, 2021), 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	6.50%

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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, 2020 valuation were based on the results of an actuarial experience study dated November 8, 2018.

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, 2021 (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%	2.58%	0.46%
Multi-sector fixed income	10.00%	3.53%	0.35%
Absolute return	5.00%	3.25%	0.16%
U.S. large cap equity	30.00%	7.13%	2.14%
U.S. small cap equity	10.00%	8.53%	0.85%
International developed equity	15.00%	7.99%	1.20%
Emerging market equity	5.00%	9.23%	0.46%
Core real estate	5.00%	6.60%	0.33%
Infrastructure	2.00%	9.60%	0.19%
	<u>100.00%</u>		6.14%
Inflation			2.75%
Risk adjustment			<u>-2.39%</u>
Investment rate of return			<u><u>6.50%</u></u>

Discount Rate. The discount rate used to measure the total pension liability was 6.50%. 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 Asset. The components of the change in the net pension asset are summarized as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a) - (b)
Balances at December 31, 2020	\$ 974,453,867	\$ 1,031,217,515	\$ (56,763,648)
Changes for the year:			
Service cost	19,898,177	-	19,898,177
Interest on total pension liability	64,813,988	-	64,813,988
Differences between expected and actual experience	6,465,409	-	6,465,409
Assumption changes	32,324,836	-	32,324,836
Employer contributions	-	11,204,271	(11,204,271)
Employee contributions	-	10,908,085	(10,908,085)
Net investment income	-	132,822,471	(132,822,471)
Benefit payments	(47,728,332)	(47,728,332)	-
Administrative expenses	-	(722,212)	722,212
Refunds of contributions	(663,124)	(663,124)	-
Net changes	<u>75,110,954</u>	<u>105,821,159</u>	<u>(30,710,205)</u>
Balances at December 31, 2021	<u><u>\$ 1,049,564,821</u></u>	<u><u>\$ 1,137,038,674</u></u>	<u><u>\$ (87,473,853)</u></u>

Assumption changes. The 2021 valuation incorporates an assumption change in the discount rate from 6.75% to 6.50%.

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 6.50%, 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 (5.50%) or 1-percentage point higher (7.50%) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
County's net pension liability (asset)	\$ 60,258,920	\$ (87,473,853)	\$(204,710,516)

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, 2021, the County recognized pension expense of \$(18,491,043). 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, 2021, 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	\$ 8,059,093	\$ 1,807,335	\$ 6,251,758
Changes in assumptions	25,626,430	-	25,626,430
Net difference between projected and actual earnings on pension plan investments	-	92,967,665	(92,967,665)
Changes in proportion and share of contributions	398,294	398,294	-
Total	<u>\$ 34,083,817</u>	<u>\$ 95,173,294</u>	<u>\$ (61,089,477)</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	\$ (9,052,162)
2022	(32,560,780)
2023	(13,202,901)
2024	(6,273,634)
Total	<u>\$ (61,089,477)</u>

Payable to the Pension Plan. At December 31, 2021, the County reported a payable of \$615,946 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, 2021:

Retirees and beneficiaries receiving benefits	746
Active plan members	<u>1,546</u>
Total	<u><u>2,292</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, 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, 2021 was 1.86% of projected valuation payroll. For the year ended December 31, 2021, the County contributed \$5,434,401, including cash contributions of \$4,013,451 and an implicit rate subsidy (which did not require cash) of \$1,420,950. Cash payments included \$1,840,704 for current premiums and an additional \$2,172,747 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, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 11.50%. 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, 2021 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, 2021, were as follows:

Total OPEB liability	\$ 67,997,078
Plan fiduciary net position	<u>48,174,698</u>
County's net OPEB liability	<u>\$ 19,822,380</u>
Plan fiduciary net position as percentage of total OPEB liability	70.85%

Actuarial Assumptions. The total OPEB liability was determined by an actuarial valuation as of December 31, 2020, rolled forward to December 31, 2021, 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	6.50%, 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 8.25% gradually decreasing to an ultimate trend rate of 4.50%. Medicare trend starting at 6.50% gradually decreasing to an ultimate trend rate of 4.50%.
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, 2021 (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%	2.58%	0.39%
Multi-sector fixed income	15.00%	3.53%	0.53%
Liquid absolute return	5.00%	3.25%	0.16%
U.S. large cap equity	30.00%	7.13%	2.14%
U.S. small cap equity	10.00%	8.53%	0.85%
Non U.S. equity	20.00%	8.22%	1.64%
Core real estate	5.00%	6.60%	0.33%
	<u>100.00%</u>		6.04%
Inflation			2.50%
Risk adjustment			<u>-2.04%</u>
Investment rate of return			<u><u>6.50%</u></u>

Discount Rate. The discount rate used to measure the total OPEB liability was 6.50%. 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, 2020	\$ 61,571,283	\$ 41,296,891	\$ 20,274,392
Changes for the year:			
Service cost	1,445,063	-	1,445,063
Interest on total OPEB liability	4,094,752	-	4,094,752
Differences between expected and actual experience	2,532,526	-	2,532,526
Changes of assumptions	1,615,108	-	1,615,108
Employer contributions	-	5,434,401	(5,434,401)
Net investment income	-	4,759,318	(4,759,318)
Benefit payments, including refunds of employee contributions	(3,261,654)	(3,261,654)	-
Administrative expense	-	(60,554)	60,554
Other	-	6,296	(6,296)
Net changes	<u>6,425,795</u>	<u>6,877,807</u>	<u>(452,012)</u>
Balances at December 31, 2021	<u>\$ 67,997,078</u>	<u>\$ 48,174,698</u>	<u>\$ 19,822,380</u>

Assumption Changes. The 2021 valuation incorporates assumption changes, including: reducing the assumed rate of return from 6.75% to 6.50% and resetting the health care trend rate to increase by 8.25% in 2022 and trending down to 4.5% in 2036.

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 6.50%, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1% lower (5.50%) or 1% higher (7.50%) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
County's net OPEB liability	\$ 27,058,620	\$ 19,822,380	\$ 13,593,771

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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 (7.25% decreasing to 3.50%) or 1% higher (9.25% decreasing to 5.50%) than the current healthcare cost trend rates:

	1% Decrease (7.25% Decreasing to 3.50%)	Healthcare Cost Trend Rates (8.25% Decreasing to 4.50%)	1% Increase (9.25% Decreasing to 5.50%)
County's net OPEB liability	\$ 16,539,357	\$ 19,822,380	\$ 23,624,709

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, 2021, the County recognized OPEB expense of \$1,638,766. 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, 2021, 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	\$ 3,221,246	\$ 3,538,952	\$ (317,706)
Changes in assumptions	2,334,651	-	2,334,651
Net difference between projected and actual earnings on OPEB plan investments	-	3,921,011	(3,921,011)
Changes in proportion and share of contributions	1,525,479	1,525,479	-
Total	\$ 7,081,376	\$ 8,985,442	\$ (1,904,066)

COUNTY OF KENT, MICHIGAN

Notes to Financial Statements

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
2022	\$ (701,984)
2023	(1,556,639)
2024	(846,097)
2025	215,296
2026	341,976
Thereafter	<u>643,382</u>
Total	<u>\$ (1,904,066)</u>

Payable to the OPEB Plan. At December 31, 2021, the County reported a payable of \$252,519 to the VEBA plan.

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	Coronavirus	General Debt Service	Public Improvement	Nonmajor Funds	Total
Nonspendable						
Inventories	\$ 124,700	\$ -	\$ -	\$ -	\$ 200,913	\$ 325,613
Prepays	967,041	-	-	-	27,524	994,565
Long-term advances	618,097	-	-	-	-	618,097
Total nonspendable	1,709,838	-	-	-	228,437	1,938,275
Restricted						
Fire prevention	-	-	-	-	359,048	359,048
Correction and detention facilities	-	-	-	-	10,300,718	10,300,718
Senior services	-	-	-	-	1,668,145	1,668,145
Register of deeds automation	-	-	-	-	725,390	725,390
Children's services	-	-	-	-	9,201,545	9,201,545
Indigent defense	-	-	-	-	6,658,826	6,658,826
Concealed pistol license	-	-	-	-	680,789	680,789
Correction officer training	-	-	-	-	430,079	430,079
Drug forfeiture	-	-	-	-	471,331	471,331
Grant programs	-	138,321	-	-	916,932	1,055,253
Veterans' services	-	-	-	-	338,877	338,877
Convention/arena debt service or capital improvements	-	-	-	-	7,193,980	7,193,980
Total restricted	-	138,321	-	-	38,945,660	39,083,981
Committed						
Economic stabilization	31,004,887	-	-	-	-	31,004,887
Assigned						
Future purchase orders	25,329	-	-	-	-	25,329
Children's services	-	-	-	-	250,000	250,000
Child support enforcement	-	-	-	-	244,786	244,786
Health services	-	-	-	-	499,078	499,078
Grant programs	-	-	-	-	2,798,789	2,798,789
Debt service	-	-	-	-	1,387,479	1,387,479
Capital projects	-	-	-	55,609,624	-	55,609,624
Coronavirus relief	-	228,110	-	-	-	228,110
Total assigned	25,329	228,110	-	55,609,624	5,180,132	61,043,195
Unassigned						
	51,947,483	-	-	-	-	51,947,483
Total fund balances, governmental funds	\$ 84,687,537	\$ 366,431	\$ -	\$ 55,609,624	\$ 44,354,229	\$ 185,017,821

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, 2021, was as follows:

	Governmental Activities	Business-type Activities	Component Units
Capital assets:			
Capital assets not being depreciated	\$ 95,575,133	\$ 11,796,450	\$ 72,802,244
Capital assets being depreciated, net	<u>211,843,059</u>	<u>42,835,445</u>	<u>635,696,151</u>
	<u>307,418,192</u>	<u>54,631,895</u>	<u>708,498,395</u>
Related debt:			
Total installment debt	110,757,308	25,400,000	228,657,000
Less: bonds issued for KCDA owned assets	(19,045,000)	-	-
Less: bonds issued for Road Commission owned assets	(18,325,000)	-	-
Net premium/discount	16,029,913	1,134,654	41,884,836
Less: premium issued for KCDA owned assets	(2,501,720)	-	-
Less: premium issued for Road Commission owned assets	(3,610,960)	-	-
Deferred charge on advance refunding	(732,891)	(214,005)	(3,582,237)
Unexpended bond proceeds	-	-	(125,256,145)
Less: notes payable and net premium related to tax settlement	-	(20,381,941)	-
	<u>82,571,650</u>	<u>5,938,708</u>	<u>141,703,454</u>
Net investment in capital assets	<u><u>\$ 224,846,542</u></u>	<u><u>\$ 48,693,187</u></u>	<u><u>\$ 566,794,941</u></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, 2021. The DPW has recorded a liability of \$11,040,100 related to the Kentwood landfill, \$21,400,000 for the South Kent Landfill, and \$1,448,524 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, 2021 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 Environmental Protection Agency (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 \$13,800,125, of which the County has recorded a liability for its 80% share of \$11,040,100. 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 2056.

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 \$21,400,000 at December 31, 2021. The liability represents the cumulative amount reported to date based on the use of 77.19% of the estimated capacity of the landfill as of December 31, 2021. The DPW will recognize the remaining estimated cost of the closure and post-closure care of \$6,312,848 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 2021, 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, 2021, investments of \$2,390,434 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 \$1,448,524. 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 \$6,520,119 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 2022-2026. Future minimum commitments are as follows:

Year Ended December 31,	Amount	Covered by Property Tax Millage	Commitment
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	2,000,000	(2,000,000)	-
2027-2031	10,000,000	-	10,000,000
2032-2034	6,000,000	-	6,000,000
Total	\$ 26,000,000	\$ (10,000,000)	\$ 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).

19. SUBSEQUENT EVENTS

Delinquent Tax Anticipation Notes

In April 2022, the County issued \$12,700,000 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).

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 \$20 million during 2021 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.



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REQUIRED SUPPLEMENTARY INFORMATION

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COUNTY OF KENT, MICHIGAN

Required Supplementary 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, 2021

Coronavirus Special Revenue Fund - December 31, 2021

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 106,782,565	\$ 106,782,565	\$ 108,400,812	\$ 1,618,247
Licenses and permits	28,800	28,800	28,730	(70)
Intergovernmental	21,860,266	21,860,266	25,728,710	3,868,444
Charges for services	29,529,546	29,529,546	30,119,818	590,272
Fines and forfeitures	1,590,500	1,590,500	1,247,775	(342,725)
Investment earnings	1,000,000	1,000,000	34,076	(965,924)
Contributions and reimbursements	5,418,450	5,418,450	5,327,021	(91,429)
Other	3,455,440	3,455,440	3,454,023	(1,417)
Total revenues	<u>169,665,567</u>	<u>169,665,567</u>	<u>174,340,965</u>	<u>4,675,398</u>
Expenditures				
Current:				
General government	38,083,734	38,166,137	35,479,121	(2,687,016)
Public safety	69,916,117	63,487,380	61,287,495	(2,199,885)
Health and welfare	7,783,478	7,783,478	7,436,913	(346,565)
Culture and recreation	6,238,000	6,212,671	6,160,885	(51,786)
Judicial	26,420,882	26,420,882	24,242,048	(2,178,834)
Community and economic development	1,206,590	1,206,590	1,185,571	(21,019)
Public works	765,104	765,105	730,592	(34,513)
Total expenditures	<u>150,413,905</u>	<u>144,042,243</u>	<u>136,522,625</u>	<u>(7,519,618)</u>
Revenues over expenditures	<u>19,251,662</u>	<u>25,623,324</u>	<u>37,818,340</u>	<u>12,195,016</u>
Other financing sources (uses)				
Transfers in	22,550,000	22,550,000	18,450,000	(4,100,000)
Transfers out	(48,337,712)	(54,797,712)	(54,444,007)	(353,705)
Proceeds from sale of capital assets	36,050	36,050	330,920	294,870
Total other financing sources (uses)	<u>(25,751,662)</u>	<u>(32,211,662)</u>	<u>(35,663,087)</u>	<u>(3,451,425)</u>
Net change in fund balance	<u>(6,500,000)</u>	<u>(6,588,338)</u>	<u>2,155,253</u>	<u>8,743,591</u>
Fund balance, beginning of year	<u>82,532,284</u>	<u>82,532,284</u>	<u>82,532,284</u>	<u>-</u>
Fund balance, end of year	<u>\$ 76,032,284</u>	<u>75,943,946</u>	<u>\$ 84,687,537</u>	<u>\$ 8,743,591</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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Intergovernmental	\$ -	\$ 13,541,820	\$ 13,376,412	\$ (165,408)
Investment earnings	-	33,330	261,442	228,112
Contributions and reimbursements	-	897,679	764,604	(133,075)
Total revenues	-	14,472,829	14,402,458	(70,371)
Expenditures				
Current:				
General government	-	1,532,277	1,215,823	(316,454)
Public safety	-	8,753,330	8,753,330	-
Health and welfare	-	4,649,400	4,529,052	(120,348)
Judicial	-	12,300	12,300	-
Community and economic development	-	19,034	19,034	-
Public works	-	769	769	-
Total expenditures	-	14,967,110	14,530,308	(436,802)
Net change in fund balance	-	(494,281)	(127,850)	366,431
Fund balance, beginning of year	494,281	494,281	494,281	-
Fund balance, end of year	<u>\$ 494,281</u>	<u>\$ -</u>	<u>\$ 366,431</u>	<u>\$ 366,431</u>

See notes to the required supplementary information.

