GLADWIN COUNTY
DISTRICT BOARD OF COMMISSIONERS
401 West Cedar Avenue
Gladwin, Michigan 48624
(989) 426-4821
commissioners@gladwincounty-mi.gov

COMMITTEE OF THE WHOLE

June 22, 2021 9:00 a.m.

Agenda and supporting attachments are subject to change.

1. **Public Comments:**

2. **City Administrator's Report:**

3. **County Affairs:**
    1. 2020 Audit Presentation – *Ken Talsma, Anderson, Tackman & Company, PLC*
    2. Amended L-4046 and L-4037 to include Hay Township – *Pete Preston, Equalization Director*
    3. County Veteran Service Fund Grant – *Kenneth Roberts, Director*
    4. Veterans Memorial Fund Project in cooperation with Gladwin County Community Foundation – *Kenneth Roberts, Director*

4. **County Facilities and Transportation**:

5. **Data:**
    1. Scanner Purchase for Clerk's Office – *Commissioner Kyle Grove*

6. **511 Council:**

7. **Gladwin Parks and Recreation:**

8. **Insurance:**

9. **Memorial Restoration:**

10. **MERs:**

11. **Public Safety:**

12. **Personnel:**
    1. Temporary Part-Time Court Security Officer – *Undersheriff Hartwell*

13. **Finance:**
    1. Request to attend Annual Conference – *Clerk Hulme*

2. Request for CEO Exam and Certification for Ashley Longstreth – *Clerk Hulme*

14. Report from Civil Attorney:

1. Four Lakes Task Force Land Use Guidelines
2. Interim Administrator Employment Contract
3. Consultant Information and Findings

County of Gladwin, Michigan

BASIC FINANCIAL STATEMENTS

December 31, 2020

COUNTY OF GLADWIN, MICHIGAN

BOARD OF COMMISSIONERS

Ron Taylor
Chairman

Karen Moore	Commissioner
Joel Vernier /Kyle Diller	Commissioner
Kyle Grove	Commissioner
Rick Grove	Commissioner

OTHER OFFICIALS

Laura Brandon-Maveal Clerk	Christy VanTiem Treasurer
Ann Manning-Clayton Register of Deeds	Robert Evans Drain Commissioner
Michael Shea Sheriff	Aaron W. Miller Prosecuting Attorney

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	4
BASIC FINANCIAL STATEMENTS:	
Government-Wide Financial Statements:	
Statement of Net Position	12
Statement of Activities	13
Fund Financial Statements:	
Balance Sheet – Governmental Funds	14
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	15
Reconciliation of Governmental Funds:	
Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	16
Proprietary Funds:	
Statement of Net Position	17
Statement of Revenues, Expenses, and Changes in Net Position	18
Statement of Cash Flows	19
Fiduciary Funds:	
Statement of Fiduciary Net Position	20
Statement of Changes in Fiduciary Net Position	21
COMBINING COMPONENT UNITS:	
Statement of Net Position	22
Statement of Activities	23
NOTES TO FINANCIAL STATEMENTS	24
REQUIRED SUPPLEMENTARY INFORMATION:	
Employee Retirement System:	
Schedule of Changes in the Net Pension Liability and Related Ratios	67
Schedule of Contributions	68
Other Post-Employment Benefits (OPEB):	
Schedule of Changes in the OPEB Liability and Related Ratios	69
Major Funds:	
Budgetary Comparison Schedule – General Fund	70
Budgetary Comparison Schedule – Emergency Medical Services Fund	73
Budgetary Comparison Schedule – E 911 Millage Fund	74
Budgetary Comparison Schedule – Wireless E 911 Fund	75
Budgetary Comparison Schedule – Senior Citizens Program Fund	76

TABLE OF CONTENTS (Continued)

OTHER INFORMATION:

Combining Balance Sheet – Nonmajor Governmental Funds 77

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds 81

Combining Statement of Net Position – Nonmajor Enterprise Funds 85

Combining Statement of Revenues, Expenses, and Changes in Net Position – Nonmajor Enterprise Funds 86

Combining Statement of Cash Flows – Nonmajor Enterprise Funds 87

Combining Statement of Net Position – Fiduciary Funds 88

Combining Balance Sheet – Component Unit – Drainage Districts 89

Reconciliation of the Combining Balance Sheet to the Statement of Net Position – Component Unit – Drainage Districts 91

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Component Unit – Drainage Districts 92

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities – Component Unit – Drainage Districts 94

Combining Balance Sheet – Component Unit – Board of Public Works 95

Reconciliation of the Combining Balance Sheet to the Statement of Net Position – Component Unit – Board of Public Works 96

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Component Unit - Board of Public Works 97

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities – Component Unit - Board of Public Works 98

REPORT ON COMPLIANCE:

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 98

Schedule of Findings and Responses 101

ANDERSON, TACKMAN & COMPANY, PLC
CERTIFIED PUBLIC ACCOUNTANTS

KINROSS OFFICE
SUE A. BOWLBY, CPA, PRINCIPAL
KENNETH A. TALSMA, CPA, PRINCIPAL
AMBER N. MACK, CPA, PRINCIPAL

PHILLIP J. WOLF, CPA
LESLIE BOHN, CPA
TORI KRUISE, CPA

MEMBER AICPA
DIVISION FOR CPA FIRMS
MEMBER MACPA
OFFICES IN
MICHIGAN & WISCONSIN

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
County of Gladwin
Gladwin, Michigan

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Gladwin County Road Commission and Gladwin City-County Transit, which represent 93 percent, 92 percent, and 92 percent, respectively, of the assets, net position, and revenues of the discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Gladwin County Road Commission and Gladwin City-County Transit, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

16978 S. RILEY AVENUE
KINCHELOE, MICHIGAN 49788

(906) 495-5952 / FAX 495-7312
E-mail: antack@antack.com

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Gladwin, Michigan, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, employee retirement benefit systems and budgetary comparison information on pages 4 through 11, pages 67 through 69, and pages 70 through 76 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Gladwin, Michigan's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

To the Board of Commissioners
Gladwin County

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 24, 2021, on our consideration of the County of Gladwin, Michigan'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 of Gladwin, Michigan'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 of Gladwin, Michigan's internal control over financial reporting and compliance.