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	2021
\$ 16,899,725	\$ 17,404,156	\$ 18,181,774	\$ 19,484,646	\$ 19,898,177
57,510,730	59,367,396	59,926,039	62,655,769	64,813,988
-	-	-	-	-
(8,133,524)	5,037,610	6,788,289	(3,167,615)	6,465,409
-	169,077	-	-	32,324,836
(38,366,716)	(40,615,954)	(43,444,076)	(45,596,530)	(47,728,332)
(478,636)	(549,386)	(749,644)	(423,931)	(663,124)
-	-	-	-	-
<u>27,431,579</u>	<u>40,812,899</u>	<u>40,702,382</u>	<u>32,952,339</u>	<u>75,110,954</u>
<u>832,554,668</u>	<u>859,986,247</u>	<u>900,799,146</u>	<u>941,501,528</u>	<u>974,453,867</u>
<u>859,986,247</u>	<u>900,799,146</u>	<u>941,501,528</u>	<u>974,453,867</u>	<u>1,049,564,821</u>
8,965,098	8,939,628	9,007,032	12,005,262	11,204,271
9,275,253	9,315,169	9,602,636	10,603,354	10,908,085
130,100,983	(50,232,182)	155,017,171	103,391,931	132,822,471
(38,366,716)	(40,615,954)	(43,444,076)	(45,596,530)	(47,728,332)
(665,347)	(536,943)	(763,201)	(672,716)	(722,212)
(478,636)	(549,386)	(749,644)	(423,931)	(663,124)
-	-	-	-	-
<u>108,830,635</u>	<u>(73,679,668)</u>	<u>128,669,918</u>	<u>79,307,370</u>	<u>105,821,159</u>
<u>788,089,260</u>	<u>896,919,895</u>	<u>823,240,227</u>	<u>951,910,145</u>	<u>1,031,217,515</u>
<u>896,919,895</u>	<u>823,240,227</u>	<u>951,910,145</u>	<u>1,031,217,515</u>	<u>1,137,038,674</u>
<u>\$ (36,933,648)</u>	<u>\$ 77,558,919</u>	<u>\$ (10,408,617)</u>	<u>\$ (56,763,648)</u>	<u>\$ (87,473,853)</u>
104.29%	91.39%	101.11%	105.83%	108.33%
<u>\$ 88,577,675</u>	<u>\$ 91,815,718</u>	<u>\$ 97,993,092</u>	<u>\$ 97,618,555</u>	<u>\$ 104,840,613</u>
-41.70%	84.47%	-10.62%	-58.15%	-83.44%

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%
2021	1,049,564,821	1,137,038,674	(87,473,853)	108.33%	104,840,613	-83.44%

⁽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
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%
2021	11,204,271	11,204,271	-	105,916,671	10.58%

⁽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%
2021	13.10%

⁽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	2021
Total OPEB liability					
Service cost	\$ 1,127,286	\$ 1,072,729	\$ 1,359,413	\$ 1,321,125	\$ 1,445,063
Interest	3,974,131	4,038,791	3,807,630	4,065,569	4,094,752
Changes in benefit terms	-	1,527,575	-	-	-
Differences between expected and actual experience	-	(5,733,050)	1,832,578	(1,722,740)	2,532,526
Changes of assumptions	2,759,510	711,496	-	-	1,615,108
Benefit payments, including refunds of employee contributions	(3,145,772)	(3,104,339)	(2,992,778)	(3,325,532)	(3,261,654)
Net change in total OPEB liability	4,715,155	(1,486,798)	4,006,843	338,422	6,425,795
Total OPEB liability, beginning of year	53,997,661	58,712,816	57,226,018	61,232,861	61,571,283
Total OPEB liability, end of year	58,712,816	57,226,018	61,232,861	61,571,283	67,997,078
Plan fiduciary net position					
Employer contributions	5,271,289	5,321,892	4,475,538	6,909,780	5,434,401
Net investment income (loss)	3,554,463	(1,599,916)	5,422,212	5,037,638	4,759,318
Benefit payments, including refunds of employee contributions	(3,145,772)	(3,104,339)	(2,992,778)	(3,325,532)	(3,261,654)
Administrative expense	(34,479)	(48,229)	(61,225)	(59,854)	(60,554)
Other	4,334	6,132	-	-	6,296
Net change in plan fiduciary net position	5,649,835	575,540	6,843,747	8,562,032	6,877,807
Plan fiduciary net position, beginning of year	19,665,737	25,315,572	25,891,112	32,734,859	41,296,891
Plan fiduciary net position, end of year	25,315,572	25,891,112	32,734,859	41,296,891	48,174,698
County's net OPEB liability	\$ 33,397,244	\$ 31,334,906	\$ 28,498,002	\$ 20,274,392	\$ 19,822,380
Plan fiduciary net position as a percentage of total OPEB liability	43.12%	45.24%	53.46%	67.07%	70.85%
Covered payroll	\$ 88,846,626	\$ 92,095,534	\$ 109,665,514	\$ 119,307,486	\$ 119,823,309
County's net OPEB liability as a percentage of covered payroll	37.59%	34.02%	25.99%	16.99%	16.54%

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%
2021	67,997,078	48,174,698	19,822,380	70.85%	119,823,309	16.54%

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%
2021	3,338,355	5,434,401	2,096,046	119,823,309	4.54%

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%
2021	11.50%

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

See notes to the required supplementary information.

COUNTY OF KENT, MICHIGAN

Notes to Required Supplementary 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 Required Supplementary Information

Employees' Retirement Plan

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

The December 31, 2021 valuation incorporates an assumption change in the discount rate from 6.75% to 6.50%.

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, 2020. 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	19 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 Required Supplementary 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 2021 was determined in the December 31, 2019 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, 2021 valuation incorporates assumption changes, including: reduced the assumed rate of return from 6.75% to 6.50% and reset the health care trend rate to increase by 8.25% in 2022 and trending down to 4.5% in 2036.

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 Required Supplementary 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, 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 8.50% and gradually decreasing to an ultimate trend rate of 4.50% in the 17th year. Medicare: Trend starting at 7.00% 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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 106,782,565	\$ 106,782,565	\$ 108,400,812	\$ 1,618,247
Licenses and permits	28,800	28,800	28,730	(70)
Intergovernmental	21,860,266	21,860,266	25,728,710	3,868,444
Charges for services	29,529,546	29,529,546	30,119,818	590,272
Fines and forfeitures	1,590,500	1,590,500	1,247,775	(342,725)
Investment earnings	1,000,000	1,000,000	34,076	(965,924)
Contributions and reimbursements	5,418,450	5,418,450	5,327,021	(91,429)
Other	3,455,440	3,455,440	3,454,023	(1,417)
Total revenues	169,665,567	169,665,567	174,340,965	4,675,398
Expenditures				
Current:				
General government:				
Information technology	7,694,638	7,694,638	6,989,630	(705,008)
Policy/administration	3,346,692	3,340,761	3,312,172	(28,589)
Clerk	2,899,943	2,899,943	2,644,871	(255,072)
Fiscal services	2,282,010	2,274,085	2,109,935	(164,150)
Facilities management	14,046,201	14,046,201	12,936,747	(1,109,454)
Equalization	1,726,228	1,726,228	1,627,013	(99,215)
Treasurer	1,330,046	1,412,449	1,396,278	(16,171)
Human resources	2,010,510	2,010,510	1,996,135	(14,375)
Purchasing	610,652	618,577	618,577	-
Elections	407,977	407,977	322,342	(85,635)
Central services	899,791	899,791	841,394	(58,397)
Corporate counsel	192,500	198,431	198,431	-
Fleet services	636,546	636,546	485,596	(150,950)
Total general government	38,083,734	38,166,137	35,479,121	(2,687,016)
Public safety:				
Jail	40,637,006	36,225,368	35,558,099	(667,269)
Sheriff and road patrol	23,400,122	22,307,204	21,137,777	(1,169,427)
E-911	5,878,989	4,954,808	4,591,619	(363,189)
Total public safety	69,916,117	63,487,380	61,287,495	(2,199,885)

continued...

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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Expenditures (continued)				
Current (continued):				
Health and welfare:				
Intergovernmental	\$ 3,879,381	\$ 3,879,381	\$ 3,805,591	\$ (73,790)
Prevention programming	1,455,000	1,455,000	1,437,000	(18,000)
Medical examiners	1,948,697	1,948,697	1,705,412	(243,285)
Department of Health and Human Services	484,840	484,840	477,240	(7,600)
Area Agency on Aging	15,560	15,560	11,670	(3,890)
Total health and welfare	<u>7,783,478</u>	<u>7,783,478</u>	<u>7,436,913</u>	<u>(346,565)</u>
Culture and recreation:				
Parks	6,204,646	6,179,317	6,127,532	(51,785)
John Ball Zoological Gardens	33,354	33,354	33,353	(1)
Total culture and recreation	<u>6,238,000</u>	<u>6,212,671</u>	<u>6,160,885</u>	<u>(51,786)</u>
Judicial:				
District court	3,105,806	3,105,806	2,893,276	(212,530)
Probate court	1,621,062	1,621,062	1,451,133	(169,929)
Circuit and family court	16,302,085	16,302,085	14,681,498	(1,620,587)
Probation	36,697	36,697	15,298	(21,399)
Prosecuting attorney	5,355,232	5,355,232	5,200,843	(154,389)
Total judicial	<u>26,420,882</u>	<u>26,420,882</u>	<u>24,242,048</u>	<u>(2,178,834)</u>
Community and economic development:				
Economic development	200,000	200,000	200,000	-
Cooperative extension	483,295	483,295	479,786	(3,509)
Register of deeds	523,295	523,295	505,785	(17,510)
Total community and economic development	<u>1,206,590</u>	<u>1,206,590</u>	<u>1,185,571</u>	<u>(21,019)</u>
Public works:				
Drain Commission	765,104	765,105	730,592	(34,513)
Total expenditures	<u>150,413,905</u>	<u>144,042,243</u>	<u>136,522,625</u>	<u>(7,519,618)</u>
Revenues over expenditures	<u>19,251,662</u>	<u>25,623,324</u>	<u>37,818,340</u>	<u>12,195,016</u>

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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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Other financing sources (uses)				
Transfers in	\$ 22,550,000	\$ 22,550,000	\$ 18,450,000	\$ (4,100,000)
Transfers out	(48,337,712)	(54,797,712)	(54,444,007)	(353,705)
Proceeds from sale of capital assets	36,050	36,050	330,920	294,870
Total other financing sources (uses)	<u>(25,751,662)</u>	<u>(32,211,662)</u>	<u>(35,663,087)</u>	<u>(3,451,425)</u>
Net change in fund balance	(6,500,000)	(6,588,338)	2,155,253	8,743,591
Fund balance, beginning of year	82,532,284	82,532,284	82,532,284	-
Fund balance, end of year	<u>\$ 76,032,284</u>	<u>\$ 75,943,946</u>	<u>\$ 84,687,537</u>	<u>\$ 8,743,591</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.

Correction and Detention Facilities 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.

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.

Zoo and Museum Millage 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.

Senior Millage 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.

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.

COUNTY OF KENT, MICHIGAN

Nonmajor Governmental Funds

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.

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 Fund

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 Fund

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, 2021

	Special Revenue Funds			
	Fire Prevention (206)	Friend of the Court (215)	Health (221)	Lodging Excise Tax (229)
Assets				
Cash, investments, and accrued interest	\$ 369,183	\$ -	\$ 3,087,884	\$ 6,747,997
Receivables, net:				
Accounts	-	-	1,106,612	715,984
Property taxes	-	-	-	-
Due from other governments	-	1,455,653	1,215,225	-
Loans	-	-	-	-
Due from other funds	-	319,652	490,289	-
Inventories	-	-	359,004	-
Prepays	-	5,214	-	-
Total assets	<u>\$ 369,183</u>	<u>\$ 1,780,519</u>	<u>\$ 6,259,014</u>	<u>\$ 7,463,981</u>
Liabilities				
Accounts payable	\$ 10,135	\$ 15,941	\$ 1,657,344	\$ 264,351
Accrued liabilities	-	480,263	1,305,069	5,650
Due to other governments	-	-	-	-
Due to other funds	-	1,034,315	724,278	-
Unearned revenue	-	-	1,872,332	-
Total liabilities	<u>10,135</u>	<u>1,530,519</u>	<u>5,559,023</u>	<u>270,001</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	-	5,214	200,913	-
Restricted	359,048	-	-	7,193,980
Assigned	-	244,786	499,078	-
Total fund balances	<u>359,048</u>	<u>250,000</u>	<u>699,991</u>	<u>7,193,980</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 369,183</u>	<u>\$ 1,780,519</u>	<u>\$ 6,259,014</u>	<u>\$ 7,463,981</u>

Special Revenue Funds

Ready by Five Millage (253)	Correction and Detention Facilities (254)	Register of Deeds Automation (256)	Zoo and Museum Millage (257)	Senior Millage (259)	Indigent Defense (260)	Central Dispatch Collection (261)
\$ 9,430,367	\$ 11,653,416	\$ 786,152	\$ 912,722	\$ 3,738,929	\$ 1,283,102	\$ 3,468,468
-	-	-	-	1,015,117	-	1,939,842
5,823,696	17,923,198	-	10,160,724	11,351,617	-	-
681,860	291,252	-	166,632	188,966	3,367,316	282,281
-	-	-	-	-	-	-
-	-	-	-	-	2,425,134	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 15,935,923</u>	<u>\$ 29,867,866</u>	<u>\$ 786,152</u>	<u>\$ 11,240,078</u>	<u>\$ 16,294,629</u>	<u>\$ 7,075,552</u>	<u>\$ 5,690,591</u>
\$ 386,080	\$ -	\$ 6,109	\$ 164,073	\$ 2,181,112	\$ 376,187	\$ 2,335,709
-	-	6,834	-	-	40,539	-
-	-	-	-	-	-	-
67	273	47,819	303	55,139	-	1,967,403
-	-	-	-	-	-	-
<u>386,147</u>	<u>273</u>	<u>60,762</u>	<u>164,376</u>	<u>2,236,251</u>	<u>416,726</u>	<u>4,303,112</u>
6,348,231	19,566,875	-	11,075,702	12,390,233	-	-
-	-	-	-	-	-	-
<u>6,348,231</u>	<u>19,566,875</u>	<u>-</u>	<u>11,075,702</u>	<u>12,390,233</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
9,201,545	10,300,718	725,390	-	1,668,145	6,658,826	-
-	-	-	-	-	-	1,387,479
<u>9,201,545</u>	<u>10,300,718</u>	<u>725,390</u>	<u>-</u>	<u>1,668,145</u>	<u>6,658,826</u>	<u>1,387,479</u>
<u>\$ 15,935,923</u>	<u>\$ 29,867,866</u>	<u>\$ 786,152</u>	<u>\$ 11,240,078</u>	<u>\$ 16,294,629</u>	<u>\$ 7,075,552</u>	<u>\$ 5,690,591</u>

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COUNTY OF KENT, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds
December 31, 2021