Anderson, Tackman & Company, PLC
Certified Public Accountants
Kincheloe, Michigan

May 24, 2021

Management's Discussion and Analysis

As management of Gladwin County, Michigan (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the year then ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the accompanying basic financial statements.

Financial Highlights

- The net position of the County was a deficit of $9,077,749 as of December 31, 2020. The negative unrestricted net position resulted from pension and OPEB long-term liabilities .

- The County's total net position decreased by $1,174,694 during 2020.

- As of the close of the current year, the County's governmental funds (this includes the general fund, special revenue, debt service, and capital projects funds) reported combined ending fund balances of $4,897,710, a decrease of $704,347 in comparison with the prior year. Approximately 7.4% of this total amount, or $360,314, is available for spending at the County's discretion (assigned or unassigned fund balance).

- At the end of the current year, the general fund had an unassigned fund balance of $262,605 or 2.45% of total general fund expenditures.

- The County's total long-term debt, excluding delinquent tax notes, and vested employee benefits decreased by $115,043 as principal payments were made on the energy upgrade notes payable.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of five components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements, 4) required supplementary information, and 5) other information. 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, liabilities, and deferred inflows/outflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the County's net position changed during the most recent 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 periods (e.g., uncollected special assessments and accrued interest expense).

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 legislative, judicial, general government, public safety, public works, health and welfare, community and economic development, recreation and culture, and other functions. The business-type activities of the County include the various delinquent tax revolving and reversion funds.

The government-wide financial statements include not only the County itself (known as the primary government), but also a legally separate Road Commission, Department of Public Works, Drain Commission, Land Bank Authority, and City-County Transit 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. The Gladwin County Building Authority, although legally separate, functions for all practical purposes as a department of the County, and therefore has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 12-13 of this report.

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 year. Such information may be useful in evaluating the County'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 County'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 31 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, Emergency Medical Services Fund, E-911 Millage Fund, Wireless E-911 Fund, and Senior Citizens Program Fund, each of which is considered to be a major fund. Data from the other 26 governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 14-15 of this report.

Proprietary funds. The County maintains one type of proprietary fund: enterprise 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 its various delinquent tax revolving and revision fund operations.

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 Tax Revision and the 2019 Tax Revolving Fund, both of which are considered to be major funds. Data from the other proprietary funds are combined in separate single aggregated presentations in the proprietary fund financial statements. Individual fund data for each of these nonmajor enterprise funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 17-19 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the County. 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.

The basic fiduciary fund financial statements can be found on page 20-21 of this report.

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. The notes to the financial statements can be found on pages 24 - 66 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's defined benefit pension plan, its postemployment health benefits schedule of funding progress and employer contributions, and the major funds' budgetary comparison schedules. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the County's financial position. As the following table demonstrates, the County's net position was a deficit of $9,077,749 as of December 31, 2020.

Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2019	2020	2019	2020	2019	2020
Current Assets	$ 8,212,062	$ 8,170,765	$ 3,314,798	$ 3,112,410	$ 11,526,860	$ 11,283,175
Capital Assets	2,008,392	2,341,982	-	-	2,008,392	2,341,982
Total Assets	10,220,454	10,512,747	3,314,798	3,112,410	13,535,252	13,625,157
Deferred Outflows of Resources	59,745	904,467	-	-	59,745	904,467
Current Liabilities	380,685	621,085	910,000	940,000	1,290,685	1,561,085
Noncurrent Liabilities	17,302,850	18,595,286	-	-	17,302,850	18,595,286
Total Liabilities	17,683,535	19,216,371	910,000	940,000	18,593,535	20,156,371
Deferred Inflows of Resources	2,904,517	3,451,002	-	-	2,904,517	3,451,002
Net Position						
Net Investment in Capital Assets	672,642	1,121,275	-	-	672,642	1,121,275
Restricted	4,644,328	4,491,036	-	-	4,644,328	4,491,036
Unrestricted	(15,624,823)	(16,862,470)	2,404,798	2,172,410	(13,220,025)	(14,690,060)
Total Net Position	$ (10,307,853)	$ (11,250,159)	$ 2,404,798	$ 2,172,410	$ (7,903,055)	$ (9,077,749)

The largest portion of the County's net position, $4,491,036, represents resources that are subject to external restrictions on how they may be spent. An additional portion of net position, $1,121,275 reflects the County's investment in capital assets (i.e., land, buildings and improvements, vehicles and boats, and equipment and furniture); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The final net position, a deficit of $(14,690,060) is considered unrestricted. The long-term liability's relating to pension and OPEB have contributed to this deficit net position.

As of December 31, 2020, the County is reporting a negative balance in net position for the government as a whole.

Gladwin County's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2019	2020	2019	2020	2019	2020
Program Revenues						
Charges for Services	$ 2,467,942	$ 2,310,312	$ 678,942	$ 717,261	$ 3,146,884	$ 3,027,573
Operating Grants and Contributions	1,158,759	1,394,453	-	-	1,158,759	1,394,453
General Revenues						
Taxes	6,635,291	6,943,790	-	-	6,635,291	6,943,790
State Revenue Sharing	524,973	601,633	-	-	524,973	601,633
Investment Earnings	40,498	15,573	5,492	1,353	45,990	16,926
Rent	88,459	85,000	-	-	88,459	85,000
Other Income	-	-	-	-	-	-
Total Revenues	10,915,922	11,350,761	684,434	718,614	11,600,356	12,069,375
Program Expenses						
Legislative	199,268	144,598	-	-	199,268	144,598
General Government	2,496,303	2,873,449	-	-	2,496,303	2,873,449
Judicial	1,588,792	1,592,798	-	-	1,588,792	1,592,798
Public Safety	4,848,622	5,322,991	-	-	4,848,622	5,322,991
Public Works	14,737	16,718	-	-	14,737	16,718
Health and Welfare	2,226,728	2,373,101	-	-	2,226,728	2,373,101
Community and Economic Development	104,461	117,565	-	-	104,461	117,565
Recreation and Culture	3,430	19,405	-	-	3,430	19,405
Other Expenses	524,826	576,586	-	-	524,826	576,586
Delinquent Tax	-	-	48,399	36,921	48,399	36,921
Tax Foreclosure	-	-	174,981	169,937	174,981	169,937
Total Expenses	12,007,167	13,037,211	223,380	206,858	12,230,547	13,244,069
Excess (Deficiency)	(1,091,245)	(1,686,450)	461,054	511,756	(630,191)	(1,174,694)
Transfers	498,800	744,144	(498,800)	(744,144)	-	-
Changes in Net Position	(592,445)	(942,306)	(37,746)	(232,388)	(630,191)	(1,174,694)
Net Position - Beginning (As Restated)	(9,715,408)	(10,307,853)	2,442,544	2,404,798	(7,272,864)	(7,903,055)
Net Position - Ending	$ (10,307,853)	$ (11,250,159)	$ 2,404,798	$ 2,172,410	$ (7,903,055)	$ (9,077,749)

The County's net position decreased by $1,174,694 during the current year; a $942,306 decrease for governmental activities and a $232,388 decrease for business-type activities.

Governmental activities. Governmental activities decreased the County's net position by $942,306. Key elements of this decrease are as follows:

- Revenues increased compared to the prior year by $434,839 or 4%.
- Expenses increased compared to the prior year by $1,030,044 or 8.58%.
- Net transfers received from business-type activities increased compared to the prior year by $245,344 or 49%. This was a result of transfers received from the various delinquent tax funds in the current year.
- Expense from Pension and OPEB obligation decreased net position by $167,001 and $420,033, respectively.

Business-type activities. Business-type activities decreased the County's net position by $232,388. Key elements of this increase are as follows:

- Revenues increased compared to the prior year by $34,180, or 5%. The increase was a result of slightly higher collection fees, proceeds of land sales, interest on property taxes, and other various fees.
- Expenses decreased compared to the prior year by $16,522 or 7.4%. The decrease was a result of lower board of review adjustments, fees, and charges.
- Net transfers to governmental activities increased by $245,344 or 49%.

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 measurement of County's net resources available for spending at the end of the year.

As of December 31, 2020, the County's governmental funds reported combined ending fund balances of $4,897,710, a decrease of $704,347 in comparison with the prior year. Of the combined ending fund balance 92% is restricted to the underlying limitations applicable to the particular special revenue, debt service, or capital projects fund and is not available for new spending because it has already been spent or has been restricted or assigned for various functions/activities. $6,300 is non spendable, $40,060 is committed and $97,709 is assigned equaling 2.9%. The remaining 5.4% of the total fund balance amount constitutes unassigned fund balance, which is available for spending at the County's discretion.

The General Fund is the chief operating fund of the County. At the end of the current year, the unassigned fund balance of the General Fund was $262,605 while total fund balance amounted to $318,645. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 2.45% of total General Fund expenditures, while total unassigned fund balance represents approximately 82% of total fund balance.

The fund balance of the County's General Fund decreased by $593,159 during the current year. This decrease resulted from the combination of an .24% increase in revenue, a .68% decrease in expenditures, and a net 34% decrease in the net transfers and lease proceeds in of the General Fund.

The Emergency Medical Services fund had a decrease in fund balance for the current year of $331,089 for an ending total of $1,496,996.

The E-911 Millage fund had a decrease in fund balance for the current year of $164,130 for an ending total of $505,710. This decrease was primarily the result of transfers out and expenditures in excess of property taxes collected.

The Wireless E-911 fund had an increase in fund balance for the current year of $157,763 for an ending total of $1,275,665. This increase was primarily the result of an increase of revenue over expenditures.

The Senior Citizens Program fund had an increase in fund balance for the current year of $21,119 for an ending total of $85,090. This increase was primarily the result of an increase of property taxes collected.

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

Unrestricted net position of the Tax Revision fund at the end of the year amounted to $434,553, unrestricted net position of the Unallocated Tax Revolving fund at the end of the year amounted to $958,718 and unrestricted net position of the 2020 Tax Revolving fund at the end of the year amounted to $139,667. The combined unrestricted net position of the non-major enterprise funds was $643,682 at the end of the year. The Tax Revision fund had a decrease in net position for the year of $115,260. The Unallocated Tax Revolving fund had an increase in net position for the year of $192,151. The 2020 Tax Revolving fund had an increase in net position for the year of $139,667. The combined decrease in net position of the non-major enterprise funds was $448,946 for the year. The decreases in the enterprise funds were largely a result of increased expenses and transfers out of the various funds.