	Special Revenue Funds			
	Concealed Pistol License (263)	Local Corrections Officers Training (264)	Drug Forfeiture (265)	State Project (272)
Assets				
Cash, investments, and accrued interest	\$ 686,369	\$ 436,973	\$ 505,562	\$ -
Receivables, net:				
Accounts	-	-	-	-
Property taxes	-	-	-	-
Due from other governments	-	-	-	576,007
Loans	-	-	-	-
Due from other funds	-	-	-	49,292
Inventories	-	-	-	-
Prepays	-	-	-	648
Total assets	<u>\$ 686,369</u>	<u>\$ 436,973</u>	<u>\$ 505,562</u>	<u>\$ 625,947</u>
Liabilities				
Accounts payable	\$ 548	\$ 6,894	\$ 29,343	\$ 115,476
Accrued liabilities	5,032	-	4,888	73,248
Due to other governments	-	-	-	-
Due to other funds	-	-	-	424,810
Unearned revenue	-	-	-	11,765
Total liabilities	<u>5,580</u>	<u>6,894</u>	<u>34,231</u>	<u>625,299</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	-	-	-	648
Restricted	680,789	430,079	471,331	-
Assigned	-	-	-	-
Total fund balances	<u>680,789</u>	<u>430,079</u>	<u>471,331</u>	<u>648</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 686,369</u>	<u>\$ 436,973</u>	<u>\$ 505,562</u>	<u>\$ 625,947</u>

Special Revenue Funds

Project (279)	LTD Project (280)	Federal Project (282)	Community Development Federal Project (283)	Kent County Community Action (284, 285, 286)	Child Care (292)	Veterans' Millage (293)
\$ -	\$ 3,413,561	\$ -	\$ -	\$ 68,710	\$ -	\$ 658,006
50,000	-	339,221	5,833	16,468	-	-
-	-	-	-	-	-	1,128,330
1,557,089	12,500	551,252	763,479	750,009	3,169,065	18,827
-	-	-	928,902	-	-	-
398,852	48,614	123,493	75,097	137,624	3,135,109	114,300
-	-	-	-	1,154,301	-	-
-	-	-	-	1,312	-	20,350
<u>\$ 2,005,941</u>	<u>\$ 3,474,675</u>	<u>\$ 1,013,966</u>	<u>\$ 1,773,311</u>	<u>\$ 2,128,424</u>	<u>\$ 6,304,174</u>	<u>\$ 1,939,813</u>
\$ 146,180	\$ 9,668	\$ 48,754	\$ 294,156	\$ 59,874	\$ 1,459,030	\$ 297,939
597,872	2,862	166,531	16,762	111,198	732,445	38,234
-	-	812	66,950	13,068	74,202	-
1,068,957	9,498	740,997	435,442	718,660	3,788,497	12,367
56,250	491	-	31,099	1,154,301	-	-
<u>1,869,259</u>	<u>22,519</u>	<u>957,094</u>	<u>844,409</u>	<u>2,057,101</u>	<u>6,054,174</u>	<u>348,540</u>
-	-	-	-	-	-	1,232,046
-	-	-	928,902	-	-	-
-	-	-	928,902	-	-	1,232,046
-	-	-	-	1,312	-	20,350
136,682	653,367	56,872	-	70,011	-	338,877
-	2,798,789	-	-	-	250,000	-
<u>136,682</u>	<u>3,452,156</u>	<u>56,872</u>	<u>-</u>	<u>71,323</u>	<u>250,000</u>	<u>359,227</u>
<u>\$ 2,005,941</u>	<u>\$ 3,474,675</u>	<u>\$ 1,013,966</u>	<u>\$ 1,773,311</u>	<u>\$ 2,128,424</u>	<u>\$ 6,304,174</u>	<u>\$ 1,939,813</u>

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COUNTY OF KENT, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds
December 31, 2021

	Debt Service Fund	Capital Projects Fund	
	Building Authority (369)	Bond Capital Improvement (401)	Total
Assets			
Cash, investments, and accrued interest	\$ -	\$ 2,593,769	\$ 49,841,170
Receivables, net:			
Accounts	-	-	5,189,077
Property taxes	-	-	46,387,565
Due from other governments	-	-	15,047,413
Loans	-	-	928,902
Due from other funds	-	-	7,317,456
Inventories	-	-	1,513,305
Prepays	-	-	27,524
Total assets	<u>\$ -</u>	<u>\$ 2,593,769</u>	<u>\$ 126,252,412</u>
Liabilities			
Accounts payable	\$ -	\$ 2,593,769	\$ 12,458,672
Accrued liabilities	-	-	3,587,427
Due to other governments	-	-	155,032
Due to other funds	-	-	11,028,825
Unearned revenue	-	-	3,126,238
Total liabilities	<u>-</u>	<u>2,593,769</u>	<u>30,356,194</u>
Deferred inflows of resources			
Property taxes levied for subsequent period	-	-	50,613,087
Unavailable revenue - loans receivable	-	-	928,902
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>51,541,989</u>
Fund balances			
Nonspendable	-	-	228,437
Restricted	-	-	38,945,660
Assigned	-	-	5,180,132
Total fund balances	<u>-</u>	<u>-</u>	<u>44,354,229</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ 2,593,769</u>	<u>\$ 126,252,412</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, 2021

	Special Revenue Funds			
	Fire Prevention (206)	Friend of the Court (215)	Health (221)	Lodging Excise Tax (229)
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ 8,968,752
Licenses and permits	-	-	807,464	-
Intergovernmental	257,078	6,807,475	21,446,317	-
Charges for services	-	972,234	1,361,113	-
Fines and forfeitures	-	2,949	61,719	10,725
Investment earnings	2,007	-	-	33,272
Contributions and reimbursements	200,334	228,228	6,572,279	-
Other	-	-	42,523	-
Total revenues	459,419	8,010,886	30,291,415	9,012,749
Expenditures				
Current:				
General government	-	-	-	-
Public safety	752,647	-	2,270,511	-
Health and welfare	-	-	32,599,092	-
Culture and recreation	-	-	-	-
Judicial	-	10,058,264	-	-
Community and economic development	-	-	-	9,711,944
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	752,647	10,058,264	34,869,603	9,711,944
Revenues over (under) expenditures	(293,228)	(2,047,378)	(4,578,188)	(699,195)
Other financing sources (uses)				
Transfers in	260,000	2,038,323	4,578,181	-
Transfers out	-	-	-	-
Issuance of long-term debt	-	-	-	-
Proceeds from sale of capital assets	-	9,055	-	-
Total other financing sources (uses)	260,000	2,047,378	4,578,181	-
Net change in fund balances	(33,228)	-	(7)	(699,195)
Fund balances, beginning of year	392,276	250,000	699,998	7,893,175
Fund balances, end of year	\$ 359,048	\$ 250,000	\$ 699,991	\$ 7,193,980

Special Revenue Funds

Ready by Five Millage (253)	Correction and Detention Facilities (254)	Register of Deeds Automation (256)	Zoo and Museum Millage (257)	Senior Millage (259)	Indigent Defense (260)	Central Dispatch Collection (261)
\$ 6,147,303	\$ 18,975,816	\$ -	\$ 10,730,806	\$ 12,030,093	\$ -	\$ -
-	-	-	-	-	-	-
260,161	291,252	-	454,154	510,236	4,867,233	-
-	-	692,955	-	-	-	9,217,431
-	-	-	-	-	-	-
31,649	81,663	1,051	(310)	28,612	6,135	10,957
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>6,439,113</u>	<u>19,348,731</u>	<u>694,006</u>	<u>11,184,650</u>	<u>12,568,941</u>	<u>4,873,368</u>	<u>9,228,388</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	7,287,089
5,191,696	-	-	-	12,310,727	-	-
-	-	-	11,184,650	-	-	-
-	-	-	-	-	6,558,876	-
-	-	539,535	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>5,191,696</u>	<u>-</u>	<u>539,535</u>	<u>11,184,650</u>	<u>12,310,727</u>	<u>6,558,876</u>	<u>7,287,089</u>
<u>1,247,417</u>	<u>19,348,731</u>	<u>154,471</u>	<u>-</u>	<u>258,214</u>	<u>(1,685,508)</u>	<u>1,941,299</u>
-	-	-	-	-	2,425,134	-
-	(22,270,575)	(47,819)	-	-	-	(1,693,575)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(22,270,575)	(47,819)	-	-	2,425,134	(1,693,575)
1,247,417	(2,921,844)	106,652	-	258,214	739,626	247,724
<u>7,954,128</u>	<u>13,222,562</u>	<u>618,738</u>	<u>-</u>	<u>1,409,931</u>	<u>5,919,200</u>	<u>1,139,755</u>
<u>\$ 9,201,545</u>	<u>\$ 10,300,718</u>	<u>\$ 725,390</u>	<u>\$ -</u>	<u>\$ 1,668,145</u>	<u>\$ 6,658,826</u>	<u>\$ 1,387,479</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, 2021

	Special Revenue Funds			
	Concealed Pistol License (263)	Local Corrections Officers Training (264)	Drug Forfeiture (265)	State Project (272)
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	286,017	-	-	-
Intergovernmental	-	-	-	2,344,994
Charges for services	-	120,667	-	-
Fines and forfeitures	-	-	173,933	-
Investment earnings	1,424	852	938	-
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	287,441	121,519	174,871	2,344,994
Expenditures				
Current:				
General government	128,070	-	-	-
Public safety	-	62,703	169,821	365,745
Health and welfare	-	-	-	40,350
Culture and recreation	-	-	-	-
Judicial	-	-	-	2,138,858
Community and economic development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	128,070	62,703	169,821	2,544,953
Revenues over (under) expenditures	159,371	58,816	5,050	(199,959)
Other financing sources (uses)				
Transfers in	-	-	-	200,607
Transfers out	-	-	-	-
Issuance of long-term debt	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	200,607
Net change in fund balances	159,371	58,816	5,050	648
Fund balances, beginning of year	521,418	371,263	466,281	-
Fund balances, end of year	\$ 680,789	\$ 430,079	\$ 471,331	\$ 648

Special Revenue Funds

Project (279)	LTD Project (280)	Federal Project (282)	Community Development Federal Project (283)	Kent County Community Action (284, 285, 286)	Child Care (292)	Veterans' Millage (293)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,197,199
-	-	-	-	-	-	-
413,488	73,637	2,360,602	5,186,060	4,241,717	12,039,780	50,860
9,821,646	62,820	-	-	-	164,169	-
-	-	-	-	-	-	-
124	-	-	-	(85)	-	5,011
339,978	1,148,551	401	146,137	8,975	103,215	1,300
-	-	-	-	-	-	-
<u>10,575,236</u>	<u>1,285,008</u>	<u>2,361,003</u>	<u>5,332,197</u>	<u>4,250,607</u>	<u>12,307,164</u>	<u>1,254,370</u>
115,772	180,800	-	-	-	-	-
11,127,239	16,770	611,855	-	-	-	-
629,999	18,916	134,405	5,338,792	4,524,901	24,415,118	2,011,867
-	-	-	-	-	-	-
-	23,944	3,450,216	-	-	-	-
-	49,128	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>11,873,010</u>	<u>289,558</u>	<u>4,196,476</u>	<u>5,338,792</u>	<u>4,524,901</u>	<u>24,415,118</u>	<u>2,011,867</u>
<u>(1,297,774)</u>	<u>995,450</u>	<u>(1,835,473)</u>	<u>(6,595)</u>	<u>(274,294)</u>	<u>(12,107,954)</u>	<u>(757,497)</u>
1,238,094	203,819	1,835,473	6,595	237,406	12,107,954	114,300
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	5,150	-	-
<u>1,238,094</u>	<u>203,819</u>	<u>1,835,473</u>	<u>6,595</u>	<u>242,556</u>	<u>12,107,954</u>	<u>114,300</u>
(59,680)	1,199,269	-	-	(31,738)	-	(643,197)
196,362	2,252,887	56,872	-	103,061	250,000	1,002,424
<u>\$ 136,682</u>	<u>\$ 3,452,156</u>	<u>\$ 56,872</u>	<u>\$ -</u>	<u>\$ 71,323</u>	<u>\$ 250,000</u>	<u>\$ 359,227</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, 2021

	Debt Service Fund	Capital Projects Fund	
	Building Authority (369)	Bond Capital Improvement (401)	Total
Revenues			
Taxes	\$ -	\$ -	\$ 58,049,969
Licenses and permits	-	-	1,093,481
Intergovernmental	-	-	61,605,044
Charges for services	-	-	22,413,035
Fines and forfeitures	-	-	249,326
Investment earnings	-	11,780	215,080
Contributions and reimbursements	-	-	8,749,398
Other	5,107,338	-	5,149,861
Total revenues	<u>5,107,338</u>	<u>11,780</u>	<u>157,525,194</u>
Expenditures			
Current:			
General government	-	-	424,642
Public safety	-	-	22,664,380
Health and welfare	-	-	87,215,863
Culture and recreation	-	-	11,184,650
Judicial	-	-	22,230,158
Community and economic development	-	-	10,300,607
Debt service:			
Principal	3,980,000	-	3,980,000
Interest and fiscal charges	1,127,338	-	1,127,338
Capital outlay	-	3,013,126	3,013,126
Total expenditures	<u>5,107,338</u>	<u>3,013,126</u>	<u>162,140,764</u>
Revenues over (under) expenditures	<u>-</u>	<u>(3,001,346)</u>	<u>(4,615,570)</u>
Other financing sources (uses)			
Transfers in	-	-	25,245,886
Transfers out	-	-	(24,011,969)
Issuance of long-term debt	-	419,357	419,357
Proceeds from sale of capital assets	-	-	14,205
Total other financing sources (uses)	<u>-</u>	<u>419,357</u>	<u>1,667,479</u>
Net change in fund balances	<u>-</u>	<u>(2,581,989)</u>	<u>(2,948,091)</u>
Fund balances, beginning of year	<u>-</u>	<u>2,581,989</u>	<u>47,302,320</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,354,229</u>

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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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	265,000	302,500	257,078	(45,422)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	5,500	5,500	2,007	(3,493)
Contributions and reimbursements	446,000	166,500	200,334	33,834
Other	-	-	-	-
Total revenues	716,500	474,500	459,419	(15,081)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	991,099	798,510	752,647	(45,863)
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	991,099	798,510	752,647	(45,863)
Revenues over (under) expenditures	(274,599)	(324,010)	(293,228)	30,782
Other financing sources (uses)				
Transfers in	260,000	260,000	260,000	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	5,000	5,000	-	(5,000)
Total other financing sources (uses)	265,000	265,000	260,000	(5,000)
Net change in fund balances	(9,599)	(59,010)	(33,228)	25,782
Fund balances, beginning of year	392,276	392,276	392,276	-
Fund balances, end of year	\$ 382,677	\$ 333,266	\$ 359,048	\$ 25,782