General Fund Budgetary Highlights

Overall, during the year, General Fund revenues (revenue and other financing sources) were less than the budgetary estimates by $584,912 or 6.6%. This was caused primarily by a negative variance with the budget of charges for services and reimbursements. Expenditures (expenditures and other financing uses) were more than budgetary estimates overall by $29. This activity resulted in a decrease in fund balance of $593,159.

Capital Asset and Debt Administration

Capital assets. The County's investment in capital assets for its governmental activities as of December 31, 2020, amounted to $2,341,982 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment and furniture, and vehicles and boats.

	Governmental Activities	
	2019	2020
Land	$ 297,231	$ 297,231
Construction in Progress	1,129,625	-
Buildings and Improvements	185,174	1,715,244
Equipment and Furniture	219,218	195,256
Vehicles and Boats	177,144	134,251
Capital Assets, Net	$ 2,008,392	$ 2,341,982

Additional information on the County's capital assets can be found in Note 4 of this report.

Long-term debt. At the end of the current year, the primary government had total debt outstanding (not including vested employee benefits) of:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Qualified Tax-Exempt Obligation Installment Purchase Agreement	$ 1,335,750	$ -	$ 115,043	$ 1,220,707
Vested Employee Benefits	221,436	40,837	-	262,273
Business-type Activies:				
GO Limited Tax Notes	910,000	-	910,000	-
GO Limited Tax Notes	-	2,400,000	1,460,000	940,000
Total Long-Term Debt for the Primary Government	$ 2,467,186	$ 2,440,837	$ 2,485,043	$ 2,422,980

A more detailed discussion of the County's long-term debt obligations is presented in Note 6 to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the County's 2021 budget:

- Employee wages and fringes were calculated based on their respective policies and contracts. Individual Department Heads requested expenditures that were formally approved after Board consideration during public hearing.

Contacting the County's Management

This financial report is designed to provide a general overview of the County's finances to all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Gladwin County Administration Office, 401 West Cedar Avenue, Gladwin, Michigan 48624.

Basic Financial Statements

Statement of Net Position
December 31, 2020

	Primary Government			
	Governmental Activities	Business-type Activities	Totals	Component Units
ASSETS:				
Cash and Equivalents	$ 4,698,223	$ 1,813,250	$ 6,511,473	$ 4,054,894
Investments	646,118	-	646,118	1,980,105
Accounts Receivable	145,912	-	145,912	2,808,513
Special Assessments Receivable	-	-	-	486,193
Taxes Receivable	2,446,555	1,200,617	3,647,172	-
Due from Other Governmental Units	233,957	98,543	332,500	283,259
Inventories	-	-	-	533,759
Prepaid Items	-	-	-	155,478
Other Assets	-	-	-	50,000
Cash on Deposit with Agent	-	-	-	148,577
Capital Assets (Not Depreciated)	297,231	-	297,231	11,944,711
Capital Assets (Net of Accumulated Depreciation)	2,044,751	-	2,044,751	27,486,047
TOTAL ASSETS	10,512,747	3,112,410	13,625,157	49,931,536
DEFERRED OUTFLOWS OF RESOURCES:				
Pension Related Items	904,467	-	904,467	1,741,940
LIABILITIES:				
Accounts Payable	342,516	-	342,516	751,498
Accrued Payroll	142,254	-	142,254	-
Accrued Liabilities	973	-	973	94,146
Due to Other Governmental Units	-	-	-	68,025
Accrued Interest Payable	16,530	-	16,530	17,092
Performance Bonds Payable	-	-	-	3,000
Advance from Other Governmental Units	-	-	-	188,893
Vested Employee Benefits- Due within one year	-	-	-	6,000
Vested Employee Benefits - Due in more than one year	262,273	-	262,273	297,341
Note Payable - Due within one year	-	940,000	940,000	135,000
Note Payable - Due in more than one year	-	-	-	1,065,000
Installment Loan Payable - Due within one year	118,812	-	118,812	82,503
Installment Loan Payable - Due in more than one year	1,101,895	-	1,101,895	184,379
Bonds Payable - Due within one year	-	-	-	420,000
Bonds Payable - Due within one year	-	-	-	4,237,000
Net Pension Liability - Due in more than one year	8,492,436	-	8,492,436	5,699,399
OPEB Obligation - Due in more than one year	8,738,682	-	8,738,682	4,987,088
TOTAL LIABILITIES	19,216,371	940,000	20,156,371	18,236,364
DEFERRED INFLOWS OF RESOURCES:				
Pension Related Items	646,797	-	646,797	365,604
OPEB Related Items	16,893	-	16,893	-
Property Taxes Levied for Subsequent Period	2,787,312	-	2,787,312	1,892,133
TOTAL DEFERRED INFLOWS OF RESOURCES	3,451,002	-	3,451,002	2,257,737
NET POSITION:				
Net Investment in Capital Assets	1,121,275	-	1,121,275	33,306,876
Restricted	4,491,036	-	4,491,036	148,577
Unrestricted	(16,862,470)	2,172,410	(14,690,060)	(2,276,078)
TOTAL NET POSITION	$ (11,250,159)	$ 2,172,410	$ (9,077,749)	$ 31,179,375

See accompanying notes to financial statements.

Statement of Activities
For the Year Ended December 31, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position – Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units
Primary Government:								
Governmental Activities:								
Legislative	$ 144,598	$ -	$ -	$ -	$ (144,598)	$ -	$ (144,598)	$ -
General Government	2,873,449	878,025	101,684	-	(1,893,740)	-	(1,893,740)	-
Judicial	1,592,798	509,748	669,116	-	(413,934)	-	(413,934)	-
Public Safety	5,322,991	842,489	317,779	-	(4,162,723)	-	(4,162,723)	-
Public Works	16,718	600	-	-	(16,118)	-	(16,118)	-
Health and Welfare	2,373,101	29,146	195,469	-	(2,148,486)	-	(2,148,486)	-
Community and Economic Development	117,565	48,951	60,405	-	(8,209)	-	(8,209)	-
Recreation and Culture	19,405	1,353	50,000	-	31,948	-	31,948	-
Interest Expense	40,927	-	-	-	(40,927)	-	(40,927)	-
Other Expenses	535,659	-	-	-	(535,659)	-	(535,659)	-
Total Governmental Activities	13,037,211	2,310,312	1,394,453	-	(9,332,446)	-	(9,332,446)	-
Business-type Activities:								
Delinquent Tax	36,921	463,850	-	-	-	426,929	426,929	-
Tax Revision	169,937	253,411	-	-	-	83,474	83,474	-
Total Business-type Activities	206,858	717,261	-	-	-	510,403	510,403	-
Total Primary Government	$ 13,244,069	$ 3,027,573	$ 1,394,453	$ -	(9,332,446)	510,403	(8,822,043)	-
Component Units:								
Road Commission	$ 8,907,330	$ 2,410,967	$ 5,671,147	$ 236,741				(588,475)
Department of Public Works	3,033	3,031	-	-				(2)
Drain Commission	635,373	1,012,898	-	-				377,525
Land Bank Authority	113,913	173,641	-	-				59,728
City-County Transit	2,089,157	177,368	1,318,153	879,874				286,238
Total Component Units	$ 11,748,806	$ 3,777,905	$ 6,989,300	$ 1,116,615				135,014
General Revenues and Transfers:								
Taxes					6,943,790	-	6,943,790	2,344,942
State Revenue Sharing					601,633	-	601,633	-
Investment Earnings (Loss)					15,573	1,353	16,926	34,279
Rent					85,000	-	85,000	-
Other Income					-	-	-	112,687
Transfers					744,144	(744,144)	-	-
Total General Revenues and Transfers					8,390,140	(742,791)	7,647,349	2,491,908
Change in Net Position					(942,306)	(232,388)	(1,174,694)	2,626,922
Net Position - Beginning					(10,307,853)	2,404,798	(7,903,055)	28,552,453
Net Position - Ending					$ (11,250,159)	$ 2,172,410	$ (9,077,749)	$ 31,179,375

See accompanying notes to financial statements.

Balance Sheet
Governmental Funds
December 31, 2020

	General	Emergency Medical Services	E-911 Millage	Wireless E-911 Fund	Senior Citizens Program	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS:							
Cash and Equivalents	$ 309,775	$ 1,622,378	$ 584,733	$ 680,204	$ 174,134	$ 1,326,999	$ 4,698,223
Investments	-	-	-	595,461	50,657	-	646,118
Accounts Receivable	101,659	-	-	-	-	44,253	145,912
Taxes Receivable	400,793	466,493	696,751	-	696,751	185,767	2,446,555
Due from Other Governmental Units	220,297	-	-	-	-	7,360	227,657
Due from Other Funds	-	-	-	-	-	3,000	3,000
Due from Others	6,300	-	-	-	-	-	6,300
TOTAL ASSETS	$ 1,038,824	$ 2,088,871	$ 1,281,484	$ 1,275,665	$ 921,542	$ 1,567,379	$ 8,173,765
LIABILITIES:							
Accounts Payable	$ 111,665	$ 72,476	$ -	$ -	$ 60,678	$ 97,697	$ 342,516
Accrued Payroll	142,254	-	-	-	-	-	142,254
Due to Other Funds	-	-	-	-	-	3,000	3,000
Accrued Liabilities	973	-	-	-	-	-	973
TOTAL LIABILITIES	254,892	72,476	-	-	60,678	100,697	488,743
DEFERRED INFLOWS OF RESOURCES:							
Property Taxes Levied for Subsequent Period	465,287	519,399	775,774	-	775,774	206,825	2,743,059
Other State Grants	-	-	-	-	-	44,253	44,253
TOTAL DEFERRED INFLOWS OF RESOURCES	465,287	519,399	775,774	-	775,774	251,078	2,787,312
FUND BALANCES:							
Nonspendable	6,300	-	-	-	-	-	6,300
Restricted	49,740	1,496,996	505,710	1,275,665	85,090	1,077,835	4,491,036
Committed	-	-	-	-	-	40,060	40,060
Assigned	-	-	-	-	-	97,709	97,709
Unassigned	262,605	-	-	-	-	-	262,605
TOTAL FUND BALANCES	318,645	1,496,996	505,710	1,275,665	85,090	1,215,604	4,897,710
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 1,038,824	$ 2,088,871	$ 1,281,484	$ 1,275,665	$ 921,542	$ 1,567,379	
Reconciliation to amounts reported for governmental activities in the statement of net position:							
Capital Assets used by Governmental Activities							2,341,982
Unavailable Revenue from Inflows							-
Vested Employee Benefits							(262,273)
Installment Loan Payable - Due within one year							(118,812)
Installment Loan Payable - Due in more than one year							(1,101,895)
Accrued Interest Payable							(16,530)
Pension and OPEB Obligations							(16,990,341)
Net position of governmental activities							$ (11,250,159)

See accompanying notes to financial statements.