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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	7,417,969	7,417,969	6,862,275	(555,694)
Charges for services	873,000	873,000	1,012,440	139,440
Fines and forfeitures	3,000	3,000	4,772	1,772
Investment earnings	-	-	-	-
Contributions and reimbursements	183,000	183,000	228,228	45,228
Other	-	-	-	-
Total revenues	8,476,969	8,476,969	8,107,715	(369,254)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	10,642,400	10,642,400	10,114,667	(527,733)
Community and economic development	-	-	-	-
Total expenditures	10,642,400	10,642,400	10,114,667	(527,733)
Revenues over (under) expenditures	(2,165,431)	(2,165,431)	(2,006,952)	158,479
Other financing sources (uses)				
Transfers in	2,149,431	2,149,431	1,992,722	(156,709)
Transfers out	-	-	-	-
Proceeds from sale of capital assets	16,000	16,000	14,230	(1,770)
Total other financing sources (uses)	2,165,431	2,165,431	2,006,952	(158,479)
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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	777,100	777,100	845,025	67,925
Intergovernmental	13,936,651	24,136,747	20,656,985	(3,479,762)
Charges for services	2,793,851	1,715,082	1,274,985	(440,097)
Fines and forfeitures	107,450	107,450	58,997	(48,453)
Investment earnings	-	-	-	-
Contributions and reimbursements	6,070,097	6,620,855	4,771,342	(1,849,513)
Other	45,080	45,080	1,573,991	1,528,911
Total revenues	23,730,229	33,402,314	29,181,325	(4,220,989)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	2,713,679	2,744,264	2,247,835	(496,429)
Health and welfare	30,748,884	40,468,406	31,490,502	(8,977,904)
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	33,462,563	43,212,670	33,738,337	(9,474,333)
Revenues over (under) expenditures	(9,732,334)	(9,810,356)	(4,557,012)	5,253,344
Other financing sources (uses)				
Transfers in	9,038,155	9,110,358	4,557,012	(4,553,346)
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	9,038,155	9,110,358	4,557,012	(4,553,346)
Net change in fund balances	\$ (694,179)	\$ (699,998)	\$ -	\$ 699,998

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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 8,500,000	\$ 8,500,000	\$ 8,968,752	\$ 468,752
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	100	100	-	(100)
Fines and forfeitures	10,000	10,000	10,725	725
Investment earnings	150,000	150,000	33,272	(116,728)
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	<u>8,660,100</u>	<u>8,660,100</u>	<u>9,012,749</u>	<u>352,649</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	9,676,981	9,760,406	9,711,944	(48,462)
Total expenditures	<u>9,676,981</u>	<u>9,760,406</u>	<u>9,711,944</u>	<u>(48,462)</u>
Revenues over (under) expenditures	<u>(1,016,881)</u>	<u>(1,100,306)</u>	<u>(699,195)</u>	<u>401,111</u>
Other financing sources (uses)				
Transfers in	1,016,881	1,016,881	-	(1,016,881)
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>1,016,881</u>	<u>1,016,881</u>	<u>-</u>	<u>(1,016,881)</u>
Net change in fund balances	-	(83,425)	(699,195)	(615,770)
Fund balances, beginning of year	7,893,175	7,893,175	7,893,175	-
Fund balances, end of year	<u>\$ 7,893,175</u>	<u>\$ 7,809,750</u>	<u>\$ 7,193,980</u>	<u>\$ (615,770)</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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 6,295,904	\$ 6,295,904	\$ 6,147,303	\$ (148,601)
Licenses and permits	-	-	-	-
Intergovernmental	93,000	93,000	260,161	167,161
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	1,000	1,000	31,649	30,649
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	6,389,904	6,389,904	6,439,113	49,209
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	8,389,904	6,293,749	5,191,696	(1,102,053)
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	8,389,904	6,293,749	5,191,696	(1,102,053)
Revenues over (under) expenditures	(2,000,000)	96,155	1,247,417	1,151,262
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(2,000,000)	96,155	1,247,417	1,151,262
Fund balances, beginning of year	7,954,128	7,954,128	7,954,128	-
Fund balances, end of year	\$ 5,954,128	\$ 8,050,283	\$ 9,201,545	\$ 1,151,262

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual
Correction and Detention Facilities Fund (254)
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 19,774,258	\$ 19,774,258	\$ 18,975,816	\$ (798,442)
Licenses and permits	-	-	-	-
Intergovernmental	325,000	325,000	291,252	(33,748)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	313,000	313,000	81,663	(231,337)
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	<u>20,412,258</u>	<u>20,412,258</u>	<u>19,348,731</u>	<u>(1,063,527)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	2,000,000	2,000,000	-	(2,000,000)
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	<u>2,000,000</u>	<u>2,000,000</u>	<u>-</u>	<u>(2,000,000)</u>
Revenues over (under) expenditures	<u>18,412,258</u>	<u>18,412,258</u>	<u>19,348,731</u>	<u>936,473</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(22,271,575)	(22,271,575)	(22,270,575)	1,000
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>(22,271,575)</u>	<u>(22,271,575)</u>	<u>(22,270,575)</u>	<u>1,000</u>
Net change in fund balances	<u>(3,859,317)</u>	<u>(3,859,317)</u>	<u>(2,921,844)</u>	<u>937,473</u>
Fund balances, beginning of year	<u>13,222,562</u>	<u>13,222,562</u>	<u>13,222,562</u>	<u>-</u>
Fund balances, end of year	<u>\$ 9,363,245</u>	<u>\$ 9,363,245</u>	<u>\$ 10,300,718</u>	<u>\$ 937,473</u>

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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	525,000	525,000	692,955	167,955
Fines and forfeitures	-	-	-	-
Investment earnings	25,000	25,000	1,051	(23,949)
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	550,000	550,000	694,006	144,006
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	587,354	539,535	539,535	-
Total expenditures	587,354	539,535	539,535	-
Revenues over (under) expenditures	(37,354)	10,465	154,471	144,006
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	(47,819)	(47,819)	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	(47,819)	(47,819)	-
Net change in fund balances	(37,354)	(37,354)	106,652	144,006
Fund balances, beginning of year	618,738	618,738	618,738	-
Fund balances, end of year	\$ 581,384	\$ 581,384	\$ 725,390	\$ 144,006

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual

Zoo and Museum Millage Fund (257)

For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 11,025,774	\$ 11,025,774	\$ 10,730,806	\$ (294,968)
Licenses and permits	-	-	-	-
Intergovernmental	400,000	400,000	454,154	54,154
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	5,000	5,000	(310)	(5,310)
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	11,430,774	11,430,774	11,184,650	(246,124)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	11,430,774	11,430,774	11,184,650	(246,124)
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	11,430,774	11,430,774	11,184,650	(246,124)
Revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

COUNTY OF KENT, MICHIGAN

Schedule of Revenues, Expenditures

and Changes in Fund Balances - Budget and Actual

Senior Millage Fund (259)

For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 12,523,800	\$ 12,523,800	\$ 12,030,093	\$ (493,707)
Licenses and permits	-	-	-	-
Intergovernmental	400,000	400,000	510,236	110,236
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	80,000	80,000	28,612	(51,388)
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	13,003,800	13,003,800	12,568,941	(434,859)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	13,003,800	13,623,350	12,310,727	(1,312,623)
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	13,003,800	13,623,350	12,310,727	(1,312,623)
Revenues over (under) expenditures	-	(619,550)	258,214	877,764
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	(619,550)	258,214	877,764
Fund balances, beginning of year	1,409,931	1,409,931	1,409,931	-
Fund balances, end of year	\$ 1,409,931	\$ 790,381	\$ 1,668,145	\$ 877,764

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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	6,647,094	2,701,858	2,701,858	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	13,686	13,686
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	<u>6,647,094</u>	<u>2,701,858</u>	<u>2,715,544</u>	<u>13,686</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	9,093,795	7,295,854	6,178,762	(1,117,092)
Community and economic development	-	-	-	-
Total expenditures	<u>9,093,795</u>	<u>7,295,854</u>	<u>6,178,762</u>	<u>(1,117,092)</u>
Revenues over (under) expenditures	<u>(2,446,701)</u>	<u>(4,593,996)</u>	<u>(3,463,218)</u>	<u>1,130,778</u>
Other financing sources (uses)				
Transfers in	2,446,701	2,446,701	2,446,701	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>2,446,701</u>	<u>2,446,701</u>	<u>2,446,701</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (2,147,295)</u>	<u>\$ (1,016,517)</u>	<u>\$ 1,130,778</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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	8,446,600	9,546,600	9,217,431	(329,169)
Fines and forfeitures	-	-	-	-
Investment earnings	20,000	20,000	10,957	(9,043)
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	8,466,600	9,566,600	9,228,388	(338,212)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	6,427,925	7,527,925	7,287,089	(240,836)
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	6,427,925	7,527,925	7,287,089	(240,836)
Revenues over (under) expenditures	2,038,675	2,038,675	1,941,299	(97,376)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(1,694,075)	(1,694,075)	(1,693,575)	(500)
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	(1,694,075)	(1,694,075)	(1,693,575)	(500)
Net change in fund balances	344,600	344,600	247,724	(96,876)
Fund balances, beginning of year	1,139,755	1,139,755	1,139,755	-
Fund balances, end of year	\$ 1,484,355	\$ 1,484,355	\$ 1,387,479	\$ (96,876)

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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	150,000	150,000	286,017	136,017
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	3,000	3,000	1,424	(1,576)
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	153,000	153,000	287,441	134,441
Expenditures				
Current:				
General government	151,130	151,130	128,070	(23,060)
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	151,130	151,130	128,070	(23,060)
Revenues over (under) expenditures	1,870	1,870	159,371	157,501
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	1,870	1,870	159,371	157,501
Fund balances, beginning of year	521,418	521,418	521,418	-
Fund balances, end of year	\$ 523,288	\$ 523,288	\$ 680,789	\$ 157,501

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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	150,000	150,000	120,667	(29,333)
Fines and forfeitures	-	-	-	-
Investment earnings	2,000	2,000	852	(1,148)
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	152,000	152,000	121,519	(30,481)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	267,014	267,014	62,703	(204,311)
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	267,014	267,014	62,703	(204,311)
Revenues over (under) expenditures	(115,014)	(115,014)	58,816	173,830
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(115,014)	(115,014)	58,816	173,830
Fund balances, beginning of year	371,263	371,263	371,263	-
Fund balances, end of year	\$ 256,249	\$ 256,249	\$ 430,079	\$ 173,830

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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	236,964	236,964	173,933	(63,031)
Investment earnings	500	500	938	438
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	237,464	237,464	174,871	(62,593)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	329,811	329,811	169,821	(159,990)
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	329,811	329,811	169,821	(159,990)
Revenues over (under) expenditures	(92,347)	(92,347)	5,050	97,397
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(92,347)	(92,347)	5,050	97,397
Fund balances, beginning of year	466,281	466,281	466,281	-
Fund balances, end of year	\$ 373,934	\$ 373,934	\$ 471,331	\$ 97,397

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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	2,420,912	2,525,540	2,339,483	(186,057)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	-	-
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	<u>2,420,912</u>	<u>2,525,540</u>	<u>2,339,483</u>	<u>(186,057)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	303,910	385,545	376,449	(9,096)
Health and welfare	-	92,484	40,350	(52,134)
Culture and recreation	-	-	-	-
Judicial	2,420,516	2,351,025	2,141,635	(209,390)
Community and economic development	-	-	-	-
Total expenditures	<u>2,724,426</u>	<u>2,829,054</u>	<u>2,558,434</u>	<u>(270,620)</u>
Revenues over (under) expenditures	<u>(303,514)</u>	<u>(303,514)</u>	<u>(218,951)</u>	<u>84,563</u>
Other financing sources (uses)				
Transfers in	303,514	303,514	218,951	(84,563)
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>303,514</u>	<u>303,514</u>	<u>218,951</u>	<u>(84,563)</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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	573,228	504,744	413,488	(91,256)
Charges for services	10,472,488	10,472,488	9,821,646	(650,842)
Fines and forfeitures	-	-	-	-
Investment earnings	2,197	124	124	-
Contributions and reimbursements	330,208	339,978	339,978	-
Other	-	-	-	-
Total revenues	11,378,121	11,317,334	10,575,236	(742,098)
Expenditures				
Current:				
General government	127,809	115,772	115,772	-
Public safety	11,905,698	11,896,907	11,127,239	(769,668)
Health and welfare	704,543	629,999	629,999	-
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	12,738,050	12,642,678	11,873,010	(769,668)
Revenues over (under) expenditures	(1,359,929)	(1,325,344)	(1,297,774)	27,570
Other financing sources (uses)				
Transfers in	1,272,492	1,272,492	1,238,094	(34,398)
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	1,272,492	1,272,492	1,238,094	(34,398)
Net change in fund balances	(87,437)	(52,852)	(59,680)	(6,828)
Fund balances, beginning of year	196,362	196,362	196,362	-
Fund balances, end of year	\$ 108,925	\$ 143,510	\$ 136,682	\$ (6,828)

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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	12,500	73,637	73,637	-
Charges for services	68,000	62,820	62,820	-
Fines and forfeitures	-	-	-	-
Investment earnings	10,800	2,315	-	(2,315)
Contributions and reimbursements	57,046	148,523	1,148,551	1,000,028
Other	4,000	-	-	-
Total revenues	152,346	287,295	1,285,008	997,713
Expenditures				
Current:				
General government	136,160	180,800	180,800	-
Public safety	5,992	16,770	16,770	-
Health and welfare	23,834	18,916	18,916	-
Culture and recreation	51,427	-	-	-
Judicial	81,189	23,944	23,944	-
Community and economic development	94,505	49,128	49,128	-
Total expenditures	393,107	289,558	289,558	-
Revenues over (under) expenditures	(240,761)	(2,263)	995,450	997,713
Other financing sources (uses)				
Transfers in	156,000	203,819	203,819	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	156,000	203,819	203,819	-
Net change in fund balances	(84,761)	201,556	1,199,269	997,713
Fund balances, beginning of year	2,252,887	2,252,887	2,252,887	-
Fund balances, end of year	\$ 2,168,126	\$ 2,454,443	\$ 3,452,156	\$ 997,713

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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	1,679,542	2,462,382	1,878,094	(584,288)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	-	-
Contributions and reimbursements	500	500	452	(48)
Other	-	-	-	-
Total revenues	<u>1,680,042</u>	<u>2,462,882</u>	<u>1,878,546</u>	<u>(584,336)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	210,244	567,579	312,670	(254,909)
Health and welfare	130,000	130,000	129,530	(470)
Culture and recreation	-	-	-	-
Judicial	3,398,819	3,798,819	3,306,284	(492,535)
Community and economic development	-	-	-	-
Total expenditures	<u>3,739,063</u>	<u>4,496,398</u>	<u>3,748,484</u>	<u>(747,914)</u>
Revenues over (under) expenditures	<u>(2,059,021)</u>	<u>(2,033,516)</u>	<u>(1,869,938)</u>	<u>163,578</u>
Other financing sources (uses)				
Transfers in	2,059,021	2,033,516	1,869,938	(163,578)
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>2,059,021</u>	<u>2,033,516</u>	<u>1,869,938</u>	<u>(163,578)</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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	4,371,174	4,276,688	3,218,528	(1,058,160)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	-	-
Contributions and reimbursements	10,000	66,896	66,896	-
Other	-	-	-	-
Total revenues	<u>4,381,174</u>	<u>4,343,584</u>	<u>3,285,424</u>	<u>(1,058,160)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	4,398,086	4,353,994	3,295,834	(1,058,160)
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	<u>4,398,086</u>	<u>4,353,994</u>	<u>3,295,834</u>	<u>(1,058,160)</u>
Revenues over (under) expenditures	<u>(16,912)</u>	<u>(10,410)</u>	<u>(10,410)</u>	<u>-</u>
Other financing sources (uses)				
Transfers in	16,912	10,410	10,410	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>16,912</u>	<u>10,410</u>	<u>10,410</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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	2,125,703	2,105,059	1,646,388	(458,671)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	-	-
Contributions and reimbursements	1,075	92	92	-
Other	-	-	-	-
Total revenues	<u>2,126,778</u>	<u>2,105,151</u>	<u>1,646,480</u>	<u>(458,671)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	2,267,964	2,246,533	1,715,274	(531,259)
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	<u>2,267,964</u>	<u>2,246,533</u>	<u>1,715,274</u>	<u>(531,259)</u>
Revenues over (under) expenditures	<u>(141,186)</u>	<u>(141,382)</u>	<u>(68,794)</u>	<u>72,588</u>
Other financing sources (uses)				
Transfers in	141,186	136,232	63,802	(72,430)
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	5,150	5,150	-
Total other financing sources (uses)	<u>141,186</u>	<u>141,382</u>	<u>68,952</u>	<u>(72,430)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 158</u>	<u>\$ 158</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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	863,878	863,878	584,811	(279,067)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	-	-
Contributions and reimbursements	-	-	-	-
Other	-	-	-	-
Total revenues	863,878	863,878	584,811	(279,067)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	863,878	863,878	584,811	(279,067)
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	863,878	863,878	584,811	(279,067)
Revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	720,813	578,646	560,593	(18,053)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	207	207
Contributions and reimbursements	5,200	8,602	8,003	(599)
Other	-	-	-	-
Total revenues	726,013	587,248	568,803	(18,445)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	881,206	740,164	725,646	(14,518)
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	881,206	740,164	725,646	(14,518)
Revenues over (under) expenditures	(155,193)	(152,916)	(156,843)	(3,927)
Other financing sources (uses)				
Transfers in	154,419	152,144	136,604	(15,540)
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	154,419	152,144	136,604	(15,540)
Net change in fund balances	\$ (774)	\$ (772)	\$ (20,239)	\$ (19,467)