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

	General	Emergency Medical Services	E-911 Millage	Wireless E-911 Fund	Senior Citizens Program	Nonmajor Governmental Funds	Totals Governmental Funds
REVENUES:							
Taxes	$ 4,783,041	$ 503,291	$ 756,463	$ -	$ 759,581	$ 201,693	$ 7,004,069
Licenses and Permits	444,149	-	-	-	-	-	444,149
Federal	246,741	-	-	-	-	99,561	346,302
State	1,271,458	-	-	165,847	-	119,793	1,557,098
Local	-	-	-	-	-	92,686	92,686
Charges for Services	1,181,381	-	-	-	-	308,058	1,489,439
Fines and Forfeits	10,384	-	-	-	-	-	10,384
Interest and Rents	85,716	5,930	2,089	4,501	533	1,804	100,573
Reimbursements	222,777	-	-	-	-	-	222,777
Other Revenue	65,763	-	-	-	-	77,800	143,563
TOTAL REVENUES	8,311,410	509,221	758,552	170,348	760,114	901,395	11,411,040
EXPENDITURES:							
Legislative	142,930	-	-	-	-	-	142,930
Judicial	1,506,547	-	-	-	-	2,295	1,508,842
General Government	2,541,108	-	-	-	-	29,313	2,570,421
Public Safety	4,814,187	-	25,785	12,585	-	129,155	4,981,712
Public Works	15,048	-	-	-	-	-	15,048
Health and Welfare	512,755	840,310	-	-	738,995	238,534	2,330,594
Community and Economic Development	-	-	-	-	-	117,565	117,565
Recreation and Culture	1,905	-	-	-	-	17,500	19,405
Other	453,774	-	-	-	-	-	453,774
Debt Service	157,528	-	-	-	-	-	157,528
Capital Outlay	561,712	-	-	-	-	-	561,712
TOTAL EXPENDITURES	10,707,494	840,310	25,785	12,585	738,995	534,362	12,859,531
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	(2,396,084)	(331,089)	732,767	157,763	21,119	367,033	(1,448,491)
OTHER FINANCING SOURCES (USES):							
Transfers In	2,093,014	-	-	-	-	175,077	2,268,091
Transfers Out	(290,089)	-	(896,897)	-	-	(336,961)	(1,523,947)
TOTAL OTHER FINANCING SOURCES (USES)	1,802,925	-	(896,897)	-	-	(161,884)	744,144
NET CHANGE IN FUND BALANCES	(593,159)	(331,089)	(164,130)	157,763	21,119	205,149	(704,347)
FUND BALANCES BEGINNING OF YEAR	911,804	1,828,085	669,840	1,117,902	63,971	1,010,455	5,602,057
FUND BALANCES END OF YEAR	$ 318,645	$ 1,496,996	$ 505,710	$ 1,275,665	$ 85,090	$ 1,215,604	$ 4,897,710

See accompanying notes to financial statements.

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2020

Net changes in fund balances - total governmental funds	$ (704,347)
The change in net position reported for governmental activities in the statement of activities is different because:	
Governmental funds reported capital outlays as expenditures. However, in the statement of activities the cost of those assets is capitalized and is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay $479,827 exceeded depreciation expense and loss on disposal ($146,237).	333,590
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 until the following year.	
Change in unavailable revenue	(60,279)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Issuance of debt is an other financing source in the governmental funds, but it is an increase in long-term liabilities in the statement of net position.	
Debt Payments	115,043
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds:	
Pension	(167,001)
OPEB	(420,033)
Accrued Interest	1,558
Vested employee benefits	(40,837)
Change in net position of governmental activities	$ (942,306)

See accompanying notes to financial statements.

Statement of Net Position
Proprietary Funds
December 31, 2020

	Business-type Activities Enterprise Funds				
	Tax Revision	Unallocated Tax Revolving	2020 Tax Revolving	Nonmajor Enterprise	Totals
ASSETS:					
Cash and Equivalents	$ 384,553	$ 937,755	$ 102,900	$ 388,042	$ 1,813,250
Taxes Receivable	-	19,330	976,767	204,520	1,200,617
Due from Other Governments	50,000	1,633	-	46,910	98,543
TOTAL ASSETS	$ 434,553	$ 958,718	$ 1,079,667	$ 639,472	$ 3,112,410
LIABILITIES:					
Notes Payable	$ -	$ -	$ 940,000	$ -	$ 940,000
TOTAL LIABILITIES	-	-	940,000	-	940,000
NET POSITION:					
Unrestricted	434,553	958,718	139,667	639,472	2,172,410
TOTAL NET POSITION	$ 434,553	$ 958,718	$ 139,667	$ 639,472	$ 2,172,410

See accompanying notes to financial statements.

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
For the Year Ended December 31, 2020

	Business-type Activities Enterprise Funds				
	Tax Revision	Unallocated Tax Revolving	2020 Tax Revolving	Nonmajor Enterprise	Totals
OPERATING REVENUES:					
Interest and Penalties on Taxes	$ -	$ -	$ 92,732	$ 230,602	$ 323,334
Administrative Fees	-	-	79,584	60,932	140,516
Collection Fees	253,411	-	-	-	253,411
Total Operating Revenues	253,411	-	172,316	291,534	717,261
OPERATING EXPENSES:					
Other Supplies & Expenses	169,937	-	13,284	-	183,221
OPERATING INCOME (LOSS)	83,474	-	159,032	291,534	534,040
NON-OPERATING REVENUES (EXPENSES):					
Interest Income	733	231	62	327	1,353
Interest Expense	-	-	(19,427)	(4,210)	(23,637)
Total Non-operating Revenues (Expenses)	733	231	(19,365)	(3,883)	(22,284)
Income (Loss) Before Transfers	84,207	231	139,667	287,651	511,756
TRANSFERS:					
Transfers In	-	736,597	-	-	736,597
Transfers Out	(199,467)	(544,677)	-	(736,597)	(1,480,741)
Total Transfers	(199,467)	191,920	-	(736,597)	(744,144)
CHANGE IN NET POSITION	(115,260)	192,151	139,667	(448,946)	(232,388)
NET POSITION, BEGINNING OF YEAR	549,813	766,567	-	1,088,418	2,404,798
NET POSITION, END OF YEAR	$ 434,553	$ 958,718	$ 139,667	$ 639,472	$ 2,172,410

See accompanying notes to financial statements.

Statement of Cash Flows
Proprietary Fund Types
For the Year Ended December 31, 2020

	Business-type Activities Enterprise Funds				
	Tax Revision	Unallocated Tax Revolving	2020 Tax Revolving	Nonmajor Funds	Totals
Cash Flows From Operating Activities:					
Receipts from Customers or Users	$ 253,411	$ (13,857)	$ 2,237,139	$ 1,418,037	$ 3,894,730
Cash Payments to Vendors/Governments	(169,937)	-	(3,054,874)	-	(3,224,811)
Net Cash Provided (Used) by Operating Activities	83,474	(13,857)	(817,735)	1,418,037	669,919
Cash Flows From Noncapital and Related Financing Activities:					
Transfers In	-	736,597	-	-	736,597
Transfers Out	(199,467)	(544,677)	-	(736,597)	(1,480,741)
Net Cash Provided (Used) by Noncapital and Related Financing Activities	(199,467)	191,920	-	(736,597)	(744,144)
Cash Flows from Capital and Related Financing Activities:					
Tax Note Proceeds	-	-	2,400,000	-	2,400,000
Principal Payments	-	-	(1,460,000)	(910,000)	(2,370,000)
Interest Payments	-	-	(19,427)	(4,210)	(23,637)
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	920,573	(914,210)	6,363
Cash Flows From Investing Activities:					
Interest Income	733	231	62	327	1,353
Net Cash Provided (Used) by Investing Activities	733	231	62	327	1,353
Net Increase (Decrease) in Cash and Equivalents	(115,260)	178,294	102,900	(232,443)	(66,509)
Cash and Equivalents - Beginning of the Year	499,813	759,461	-	620,485	1,879,759
Cash and Equivalents - End of the Year	$ 384,553	$ 937,755	$ 102,900	$ 388,042	$ 1,813,250
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	$ 83,474	$ -	$ 159,032	$ 291,534	$ 534,040
Change in Assets and Liabilities:					
(Increase) Decrease in Assets:					
Receivables	-	(13,857)	(976,767)	1,155,232	164,608
Due From Governmental Units	-	-	-	(28,729)	(28,729)
Due from Other Funds	-	-	-	398,000	398,000
Increase (Decrease) in Liability:					
Due to Other Funds	-	-	-	(398,000)	(398,000)
Net Cash Provided (Used) by Operating Activities	$ 83,474	$ (13,857)	$ (817,735)	$ 1,418,037	$ 669,919

See accompanying notes to financial statements.

Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2020

	Custodial Funds
ASSETS:	
Cash and Equivalents	$ 194,188
Total Assets	$ 194,188
LIABILITIES:	
Due to Governmental Units	$ 163
Due to Individuals and Agencies	194,025
Total Liabilites	$ 194,188

See accompanying notes to financial statements.

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2020

	Custodial Funds
ADDITIONS:	
Collection of Penal Fines	$ 146,221
Collections for Inmates	131,569
Collection of Taxes	20,411,056
Collection of Other Due to State	149,591
Other Collections	347,701
Total Additions	21,186,138
DEDUCTIONS:	
Payment of Penal Fines	146,221
Payments for Inmates	131,569
Payment of Taxes	20,411,056
Payment of Other Due to State	149,591
Payment of Other Collections	347,701
Total Deductions	21,186,138
Change in Net Position	-
Net Position, Beginning of Year	-
Net Position , End of Year	$ -

See accompanying notes to financial statements.