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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	13,528,122	13,528,122	12,564,375	(963,747)
Charges for services	254,000	254,000	135,169	(118,831)
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	-	-
Contributions and reimbursements	175,000	175,000	42	(174,958)
Other	-	-	100,000	100,000
Total revenues	13,957,122	13,957,122	12,799,586	(1,157,536)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	29,267,503	29,267,503	26,347,096	(2,920,407)
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	29,267,503	29,267,503	26,347,096	(2,920,407)
Revenues over (under) expenditures	(15,310,381)	(15,310,381)	(13,547,510)	1,762,871
Other financing sources (uses)				
Transfers in	15,310,381	15,310,381	13,547,510	(1,762,871)
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	15,310,381	15,310,381	13,547,510	(1,762,871)
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, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 1,248,199	\$ 1,248,199	\$ 1,197,199	\$ (51,000)
Licenses and permits	-	-	-	-
Intergovernmental	40,000	40,000	50,860	10,860
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	20,000	20,000	5,011	(14,989)
Contributions and reimbursements	100	100	1,300	1,200
Other	-	-	-	-
Total revenues	1,308,299	1,308,299	1,254,370	(53,929)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	2,852,034	2,453,684	2,011,867	(441,817)
Culture and recreation	-	-	-	-
Judicial	-	-	-	-
Community and economic development	-	-	-	-
Total expenditures	2,852,034	2,453,684	2,011,867	(441,817)
Revenues over (under) expenditures	(1,543,735)	(1,145,385)	(757,497)	387,888
Other financing sources (uses)				
Transfers in	300,000	300,000	114,300	(185,700)
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	300,000	300,000	114,300	(185,700)
Net change in fund balances	(1,243,735)	(845,385)	(643,197)	202,188
Fund balances, beginning of year	1,002,424	1,002,424	1,002,424	-
Fund balances, end of year	\$ (241,311)	\$ 157,039	\$ 359,227	\$ 202,188

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.

Office 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, 2021

	Employee Benefits		
	Health (677-6711 / 677-6712)	Dental (677-6714)	Unemployment (677-6715)
Assets			
Current assets:			
Cash, investments, and accrued interest	\$ 9,000,931	\$ 575,539	\$ 191,803
Accounts receivable, net	1,395,599	71,682	481
Due from other governments	-	-	-
Due from other funds	-	938	-
Inventories	-	-	-
Prepays	-	-	-
Total current assets	10,396,530	648,159	192,284
Noncurrent assets:			
Capital assets being depreciated, net	-	-	-
Total assets	10,396,530	648,159	192,284
Liabilities			
Accounts payable	-	17,767	5,363
Accrued liabilities	924,667	123,871	-
Total liabilities (all current)	924,667	141,638	5,363
Net position			
Investment in capital assets	-	-	-
Unrestricted	9,471,863	506,521	186,921
Total net position	\$ 9,471,863	\$ 506,521	\$ 186,921



Risk Management					
Property and Liability (677-6713)	Workers' Compensation (677-6716)	Sick and Accident Plan (677-6717)	Motor Pool (661)	Office Equipment Pool (664)	Total
\$ 3,396,413	\$ 966,993	\$ 473,507	\$ 727,882	\$ 477,086	\$ 15,810,154
100,000	245,762	36,765	-	-	1,850,289
500	-	19,250	-	-	19,750
-	-	-	-	-	938
-	-	-	-	31,150	31,150
780,683	113,679	-	-	-	894,362
<u>4,277,596</u>	<u>1,326,434</u>	<u>529,522</u>	<u>727,882</u>	<u>508,236</u>	<u>18,606,643</u>
-	-	-	474,086	312,430	786,516
<u>4,277,596</u>	<u>1,326,434</u>	<u>529,522</u>	<u>1,201,968</u>	<u>820,666</u>	<u>19,393,159</u>
84,343	-	12,324	-	19,312	139,109
3,334,963	346,689	-	-	-	4,730,190
<u>3,419,306</u>	<u>346,689</u>	<u>12,324</u>	<u>-</u>	<u>19,312</u>	<u>4,869,299</u>
-	-	-	474,086	312,430	786,516
858,290	979,745	517,198	727,882	488,924	13,737,344
<u>\$ 858,290</u>	<u>\$ 979,745</u>	<u>\$ 517,198</u>	<u>\$ 1,201,968</u>	<u>\$ 801,354</u>	<u>\$ 14,523,860</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, 2021

	Employee Benefits		
	Health (677-6711 / 677-6712)	Dental (677-6714)	Unemployment (677-6715)
Operating revenues			
Charges for services	\$ 22,622,204	\$ 1,815,522	\$ 11,730
Operating expenses			
Salaries and fringes	-	-	5,363
Contractual services	-	21,090	-
Benefit payments and refunds	22,791,611	1,641,120	-
Depreciation	-	-	-
Other	-	-	-
Total operating expenses	<u>22,791,611</u>	<u>1,662,210</u>	<u>5,363</u>
Operating income (loss)	<u>(169,407)</u>	<u>153,312</u>	<u>6,367</u>
Nonoperating revenues (expenses)			
Investment earnings	26,708	1,084	399
Loss on sale of capital asset	-	-	-
Total nonoperating revenues (expenses)	<u>26,708</u>	<u>1,084</u>	<u>399</u>
Income (loss) before transfers	(142,699)	154,396	6,766
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	(142,699)	154,396	6,766
Net position, beginning of year	<u>9,614,562</u>	<u>352,125</u>	<u>180,155</u>
Net position, end of year	<u>\$ 9,471,863</u>	<u>\$ 506,521</u>	<u>\$ 186,921</u>



Risk Management					
Property and Liability (677-6713)	Workers' Compensation (677-6716)	Sick and Accident Plan (677-6717)	Motor Pool (661)	Office Equipment Pool (664)	Total
\$ 2,352,326	\$ 543,093	\$ 787,852	\$ 156,743	\$ 192,076	\$ 28,481,546
124,419	-	-	-	-	129,782
22,570	150	49,717	-	-	93,527
2,548,767	344,214	713,528	-	-	28,039,240
-	-	-	99,857	125,855	225,712
1,152,488	146,170	-	-	64,373	1,363,031
3,848,244	490,534	763,245	99,857	190,228	29,851,292
(1,495,918)	52,559	24,607	56,886	1,848	(1,369,746)
425,896	2,290	1,302	1,529	1,505	460,713
-	-	-	-	(18,000)	(18,000)
425,896	2,290	1,302	1,529	(16,495)	442,713
(1,070,022)	54,849	25,909	58,415	(14,647)	(927,033)
-	-	-	200,000	-	200,000
(1,070,022)	54,849	25,909	258,415	(14,647)	(727,033)
1,928,312	924,896	491,289	943,553	816,001	15,250,893
\$ 858,290	\$ 979,745	\$ 517,198	\$ 1,201,968	\$ 801,354	\$ 14,523,860

COUNTY OF KENT, MICHIGAN

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended December 31, 2021

	Employee Benefits		
	Health (677-6711 / 677-6712)	Dental (677-6714)	Unemployment (677-6715)
Cash flows from operating activities			
Receipts from customers and users	\$ 22,542,341	\$ 1,800,098	\$ 12,267
Payments to vendors	-	(21,090)	-
Payments for personnel services	-	-	(30,024)
Benefit payments	(23,093,773)	(1,677,971)	-
Net cash provided by (used in) operating activities	(551,432)	101,037	(17,757)
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	26,708	1,084	399
Net change in cash and cash equivalents	(524,724)	102,121	(17,358)
Cash and cash equivalents, beginning of year	9,525,655	473,418	209,161
Cash and cash equivalents, end of year	<u>\$ 9,000,931</u>	<u>\$ 575,539</u>	<u>\$ 191,803</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ (169,407)	\$ 153,312	\$ 6,367
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	-	-	-
Change in:			
Accounts receivable	(79,863)	(14,486)	537
Due from other governments	-	-	-
Due from other funds	-	(938)	-
Inventories	-	-	-
Prepays	-	-	-
Accounts payable	(248,381)	(33,612)	(24,661)
Accrued liabilities	(53,781)	(3,239)	-
Due to other funds	-	-	-
Net cash provided by (used in) operating activities	<u>\$ (551,432)</u>	<u>\$ 101,037</u>	<u>\$ (17,757)</u>



Risk Management					
Property and Liability (677-6713)	Workers' Compensation (677-6716)	Sick and Accident Plan (677-6717)	Motor Pool (661)	Office Equipment Pool (664)	Total
\$ 2,352,826	\$ 543,555	\$ 779,264	\$ 30,724	\$ 192,076	\$ 28,253,151
(1,190,869)	(165,156)	(49,717)	-	(85,936)	(1,512,768)
(124,419)	-	-	-	-	(154,443)
(1,778,229)	(343,807)	(701,204)	-	-	(27,594,984)
(740,691)	34,592	28,343	30,724	106,140	(1,009,044)
-	-	-	200,000	-	200,000
-	-	-	(110,899)	(291,197)	(402,096)
425,896	2,290	1,302	1,529	1,505	460,713
(314,795)	36,882	29,645	121,354	(183,552)	(750,427)
3,711,208	930,111	443,862	606,528	660,638	16,560,581
<u>\$ 3,396,413</u>	<u>\$ 966,993</u>	<u>\$ 473,507</u>	<u>\$ 727,882</u>	<u>\$ 477,086</u>	<u>\$ 15,810,154</u>
\$ (1,495,918)	\$ 52,559	\$ 24,607	\$ 56,886	\$ 1,848	\$ (1,369,746)
-	-	-	99,857	125,855	225,712
-	462	(8,588)	-	-	(101,938)
500	-	-	-	-	500
-	-	-	270	-	(668)
-	-	-	-	(31,150)	(31,150)
6,227	(6,534)	-	-	-	(307)
13,799	(12,302)	12,324	(52,150)	9,587	(335,396)
770,538	407	-	-	-	713,925
(35,837)	-	-	(74,139)	-	(109,976)
<u>\$ (740,691)</u>	<u>\$ 34,592</u>	<u>\$ 28,343</u>	<u>\$ 30,724</u>	<u>\$ 106,140</u>	<u>\$ (1,009,044)</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, 2021

	Pension Trust Fund	VEBA Trust Fund	Total
Assets			
Cash and cash equivalents	\$ -	\$ 656,720	\$ 656,720
Contributions receivable	1,226,898	252,519	1,479,417
Interest receivable	688,556	-	688,556
Due from brokers	99,202	-	99,202
Investments, at fair value:			
U.S. government obligations	36,407,051	-	36,407,051
U.S. government agency obligations	467,878	-	467,878
Municipal obligations	656,466	-	656,466
Corporate obligations	40,426,906	-	40,426,906
Common stock	508,414,989	-	508,414,989
Foreign obligations	13,256,317	-	13,256,317
Foreign common stock	4,098,482	-	4,098,482
Money market funds	21,519,513	-	21,519,513
International equity mutual funds	211,079,134	9,650,273	220,729,407
Domestic equity mutual funds	-	20,028,032	20,028,032
Domestic fixed income mutual funds	-	6,501,313	6,501,313
International fixed income mutual funds	155,525,619	8,821,178	164,346,797
Real estate and infrastructure securities	80,455,496	2,753,114	83,208,610
Asset-backed securities	9,547,244	-	9,547,244
Mortgage-backed securities fund	56,960,665	-	56,960,665
Total investments	<u>1,138,815,760</u>	<u>47,753,910</u>	<u>1,186,569,670</u>
Total assets	<u>1,140,830,416</u>	<u>48,663,149</u>	<u>1,189,493,565</u>
Liabilities			
Accounts payable	828,021	488,451	1,316,472
Due to brokers	<u>2,963,721</u>	<u>-</u>	<u>2,963,721</u>
Total liabilities	<u>3,791,742</u>	<u>488,451</u>	<u>4,280,193</u>
Net position			
Restricted for:			
Employees' pension benefits	1,137,038,674	-	1,137,038,674
Other postemployment benefits	<u>-</u>	<u>48,174,698</u>	<u>48,174,698</u>
Total net position	<u>\$ 1,137,038,674</u>	<u>\$ 48,174,698</u>	<u>\$ 1,185,213,372</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, 2021

	Pension Trust Fund	VEBA Trust Fund	Total
Additions			
Contributions:			
Employer	\$ 11,204,271	\$ 4,013,451	\$ 15,217,722
Employer - implicit rate subsidy	-	1,420,950	1,420,950
Plan members	10,908,085	-	10,908,085
Total contributions	<u>22,112,356</u>	<u>5,434,401</u>	<u>27,546,757</u>
Investment earnings:			
Net appreciation in fair value of securities	125,475,970	3,777,644	129,253,614
Interest	-	1,103,847	1,103,847
Dividends	10,721,286	-	10,721,286
Total investment income	<u>136,197,256</u>	<u>4,881,491</u>	<u>141,078,747</u>
Investment expense	<u>(3,374,785)</u>	<u>(122,173)</u>	<u>(3,496,958)</u>
Net investment income	<u>132,822,471</u>	<u>4,759,318</u>	<u>137,581,789</u>
Other income	-	6,296	6,296
Total additions	<u>154,934,827</u>	<u>10,200,015</u>	<u>165,134,842</u>
Deductions			
Benefit payments	47,728,332	1,840,704	49,569,036
Benefit payments - implicit rate subsidy	-	1,420,950	1,420,950
Administrative expenses	722,212	60,554	782,766
Refunds of contributions	663,124	-	663,124
Total deductions	<u>49,113,668</u>	<u>3,322,208</u>	<u>52,435,876</u>
Change in net position	<u>105,821,159</u>	<u>6,877,807</u>	<u>112,698,966</u>
Net position, beginning of year	<u>1,031,217,515</u>	<u>41,296,891</u>	<u>1,072,514,406</u>
Net position, end of year	<u>\$ 1,137,038,674</u>	<u>\$ 48,174,698</u>	<u>\$ 1,185,213,372</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, 2021

	Governmental Funds			
	Special Revenue	Debt Service	Capital Projects	Total
Assets				
Cash, investments, and accrued interest	\$ 2,465,806	\$ 35,466	\$ 5,616,490	\$ 8,117,762
Accounts receivable	660	-	-	660
Due from primary government	4,921	-	-	4,921
Special assessments receivable	4,037,912	-	-	4,037,912
Due from other governments	259,002	-	-	259,002
Installment sales agreement	-	-	6,551,425	6,551,425
Prepays	-	1,000	-	1,000
Total assets	<u>\$ 6,768,301</u>	<u>\$ 36,466</u>	<u>\$ 12,167,915</u>	<u>\$ 18,972,682</u>
Liabilities				
Accounts payable	\$ 249,590	\$ -	\$ 28,526	\$ 278,116
Accrued liabilities	248,877	-	-	248,877
Due to primary government	742,246	-	-	742,246
Advances from primary government	618,097	-	-	618,097
Total liabilities	<u>1,858,810</u>	<u>-</u>	<u>28,526</u>	<u>1,887,336</u>
Deferred inflows of resources				
Unavailable revenue - special assessments receivable	3,568,164	-	-	3,568,164
Unavailable revenue - installment sales agreement	-	-	6,551,425	6,551,425
Total deferred inflows of resources	<u>3,568,164</u>	<u>-</u>	<u>6,551,425</u>	<u>10,119,589</u>
Fund balances				
Nonspendable	-	1,000	-	1,000
Restricted	-	35,466	5,587,964	5,623,430
Committed	1,341,327	-	-	1,341,327
Total fund balances	<u>1,341,327</u>	<u>36,466</u>	<u>5,587,964</u>	<u>6,965,757</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 6,768,301</u>	<u>\$ 36,466</u>	<u>\$ 12,167,915</u>	<u>\$ 18,972,682</u>

COUNTY OF KENT, MICHIGAN

Reconciliation

Fund Balances for Governmental Funds
to Net Position of Component Units
Drainage Districts Component Unit
December 31, 2021

Fund balances - total governmental funds \$ 6,965,757

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	10,546,386
Capital assets being depreciated, net	5,418,270

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	3,568,164
Deferred inflows for installment sales agreement	6,551,425

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	(13,077,000)
Bond premiums, net	(1,330,980)
Accrued interest on bonds payable	<u>(80,261)</u>

Net position of component unit \$ 18,561,761

COUNTY OF KENT, MICHIGAN

Combining Statement of Revenues, Expenditures

and Changes in Fund Balances

Drainage Districts Component Unit

For the Year Ended December 31, 2021

	Governmental Funds				
	Special Revenue	Debt Service	Capital Projects	Eliminations	Total
Revenues					
Intergovernmental:					
Operating grants	\$ 1,219,142	\$ 1,042,682	\$ -	\$ -	\$ 2,261,824
Capital grants	3,705,644	-	188,464	(1,817,826)	2,076,282
Investment earnings	14,477	43	14,957	-	29,477
Total revenues	<u>4,939,263</u>	<u>1,042,725</u>	<u>203,421</u>	<u>(1,817,826)</u>	<u>4,367,583</u>
Expenditures					
Current:					
General government	3,803,039	-	2,478,733	(1,817,826)	4,463,946
Debt service:					
Principal	-	515,000	-	-	515,000
Interest and fiscal charges	8,224	504,046	-	-	512,270
Bond issuance costs	-	-	87,051	-	87,051
Total expenditures	<u>3,811,263</u>	<u>1,019,046</u>	<u>2,565,784</u>	<u>(1,817,826)</u>	<u>5,578,267</u>
Revenues over (under) expenditures	<u>1,128,000</u>	<u>23,679</u>	<u>(2,362,363)</u>	<u>-</u>	<u>(1,210,684)</u>
Other financing sources					
Issuance of long-term debt	-	-	2,857,000	-	2,857,000
Premium on issuance of long-term debt	-	-	15,077	-	15,077
Total other financing sources	<u>-</u>	<u>-</u>	<u>2,872,077</u>	<u>-</u>	<u>2,872,077</u>
Change in fund balances	<u>1,128,000</u>	<u>23,679</u>	<u>509,714</u>	<u>-</u>	<u>1,661,393</u>
Fund balances, beginning of year	<u>213,327</u>	<u>12,787</u>	<u>5,078,250</u>	<u>-</u>	<u>5,304,364</u>
Fund balances, end of year	<u>\$ 1,341,327</u>	<u>\$ 36,466</u>	<u>\$ 5,587,964</u>	<u>\$ -</u>	<u>\$ 6,965,757</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, 2021

Net change in fund balances - total governmental funds \$ 1,661,393

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	(585,541)
Capital assets purchased/constructed	2,647,407

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 for installment sales agreement receivable	(597,637)
Change in deferred inflows for special assessments receivable	3,568,164

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.

Issuance of long-term debt	(2,857,000)
Premium on issuance of long-term debt	(15,077)
Principal payments on long-term liabilities	515,000
Amortization of bond premium	90,492
Change in accrued interest payable on bonds payable	(653)

Change in net position of component unit \$ 4,426,548

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STATISTICAL SECTION

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COUNTY OF KENT, MICHIGAN

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This part of the County’s Annual Comprehensive 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.

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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>	2021	2020	2019	2018
Governmental Activities				
Net investment in capital assets	\$ 224,846,542	\$ 209,720,320	\$ 196,646,702	\$ 181,071,887
Restricted	65,434,858	43,795,073	42,578,405	26,286,651
Unrestricted	107,584,521	80,857,415	41,562,599	45,368,761
Total Governmental Activities Net Position	397,865,921	334,372,808	280,787,706	252,727,299
Business-type Activities				
Net investment in capital assets	48,693,187	44,302,293	43,039,033	40,470,296
Restricted	7,866,679	6,691,728	6,785,567	7,306,693
Unrestricted	65,688,259	63,130,840	58,074,113	58,748,669
Total Business-type Activities Net Position	122,248,125	114,124,861	107,898,713	106,525,658
Primary Government				
Net investment in capital assets	273,539,729	254,022,613	239,685,735	221,542,183
Restricted	73,301,537	50,486,801	49,363,972	33,593,344
Unrestricted	173,272,780	143,988,255	99,636,712	104,117,430
Total Primary Government Net Position	\$ 520,114,046	\$ 448,497,669	\$ 388,686,419	\$ 359,252,957

⁽¹⁾ 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.

⁽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.

⁽³⁾ 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

2017 ⁽³⁾	2016 ⁽²⁾	2015 ⁽¹⁾	2014	2013	2012
\$ 166,022,017	\$ 169,625,052	\$ 144,841,222	\$ 137,317,974	\$ 134,749,571	\$ 132,497,037
22,033,504	15,660,065	12,429,488	15,008,391	14,939,951	13,656,864
72,207,515	107,209,919	119,734,209	84,106,474	83,654,458	84,608,441
260,263,036	292,495,036	277,004,919	236,432,839	233,343,980	230,762,342
42,330,098	41,693,740	204,739,054	194,890,258	187,333,318	187,567,730
7,633,013	7,191,825	36,058,623	36,074,751	33,112,338	29,953,688
55,618,810	56,181,965	85,352,356	80,190,415	74,976,292	76,767,194
105,581,921	105,067,530	326,150,033	311,155,424	295,421,948	294,288,612
208,352,115	211,318,792	349,580,276	332,208,232	322,082,889	320,064,767
29,666,517	22,851,890	48,488,111	51,083,142	48,052,289	43,610,552
127,826,325	163,391,884	205,086,565	164,296,889	158,630,750	161,375,635
\$ 365,844,957	\$ 397,562,566	\$ 603,154,952	\$ 547,588,263	\$ 528,765,928	\$ 525,050,954

COUNTY OF KENT, MICHIGAN

Changes in Net Position Last Ten Fiscal Years (Unaudited)

<i>Fiscal Year Ended December 31,</i>	2021	2020	2019	2018
Primary Government Expenses				
Governmental activities:				
General government	\$ 36,467,822	\$ 54,020,162	\$ 37,806,709	\$ 37,702,435
Public safety	85,101,261	87,709,328	96,210,088	114,428,078
Health and welfare	92,680,153	99,995,881	85,750,320	71,226,745
Cultural and recreation	16,560,246	18,111,214	18,753,539	17,099,832
Judicial	41,584,864	41,334,970	42,798,692	46,040,382
Community and economic development	11,311,250	60,809,969	11,136,156	14,269,821
Public works	22,728,361	808,594	683,478	664,910
Interest and fiscal charges	3,423,351	3,742,616	4,651,833	5,335,224
Total governmental activities expenses	309,857,308	366,532,734	297,790,815	306,767,427
Business-type activities:				
Airport operations	-	-	-	-
Public works	41,028,425	35,476,856	40,991,239	37,298,349
Delinquent tax collection and administration	1,896,875	882,892	937,812	879,357
Total business-type activities expenses	42,925,300	36,359,748	41,929,051	38,177,706
Total Primary Government Expenses	\$ 352,782,608	\$ 402,892,482	\$ 339,719,866	\$ 344,945,133
Primary Government Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 15,552,197	\$ 16,753,902	\$ 17,280,387	\$ 15,731,621
Public safety	28,265,270	25,388,690	29,651,104	27,282,082
Health and welfare	2,193,967	3,540,499	4,323,571	4,201,812
Cultural and recreation	2,774,636	2,184,561	2,363,843	2,341,234
Judicial	4,280,111	4,079,940	5,184,021	5,265,195
Community and economic development	9,817,258	7,367,912	6,655,952	6,546,416
Public works	57,664	61,686	51,903	40,423
Operating grants and contributions	116,890,860	174,515,173	68,080,880	65,290,979
Capital grants and contributions	5,134,103	5,923,593	6,892,650	850,481
Total governmental activities program revenues	184,966,066	239,815,956	140,484,311	127,550,243

Table 2

2017	2016 ⁽¹⁾	2015	2014	2013	2012
\$ 42,862,570	\$ 38,218,905	\$ 37,929,237	\$ 37,821,762	\$ 37,897,662	\$ 39,423,751
97,192,006	85,758,049	76,807,751	72,136,071	72,186,534	71,235,993
70,223,101	77,975,773	84,000,390	69,449,438	68,667,812	70,824,320
15,563,307	9,076,548	9,488,048	9,346,586	10,603,153	9,927,214
34,698,720	36,717,659	37,321,998	33,157,928	33,382,950	33,390,049
12,554,063	11,764,186	13,160,594	11,568,226	10,800,313	11,176,196
-	-	-	-	-	-
6,238,433	5,524,853	5,106,216	5,445,115	5,642,451	5,867,337
279,332,200	265,035,973	263,814,234	238,925,126	239,180,875	241,844,860
-	23,016,276	45,049,985	43,499,655	43,890,966	41,996,655
35,381,206	36,892,123	31,000,535	30,359,452	28,914,109	30,657,439
824,162	637,425	782,829	677,818	842,489	842,964
36,205,368	60,545,824	76,833,349	74,536,925	73,647,564	73,497,058
\$ 315,537,568	\$ 325,581,797	\$ 340,647,583	\$ 313,462,051	\$ 312,828,439	\$ 315,341,918
\$ 16,640,809	\$ 16,717,554	\$ 14,818,640	\$ 14,080,877	\$ 14,465,624	\$ 13,443,601
14,719,759	10,852,983	10,714,765	14,857,858	9,232,063	9,115,580
3,623,435	3,663,851	4,269,416	3,673,754	3,554,912	3,850,232
2,322,374	2,228,892	2,177,498	2,032,421	4,078,062	3,781,659
5,159,807	6,008,464	5,787,836	5,168,180	5,324,415	5,046,223
9,007	15,831	128,991	17,252	6,597	3,024
-	-	-	-	-	-
73,691,229	70,326,431	83,317,159	72,012,278	77,011,338	73,849,257
728,376	1,128,144	3,904,476	155,712	1,697,906	4,754,422
116,894,796	110,942,150	125,118,781	111,998,332	115,370,917	113,843,998

continued...

COUNTY OF KENT, MICHIGAN

Changes in Net Position
Last Ten Fiscal Years
(Unaudited)

<i>Fiscal Year Ended December 31,</i>	2021	2020	2019	2018
Business-type activities:				
Charges for services:				
Airport operations:				
Passenger airlines	\$ -	\$ -	\$ -	\$ -
Ground transportation	-	-	-	-
Car rental agencies	-	-	-	-
Cargo airlines	-	-	-	-
Other	-	-	-	-
Public works:				
Charges for services	47,162,183	41,310,871	41,502,362	37,771,639
Scrap and other	-	-	-	-
Delinquent tax collection and administrative:				
County processing fees	-	-	-	-
Interest and penalties on				
delinquent taxes	1,714,793	1,837,993	1,897,652	1,857,255
Collection fees	629,980	644,174	646,087	624,655
Title search fees	266,350	295,400	317,450	350,350
Auction proceeds	527,421	255,205	111,398	369,929
Other	227,498	238,764	262,496	280,659
Operating grants and contributions	225,709	1,160,070	2,142,981	1,329,814
Capital grants and contributions	71,803	339,121	-	319,946
Total business-type activities program revenues	50,825,737	46,081,598	46,880,426	42,904,247
Total Primary Government Program Revenues	\$ 235,791,803	\$ 285,897,554	\$ 187,364,737	\$ 170,454,490
Primary Government Net (Expense) Revenue				
Governmental activities	\$(124,891,242)	\$(126,716,778)	\$(157,306,504)	\$(179,217,184)
Business-type activities	7,900,437	9,721,850	4,951,375	4,726,541
Total Primary Government Net Expense	\$(116,990,805)	\$(116,994,928)	\$(152,355,129)	\$(174,490,643)

Table 2

	2017	2016 ⁽¹⁾	2015	2014	2013	2012
\$	-	\$ 6,039,754	\$ 12,120,448	\$ 11,475,779	\$ 10,267,491	\$ 10,899,720
	-	8,849,794	15,471,428	14,276,394	13,305,649	11,806,870
	-	1,768,293	3,856,055	3,544,348	3,474,840	3,071,542
	-	126,669	2,551,693	2,493,862	2,459,388	2,638,184
	-	3,259,864	4,219,582	4,052,047	3,682,551	3,456,829
	37,267,654	34,540,752	31,438,816	32,014,002	30,245,817	30,533,380
	-	-	-	-	-	489,643
	-	-	-	-	-	(1,333,409)
	1,760,737	2,075,709	2,376,219	2,939,949	2,959,361	3,661,297
	669,909	711,907	778,238	799,609	947,053	1,757,222
	343,175	392,864	453,950	531,125	602,350	910,123
	689,707	223,820	42,063	543,764	677,589	477,279
	292,649	258,869	270,458	269,288	256,054	561,301
	712,662	653,736	435,677	408,902	344,591	435,676
	-	3,498,996	18,831,319	21,434,625	10,710,724	15,452,306
	41,736,493	62,401,027	92,845,946	94,783,694	79,933,458	84,817,963
	\$ 169,286,736	\$ 179,295,823	\$ 203,788,096	\$ 219,902,475	\$ 191,931,790	\$ 200,188,880
	\$ (179,217,184)	\$ (162,437,404)	\$ (154,093,823)	\$ (138,695,453)	\$ (126,926,794)	\$ (123,809,958)
	3,558,787	26,195,659	32,300,122	17,950,345	5,396,533	11,170,399
	\$ (175,658,397)	\$ (136,241,745)	\$ (121,793,701)	\$ (120,745,108)	\$ (121,530,261)	\$ (112,639,559)

continued...

COUNTY OF KENT, MICHIGAN

Changes in Net Position
Last Ten Fiscal Years
(Unaudited)

<i>Fiscal Year Ended December 31,</i>	2021	2020	2019	2018
Primary Government General Revenues and Other Changes in Net Position				
Governmental activities:				
Property taxes	\$ 157,101,386	\$ 150,254,258	\$ 145,121,691	\$ 133,474,951
Lodging excise taxes	8,968,752	5,107,828	11,432,225	10,807,009
State revenue sharing	21,303,129	17,864,593	20,349,897	18,026,778
Unrestricted investment earnings	969,720	3,323,420	4,323,119	2,791,475
Gain on sale of capital assets	-	-	-	2,404,705
Other revenues	41,368	51,781	39,979	76,529
Transfers	-	3,700,000	4,100,000	4,100,000
Total governmental activities	188,384,355	180,301,880	185,366,911	171,681,447
Business-type activities:				
Unrestricted investment earnings	26,909	204,298	395,056	317,196
Gain on sale of capital assets	195,918	-	126,624	-
Transfers	-	(3,700,000)	(4,100,000)	(4,100,000)
Total business-type activities	222,827	(3,495,702)	(3,578,320)	(3,782,804)
Total Primary Government General Revenues and Other Changes in Net Position	\$ 188,607,182	\$ 176,806,178	\$ 181,788,591	\$ 167,898,643
Primary Government Change in Net Position Before Special and Extraordinary Items				
Governmental activities	\$ 63,493,113	\$ 53,585,102	\$ 28,060,407	\$ (7,535,737)
Business-type activities	8,123,264	6,226,148	1,373,055	943,737
Special items, net	-	-	-	-
Extraordinary item	-	-	-	-
Total Primary Government Change in Net Position	\$ 71,616,377	\$ 59,811,250	\$ 29,433,462	\$ (6,592,000)

⁽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

2017	2016 ⁽¹⁾	2015	2014	2013	2012
\$ 128,060,651	\$ 115,262,736	\$ 114,415,844	\$ 106,210,619	\$ 104,454,749	\$ 104,359,631
10,205,658	9,494,361	8,786,045	7,660,224	6,897,106	6,597,840
19,237,522	18,408,464	12,027,403	10,384,212	9,329,896	9,214,573
1,592,269	1,095,490	455,004	412,719	407,043	513,042
-	-	-	-	-	-
243,349	38,813	104,165	142,328	198,649	92,547
4,100,000	4,100,000	8,758,731	5,205,551	5,104,153	6,096,980
163,439,449	148,399,864	144,547,192	130,015,653	126,391,596	126,874,613
181,145	142,251	78,625	93,639	90,392	127,387
-	30,227	30,895	93,068	477,050	22,793
(4,100,000)	(4,100,000)	(4,600,000)	(4,700,000)	(5,720,000)	(5,203,000)
(3,918,855)	(3,927,522)	(4,490,480)	(4,513,293)	(5,152,558)	(5,052,820)
\$ 159,520,594	\$ 144,472,342	\$ 140,056,712	\$ 125,502,360	\$ 121,239,038	\$ 121,821,793
\$ 1,002,045	\$ (30,817,320)	\$ (17,890,212)	\$ (24,078,170)	\$ (12,303,857)	\$ (52,181)
1,612,270	(368,735)	21,705,179	27,786,829	12,797,787	343,713
-	(197,826,108)	-	-	-	-
-	-	-	-	-	1,754,167
\$ 2,614,315	\$ (229,012,163)	\$ 3,814,967	\$ 3,708,659	\$ 493,930	\$ 2,045,699

concluded

COUNTY OF KENT, MICHIGAN

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

<i>Fiscal Year Ended December 31,</i>	2021	2020	2019	2018
General Fund				
Nonspendable	\$ 1,709,838	\$ 1,251,722	\$ 894,979	\$ 844,968
Committed	31,004,887	27,913,617	27,513,807	26,635,550
Assigned	25,329	3,424,133	2,921,941	2,220,558
Unassigned	51,947,483	49,942,812	49,447,703	44,785,918
Total General Fund	84,687,537	82,532,284	80,778,430	74,486,994
All other governmental funds:				
Nonspendable	228,437	736,903	403,054	934,539
Restricted	39,083,981	43,155,920	42,164,426	27,622,244
Committed	-	-	-	-
Assigned	61,017,866	43,184,480	33,053,492	33,403,042
Unassigned	-	-	-	-
Total all other governmental funds	100,330,284	87,077,303	75,620,972	61,959,825
Total Fund Balance for Governmental Funds	\$ 185,017,821	\$ 169,609,587	\$ 156,399,402	\$ 136,446,819

Table 3

2017	2016	2015	2014	2013	2012
\$ 1,195,550	\$ 980,017	\$ 1,196,918	\$ 1,972,795	\$ 1,724,116	\$ 1,222,976
25,524,542	26,013,929	24,580,290	23,861,959	23,380,820	23,452,233
-	-	47,850	68,871	15,969	16,930
44,071,718	42,569,416	43,277,242	42,936,312	43,552,031	43,970,150
70,791,810	69,563,362	69,102,300	68,839,937	68,672,936	68,662,289
400,621	99,465	102,066	167,430	243,036	193,990
42,176,419	30,766,471	12,202,392	13,050,442	11,292,058	15,786,664
-	336,064	336,064	-	-	-
20,717,767	21,613,570	19,524,030	10,971,700	9,061,379	7,242,328
-	-	-	-	(70,036)	-
63,294,807	52,815,570	32,164,552	24,189,572	20,526,437	23,222,982
\$ 134,086,617	\$ 122,378,932	\$ 101,266,852	\$ 93,029,509	\$ 89,199,373	\$ 91,885,271

COUNTY OF KENT, MICHIGAN

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

<i>Fiscal Year Ended December 31,</i>	2021	2020	2019	2018
Revenues				
Taxes	\$ 166,450,781	\$ 156,427,665	\$ 156,237,265	\$ 144,220,328
Licenses and permits	1,122,211	1,154,751	1,049,928	988,465
Intergovernmental	104,540,542	182,770,894	77,265,050	67,734,097
Charges for services	52,532,853	48,321,647	54,057,789	51,591,122
Fines and forfeitures	1,497,101	1,785,986	2,126,338	916,355
Investment earnings	510,598	2,617,415	3,585,051	2,224,166
Contributions and reimbursements	15,650,023	10,017,491	13,012,705	11,917,808
Other	8,603,884	9,700,210	11,912,974	12,420,580
Total revenues	350,907,993	412,796,059	319,247,100	292,012,921
Expenditures				
General government	37,119,586	53,538,736	33,495,272	32,085,439
Public safety	92,705,205	93,492,081	85,587,751	81,106,209
Health and welfare	99,181,828	106,114,317	82,914,380	77,226,809
Cultural and recreation	17,345,535	16,605,383	16,264,910	15,111,676
Judicial	46,484,506	44,986,793	42,277,630	39,836,275
Community and economic development	11,505,212	60,968,586	11,067,526	14,173,344
Public works	22,729,579	813,891	683,478	664,910
Debt principal retirement	10,274,356	9,838,077	9,609,810	9,579,810
Debt interest and fiscal charges	4,614,688	5,004,920	5,640,602	6,345,678
Bond issuance costs	-	-	158,579	-
Capital outlay	16,101,964	17,340,901	15,803,300	22,694,142
Total expenditures	358,062,459	408,703,685	303,503,238	298,824,292
Revenues over (under) expenditures	(7,154,466)	4,092,374	15,743,862	(6,811,371)
Other Financing Sources (Uses)				
Issuance of long-term debt	18,744,357	5,190,384	-	-
Issuance of refunding debt	-	-	18,850,000	-
Payment to refunded bond escrow agent	-	-	(21,974,683)	-
Premium on issuance of long-term debt	3,673,218	-	3,396,362	-
Proceeds from sale of capital assets	345,125	489,327	337,042	5,376,574
Transfers in	79,082,626	79,445,438	69,491,389	61,316,876
Transfers out	(79,282,626)	(76,007,338)	(65,891,389)	(57,521,877)
Insurance recoveries	-	-	-	-
Total other financing sources (uses)	22,562,700	9,117,811	4,208,721	9,171,573
Net Change in Fund Balances	\$ 15,408,234	\$ 13,210,185	\$ 19,952,583	\$ 2,360,202
Debt Service as a Percentage of				
Noncapital Expenditures	4.35%	3.79%	5.32%	5.62%

Table 4

2017	2016	2015	2014	2013	2012
\$ 138,620,627	\$ 125,254,523	\$ 123,219,119	\$ 114,062,333	\$ 111,502,155	\$ 111,538,374
920,977	853,858	2,619,680	2,169,687	2,048,435	1,933,261
67,787,833	63,986,277	69,551,746	60,763,335	59,138,391	59,833,761
30,714,783	27,317,220	25,697,103	23,788,612	26,402,338	25,671,343
956,362	1,277,683	725,444	634,117	595,310	747,800
1,209,495	737,968	425,839	383,895	376,973	458,822
27,144,737	26,269,177	26,873,997	22,505,656	20,725,437	21,419,896
15,208,357	15,223,272	15,982,293	15,986,979	16,148,193	13,766,859
282,563,171	260,919,978	265,095,221	240,294,614	236,937,232	235,370,116
40,622,907	39,351,341	39,791,579	39,429,914	39,917,794	39,802,424
79,877,862	74,745,204	71,789,412	69,129,351	68,006,701	65,998,422
76,209,699	73,343,748	81,767,800	68,130,806	67,103,479	69,789,758
14,547,986	7,118,024	7,208,482	6,940,088	8,474,782	7,915,210
35,159,912	32,728,314	34,426,661	31,392,404	31,335,266	31,811,362
12,558,039	11,664,297	13,104,272	11,538,115	10,796,942	11,174,056
-	-	-	-	-	-
8,802,790	8,397,930	8,146,537	6,982,041	6,516,576	5,220,683
6,604,132	5,635,575	5,414,587	5,616,405	5,918,707	6,139,119
400,679	255,195	-	112,548	-	-
25,584,314	16,016,864	8,678,718	7,325,207	6,775,034	12,866,888
300,368,320	269,256,492	270,328,048	246,596,879	244,845,281	250,717,922
(17,805,149)	(8,336,514)	(5,232,827)	(6,302,265)	(7,908,049)	(15,347,806)
21,930,000	20,675,000	4,724,050	4,697,811	-	-
22,780,000	-	-	4,460,000	-	-
(26,500,894)	-	-	(4,860,748)	-	-
7,153,728	4,823,670	-	443,943	-	-
50,000	349,924	287,389	185,844	117,998	79,039
53,159,368	48,824,626	57,414,419	48,823,589	48,511,001	49,529,306
(49,059,368)	(45,224,626)	(48,955,688)	(43,618,038)	(43,406,848)	(43,432,326)
-	-	-	-	-	1,103,959
29,512,834	29,448,594	13,470,170	10,132,401	5,222,151	7,279,978
\$ 11,707,685	\$ 21,112,080	\$ 8,237,343	\$ 3,830,136	\$ (2,685,898)	\$ (8,067,828)
5.42%	5.49%	5.21%	5.29%	5.25%	4.73%

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
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	-
2021	422,897,800	6,853,645,300	1,683,738,300	23,471,075,720	-

⁽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
\$ 1,897,109,655	\$ 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
1,662,253,730	26,557,114,520	34,093,610,850	68,594,577,537	49.70%	6.90%	6.1521

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			
	2021	2020	2019	2018
County Direct Rates:				
Allocated Operating	4.1850	4.2243	4.2571	4.2803
Correctional Facility	0.7645	0.7717	0.7777	0.7828
Senior Services	0.4842	0.4888	0.4926	0.4958
Veterans Services	0.0482	0.0487	0.0491	0.0495
Zoo/Museum	0.4261	0.4301	0.4335	0.4363
Ready by Five	0.2441	0.2464	0.2484	0.2500
Total County Direct Rate	6.1521	6.2100	6.2584	6.2947
City Rates:				
Cedar Springs	18.9913	19.0335	16.4414	16.4414
East Grand Rapids	14.4792	14.8250	14.9649	15.2157
Grand Rapids	8.9950	8.8070	8.9011	8.9710
Grandville	11.0500	11.0500	11.0500	11.0500
Kentwood	9.5459	9.6066	9.6066	9.6066
Lowell	15.9281	15.9335	15.9423	15.9423
Rockford	12.9000	12.9000	12.9000	12.9000
Walker	1.3360	1.3360	1.3360	1.3360
Wyoming	11.8947	11.9788	12.0309	12.1192
Township Rates	.7476-4.8749	.7501-4.9016	.7100-4.1953	.7100-4.1953
Village Rates	7.9440-18.2118	7.9440-18.4054	7.9440-18.4561	7.9440-18.4561
District Library	1.2484	1.2581	1.2661	1.2733
Interurban Transit Partnership	1.4308	1.4457	1.4556	1.4658
Rockford DDA	1.8030	1.9226	1.9226	1.9271
Ada DDA	1.9724	1.9724	1.9724	1.9940
School Districts ⁽¹⁾	1.7307-35.0535	1.7472-33.4633	1.7606-33.5116	1.7716-32.5282

Source: Kent County Bureau of Equalization

⁽¹⁾ Includes Community Colleges and Intermediate School Districts

Table 6

Year Taxes Are Payable					
2017	2016	2015	2014	2013	2012
4.2803	4.2803	4.2803	4.2803	4.2803	4.2803
0.7859	0.7893	0.7893	0.7893	0.7893	0.7893
0.4978	0.5000	0.5000	0.5000	0.3244	0.3244
0.0497	0.0500	0.0500	0.0500	0.0000	0.0000
0.4381	0.4400	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
6.0518	6.0596	5.6196	5.6196	5.3940	5.3940
16.3414	16.3214	16.3214	16.3214	16.3214	16.3214
15.6146	15.8366	16.0791	14.2891	14.2287	14.6523
9.0258	9.1166	9.1515	9.1518	8.1719	8.1716
10.3000	10.3000	10.3000	10.3000	9.1540	9.1540
9.6066	9.6066	9.6066	9.6066	9.7064	9.7064
15.9423	15.9424	15.9424	15.9424	15.9424	16.0724
12.9000	10.9000	10.9000	10.9000	10.9000	10.9000
1.3360	1.3360	1.3360	1.3360	1.3360	1.3360
12.1192	11.9073	11.9073	11.9073	11.6573	11.8873
.7100-4.1977	.7100-4.2000	.7100-3.7000	.7100-3.5244	.7100-3.7626	.7100-3.7626
7.9440-18.1761	6.4440-19.6261	6.4440-19.6261	6.4440-19.6261	6.4440-18.5761	6.4440-18.5761
1.2774	1.2800	1.2800	1.2800	0.8800	0.8800
1.4632	1.4688	1.4700	1.4700	1.4700	1.4100
1.9351	1.9628	1.9942	2.0000	2.0000	2.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
1.7788-32.5476	1.7865-38.5476	1.7865-38.5876	1.7865-37.1176	1.7865-35.4765	2.3625-35.4765

COUNTY OF KENT, MICHIGAN

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

Taxpayer	Principal Product or Service	2021 Taxable Valuation	Rank	Percent of 2021 Taxable Valuation
Consumers Energy	Public utility	\$ 405,033,367	1	1.53%
Amway Corp/Alticor	Household products	158,974,831	2	0.60%
DTE Energy/Gas Co.	Utility	160,990,336	3	0.61%
Meijer / Goodwill / Seedling	Retail sales	125,049,500	4	0.47%
PR Woodland LP	Retail shopping center	78,403,350	5	0.30%
Holland Home	Senior citizens residence	53,311,086	6	0.20%
TEG	Housing/Apartments	53,105,583	7	0.20%
Steelcase, Inc.	Office equipment/furniture	49,561,868	8	0.19%
Rivertown Crossings	Retail shopping center	48,565,900	9	0.18%
Spectrum Health Hospitals	Healthcare	36,802,355	10	0.14%
Michigan Consolidated Gas Co.	Utility			
Keebler Company	Food distributor/retailer			
Foremost Insurance	Insurance			
Fifth Third / Old Kent Bank	Banking services			
		\$ 1,169,798,176		4.42%

Source: County of Kent

Table 7

2012 Taxable Valuation	Rank	Percent of 2012 Taxable Valuation
\$ 231,878,834	1	1.16%
137,928,632	2	0.69%
100,909,412	4	0.50%
55,282,320	7	0.28%
47,383,474	10	0.24%
103,169,183	3	0.51%
96,925,686	5	0.48%
86,585,100	6	0.43%
51,751,333	8	0.26%
49,201,018	9	0.25%
<hr/> \$ 961,014,992		<hr/> 4.80%

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
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%	7,460,914
2016	2017	127,153,181	118,842,367	93.46%	8,308,318
2017	2018	131,664,667	123,510,169	93.81%	8,150,951
2018	2019	143,744,229	134,267,071	93.41%	9,468,227
2019	2020	150,915,274	140,644,952	93.20%	10,212,791
2020	2021	156,505,188	145,555,517	93.00%	10,645,774
2021	2022	162,803,831	151,340,957	92.96%	-

⁽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	Total	Outstanding	Outstanding
	Tax	Collections	Delinquent	Delinquent as
	Collections	As	Delinquent	Percent of
		Percent of	Taxes	Current Levy
		Current Levy		Current Levy
\$	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%
	117,004,055	100.00%	1,281	0.00%
	127,150,685	100.00%	2,496	0.00%
	131,661,120	100.00%	3,547	0.00%
	143,735,298	99.99%	8,931	0.01%
	150,857,743	99.96%	57,531	0.04%
	156,201,291	99.81%	303,897	0.19%
	151,340,957	92.96%	11,462,874	7.04%

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			
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	0.38%	217.39
2021	123,309,913	3,477,308	-	6,152,713	20,381,941	153,321,875	N/A	233.00

⁽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
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
2021	658,046	68,594,578	149,844,567	48,470,614	101,373,953

⁽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
\$ 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
-	101,373,953	0.15%	154.05

COUNTY OF KENT, MICHIGAN

Computation of Direct and Overlapping Debt
December 31, 2021
(Unaudited)

DEBT STATEMENT

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

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	\$ 81,554,374	\$ 33,270,567	\$ 48,283,807		
Contracts Payable	3,477,308	-	3,477,308		
Kent County Building Authority (LTGO)	19,819,579	5,184,802	14,634,777		
Michigan Transportation Fund Bonds	21,935,960	21,935,960	-		
Total Direct Debt	\$ 126,787,221	\$ 60,391,329	\$ 66,395,892	\$ 192.67	0.18%
County Overlapping Debt^{(1) (2)}					
Cities, Villages and Townships	223,877,484		\$ 223,877,484		
School Districts	1,615,898,011		1,615,898,011		
Community College and Intermediate School Districts	26,852,544		26,852,544		
Total Overlapping Debt	\$ 1,866,628,039		\$ 1,866,628,039	\$ 2,836.62	2.72%
Total County Direct Debt and Overlapping Debt	\$ 1,993,415,260	\$ 60,391,329	\$ 1,933,023,931	\$ 3,029.29	2.90%

⁽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, 2021

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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,)	2021	2020	2019	2018
State Equalized Valuation	\$ 34,093,610,850	\$ 31,909,061,889	\$ 29,502,080,572	\$ 27,131,963,621
Legal Debt Limit (10% of SEV)	3,409,361,085	3,190,906,189	2,950,208,057	2,713,196,362
Debt Outstanding	385,805,856	293,566,425	314,606,601	341,085,551
Margin of additional debt which could be incurred subject to debt limit	\$ 3,023,555,229	\$ 2,897,339,764	\$ 2,635,601,456	\$ 2,372,110,811
Percentage of debt outstanding to SEV	1.13%	0.92%	1.07%	1.26%

Source: County of Kent

Table 12

2017	2016	2015	2014	2013	2012
\$ 25,914,411,675	\$ 24,129,416,055	\$ 23,036,449,123	\$ 21,611,336,604	\$ 20,992,849,006	\$ 20,988,856,355
2,591,441,168	2,412,941,606	2,303,644,912	2,161,133,660	2,099,284,901	2,098,885,636
364,750,203	368,252,897	360,196,633	374,926,731	392,130,961	416,883,904
\$ 2,226,690,965	\$ 2,044,688,709	\$ 1,943,448,279	\$ 1,786,206,929	\$ 1,707,153,940	\$ 1,682,001,732
1.41%	1.53%	1.56%	1.73%	1.87%	1.99%

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⁾
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	37,807,976	57,397	106,293	7.6%
2021	658,046	N/A	N/A	104,424	4.7%

⁽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 Bureau of Labor Market Information and Strategic Initiatives

⁽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

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>	2021		
Employer	Employees ⁽¹⁾	Rank	Percentage of Total Employment
Spectrum Health	25,000	1	7.16%
Meijer, Inc.	10,340	2	2.96%
Mercy Health/St. Mary's Health	8,500	3	2.43%
Gordon Food Service	5,000	4	1.43%
Amway Corp./Alticor, Inc.	3,791	5	1.09%
Steelcase, Inc.	3,500	6	1.00%
Farmers Insurance Group	3,500	7	1.00%
Lacks Enterprises	3,000	8	0.86%
Grand Rapids Public Schools	2,800	9	0.80%
Hope Network	2,162	10	0.62%
Axios, Inc.			
Spartan Nash/Stores			
Johnson Controls			
Walmart			
Fifth Third Bank			
Total	67,593		19.35%

⁽¹⁾ Source: The Right Place, Inc.

Table 14

2012		
Employees ⁽¹⁾	Rank	Percentage of Total Employment
18,000	1	5.79%
7,725	3	2.48%
4,000	5	1.29%
3,227	8	1.04%
3,297	7	1.06%
8,000	2	2.57%
4,258	4	1.37%
3,900	6	1.25%
3,131	9	1.01%
2,729	10	0.88%
58,267		18.74%

COUNTY OF KENT, MICHIGAN

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

<i>December 31,</i>	2021	2020	2019	2018
Function/Program				
General Government:				
Administrator's Office	27	24	23	32
Bureau of Equalization	15	14	14	14
County Clerk	46	47	45	45
Drain Commissioner	6	6	5	6
Facilities Management	30	30	27	30
Fiscal Services	36	36	37	33
Human Resources	14	14	15	15
Information Technology	37	36	37	37
Kent/MSU Cooperative Extension	1	1	1	2
Prosecutor's Office - Criminal/Juvenile	59	59	60	59
Treasurer's Office	12	12	12	12
Public Safety:				
Sheriff's Department	627	621	617	604
Judicial:				
17th Circuit Court	227	230	230	228
63rd District Court	33	33	33	33
Community Corrections	2	2	2	3
Probate Court	15	15	15	15
Prosecutor's Office - Cooperative Reimbursement	20	18	19	19

Table 15

2017	2016	2015	2014	2013	2012
32	32	32	31	31	31
14	14	15	16	15	15
44	45	44	44	44	44
6	5	6	7	7	6
30	30	21	21	21	21
33	31	31	31	33	33
15	16	16	16	17	16
37	39	38	38	36	36
2	3	3	3	3	3
59	57	57	57	57	57
12	12	12	12	12	12
594	557	550	547	547	540
228	222	223	223	225	225
33	32	32	32	32	33
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>	2021	2020	2019	2018
Community and Economic Development:				
Community Development	5	5	4	6
Housing Commission	6	5	4	4
Lodging Excise Tax	1	1	1	1
Cultural and Recreation:				
John Ball Zoological Gardens	-	-	-	-
Parks	65	64	64	64
Health and Welfare:				
Child Care	154	145	146	132
Health Department	267	268	254	247
Veteran's Affairs Department	9	8	8	7
Community Action Agency ⁽²⁾	26	28	23	21
Enterprise Activities:				
Aeronautics ⁽¹⁾	-	-	-	-
Public works	61	60	60	54
Other:				
Risk Management	1	1	1	1
Total	1,802	1,783	1,757	1,729

⁽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

2017	2016	2015	2014	2013	2012
6	6	4	5	7	8
4	4	5	4	4	4
1	2	2	2	2	2
-	-	-	47	47	45
63	59	57	57	57	57
132	133	132	132	133	134
245	240	245	244	248	246
7	7	7	3	3	1
21	-	-	-	-	-
-	-	99	99	108	106
54	54	53	52	62	64
1	1	1	1	1	2
1,721	1,638	1,722	1,761	1,789	1,778

concluded

COUNTY OF KENT, MICHIGAN

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

<i>Fiscal Year Ended December 31,</i>	2021	2020	2019	2018
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⁾	N/A ⁽⁵⁾	\$ 3,699,840
Number of programs or collaborative partnerships developed	N/A ⁽⁵⁾	N/A ⁽⁵⁾	N/A ⁽⁵⁾	4
General Fund cost per resident for all County services	\$ 290	\$ 278	\$ 275	\$ 260
Number of voter registrations processed	2,284	12,144	12,060	15,089
Number of invoices processed ⁽¹⁾	64,820	54,562	57,258	58,693
Number of vehicles in County fleet	308	294	291	288
Number of tax receipts processed ⁽¹⁾	15,192	14,973	16,637	17,255
General Fund investment income	\$ 34,076	\$ 1,330,427	\$ 2,009,372	\$ 1,595,335
Public Safety:				
Percentage of 911 calls answered within 15 seconds	98%	98%	96%	95%
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
Number of School Resource Officers	13	13	14	N/A
Judicial:				
Number of case filings District Court trials ⁽¹⁾	33	6	37	47
Amount of Restitution Awarded via the Crime Victims Compensation Board	\$ 189,196	\$ 207,729	\$ 128,841	\$ 175,538
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⁾	14%	17%	17%	23%
Percent of participants who are referred to financial literacy and homeownership classes	100%	100%	100%	100%
Number of food boxes distributed to households	14,200	15,564	15,180	N/A

Table 16

	2017	2016	2015	2014	2013	2012
	AAA/Aaa	AAA/Aaa	AAA/Aaa	AAA/Aaa	AAA/Aaa	AAA/Aaa
\$	163,000	\$ 711,785	\$ 3,140,421	\$ 3,985,000	\$ 1,050,000	\$ 1,689,644
	3	7	8	6	5	5
\$	252	\$ 254	\$ 253	\$ 255	\$ 259	\$ 211
	9,467	29,340	10,044	14,820	26,244	N/A
	57,402	60,578	62,448	61,542	61,240	61,298
	236	239	239	230	200	229
	19,812	20,186	22,306	22,937	24,808	24,318
\$	837,799	\$ 524,165	\$ 274,733	\$ 275,759	\$ 232,607	\$ 285,886
	94%	96%	97%	98%	97%	N/A
	100%	100%	100%	100%	100%	N/A
	N/A	N/A	N/A	4.8	4.6	4.7
	N/A	N/A	N/A	N/A	N/A	N/A
	50	62	88	112	89	128
\$	246,689	\$ 273,896	\$ 218,826	\$ 295,674	\$ 540,897	\$ 465,832
	N/A	N/A	N/A	20%	20%	27%
	24%	25%	24%	20%	20%	27%
	100%	100%	95%	N/A	N/A	N/A
	N/A	N/A	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>	2021	2020	2019	2018
Cultural and Recreation:				
Beach/splash pad attendance through SPLASH program	67	N/A	12,885	12,393
Total Millennium Park beach/splash pad attendance	90,174	91,780	85,204	83,642
Number of project collaborations with outside agencies	75	24	86	83
Number of Action Plan items completed from				
Parks Action Plan	12	9	9	7
Acres of park land acquired	247.80	1.00	164.00	-
Health and Welfare:⁽³⁾				
Percent of children aged 19-35 months who are fully immunized	54%	65%	81%	82%
Number of children receiving Hearing/Vision screenings	60,222	72,180	93,724	93,698
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	N/A	5,981	5,500
Solid waste landfilled (in tons)	312,672	275,874	328,183	347,121
Electricity sold (Mwh)	101,300	101,198	96,332	102,288
Tons of solid waste processed (Waste to Energy)	183,885	186,517	188,182	185,413
Recyclable materials processed (in tons)	33,850	28,336	31,089	33,133

⁽¹⁾ 2021 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, 2020 and 2021 Annual Comprehensive Financial Report

N/A Data is Not Available

Source: County of Kent

Table 16

2017	2016	2015	2014	2013	2012
13,368	16,997	40,388	24,825	12,203	12,746
89,995	101,709	135,908	90,780	63,431	87,141
87	81	90	55	73	13
9	8	9	13	8	6
12.80	170.50	-	-	22.00	-
83%	82%	82%	82%	83%	81%
91,804	92,927	89,490	84,360	89,677	93,503
N/A	39	32	14	13	12
		76,256	75,128	75,998	85,306
		2,550,193	2,335,105	2,237,979	2,134,956
		92	89	86	86
5,039	4,563	3,930	3,500	3,284	3,117
347,464	312,256	289,410	N/A	N/A	N/A
99,570	100,944	100,234	100,000	104,438	96,640
185,209	182,470	178,434	189,000	189,321	183,849
32,132	34,821	33,396	32,000	30,000	25,364

concluded

COUNTY OF KENT, MICHIGAN

Capital Asset Statistics by Function/Program

Last Ten Fiscal Years
(Unaudited)

<i>December 31,</i>	2021	2020	2019	2018
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	16	15	15	15
Patrol vehicles/motorcycles	90	90	90	89
Jail	1	1	1	1
Sheriff's stations/substations	4	4	4	4
Communications towers	6	6	6	7
Video arraignment stations	11	11	8	8
Judicial:				
Video arraignment stations	48	48	48	48
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	7,322	7,381	7,077	6,923
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

2017	2016	2015	2014	2013	2012
15	15	15	14	14	14
2	2	2	2	2	2
1	1	1	1	1	1
15	15	16	16	16	18
82	70	70	68	69	70
1	1	1	1	1	1
4	4	5	6	8	6
7	7	7	7	8	8
8	8	8	8	8	7
49	53	53	53	52	52
42	42	42	42	42	42
1	1	1	1	1	1
1	1	1	1	1	1
6,921	6,906	6,735	6,708	6,739	6,948
5	5	5	5	6	6
4	4	4	4	4	4
1	1	1	1	1	1
-	-	1	1	1	1