Combining Component Units

Statement of Net Position
Combining Component Units
December 31, 2020

	Road Commission	Department of Public Works	Drain Commission	Land Bank Authority	Gladwin City - County Transit FYE 9-30-20	Totals
ASSETS:						
Cash and Equivalents - Unrestricted	$ 2,227,110	$ 161,573	$ 1,034,308	$ 69,911	$ 561,992	$ 4,054,894
Investments	1,980,105	-	-	-	-	1,980,105
Accounts Receivable	2,798,734	-	-	-	9,779	2,808,513
Special Assessments Receivable	-	-	486,193	-	-	486,193
Due from Governmental Units	-	-	-	-	283,259	283,259
Inventories	502,115	-	-	-	31,644	533,759
Prepaid Items	108,742	-	-	-	46,736	155,478
Other Assets	-	-	-	50,000	-	50,000
Cash on Deposit with Agent	-	-	-	-	148,577	148,577
Capital Assets (Not Depreciated)	11,320,386	-	610,190	-	14,135	11,944,711
Capital Assets (Net of Accumulated Depreciation)	24,574,919	-	1,323,829	-	1,587,299	27,486,047
TOTAL ASSETS	43,512,111	161,573	3,454,520	119,911	2,683,421	49,931,536
DEFERRED OUTFLOWS OF RESOURCES:						
Pension & OPEB Related Items	1,671,042	-	-	-	70,898	1,741,940
LIABILITIES:						
Accounts Payable	671,469	-	3,504	-	76,525	751,498
Accrued Liabilities	57,251	-	-	-	36,895	94,146
Accrued Interest Payable	13,029	-	4,063	-	-	17,092
Performance Deposits	3,000	-	-	-	-	3,000
Advances from Governmental Units	188,893	-	-	-	-	188,893
Due to Other Governments	-	-	6,300	50,000	11,725	68,025
Net OPEB Liability - Due in more than one year	4,745,102	-	-	-	241,986	4,987,088
Net Pension Liability - Due in more than one year	5,642,208	-	-	-	57,191	5,699,399
Vested Employee Benefits - Due within one year	6,000	-	-	-	-	6,000
Vested Employee Benefits - Due in more than one year	249,472	-	-	-	47,869	297,341
Notes Payable - Due within one year	-	-	135,000	-	-	135,000
Notes Payable - Due in more than one year	-	-	1,065,000	-	-	1,065,000
Installments Payable - Due within one year	82,503					82,503
Installments Payable - Due in more than one year	184,379					184,379
Bonds Payable - Due within one year	420,000		-	-	-	420,000
Bonds Payable - Due in more than one year	4,237,000	-	-	-	-	4,237,000
TOTAL LIABILITIES	16,500,306	-	1,213,867	50,000	472,191	18,236,364
DEFERRED INFLOWS OF RESOURCES:						
Taxes Levied for Subsequent Period	1,892,133	-	-	-	-	1,892,133
Pension & OPEB Related Items	338,923	-	-	-	26,681	365,604
TOTAL DEFERRED INFLOWS OF RESOURCES	2,231,056	-	-	-	26,681	2,257,737
NET POSITION:						
Net Investment in Capital Assets	30,971,423	-	734,019	-	1,601,434	33,306,876
Restricted	-	-	-	-	148,577	148,577
Unrestricted (deficit)	(4,519,632)	161,573	1,506,634	69,911	505,436	(2,276,078)
TOTAL NET POSITION	$ 26,451,791	$ 161,573	$ 2,240,653	$ 69,911	$ 2,255,447	$ 31,179,375

See accompanying notes to financial statements.

Statement of Activities
Combining Component Units
For the Year Ended December 31, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Road Commission	Department of Public Works	Drain Commission	Land Bank Authority	Gladwin City - County Transit FYE 9-30-20	Total
Road Commission:										
Public Works	$ 8,907,330	$ 2,410,967	$ 5,671,147	$ 236,741	$ (588,475)	$ -	$ -	$ -	$ -	$ (588,475)
Department of Public Works:										
Public Works	3,033	3,031	-	-	-	(2)	-	-	-	(2)
Drain Commission:										
Public Works	635,373	1,012,898	-	-	-	-	377,525	-	-	377,525
Land Bank Authority:										
Community & Economic Development	113,913	173,641	-	-	-	-	-	59,728	-	59,728
Gladwin City - County Transit:										
Transportation	2,089,157	177,368	1,318,153	879,874	-	-	-	-	286,238	286,238
Total Component Unit	$ 11,748,806	$ 3,777,905	$ 6,989,300	$ 1,116,615	(588,475)	(2)	377,525	59,728	286,238	135,014
General Revenues:										
Taxes					1,848,527	-	-	-	496,415	2,344,942
Investment Earnings					32,199	-	232	12	1,836	34,279
Other Income					68,593	-	-	-	44,094	112,687
Total General Revenues					1,949,319	-	232	12	542,345	2,491,908
Change in Net Position					1,360,844	(2)	377,757	59,740	828,583	2,626,922
Net Position - Beginning					25,090,947	161,575	1,862,896	10,171	1,426,864	28,552,453
Net Position - Ending					$ 26,451,791	$ 161,573	$ 2,240,653	$ 69,911	$ 2,255,447	$ 31,179,375

See accompanying notes to financial statements.

Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of government-wide 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. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

B. Reporting Entity

Gladwin County, Michigan (County) was organized in 1875, covers an area of 503 square miles divided into 15 townships and 2 cities, and has 25,692 residents (based on the 2010 census). The county seat is located in the City of Gladwin. The County operates under an elected Board of Commissioners (County Board) with five members and provides many services to its residents including law enforcement, administration of justice, community enrichment and development, and human services.

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

As required by GAAP, the financial statements of the reporting entity include those of the County and its component units. The component units discussed below are included in the County's reporting entity because they are entities for which the County is considered to be financially accountable.

Blended component unit – The Building Authority has been included as part of the County financial statements since the County appoints the governing authority and the Building Authority provides its services entirely to the County. The Building Authority is reported as a debt service fund and does not issue separate financial statements.

Discretely presented component units – The component unit column in the government-wide financial statements includes the financial data of the County's other component units. These units are reported in a separate column to emphasize that they are legally separate from the County.

Road Commission – The Gladwin County Road Commission (Road Commission) is governed by an elected three-member Board of County Road Commissioners. The Road Commission may not issue debt or levy a tax without the approval of the County Board. If approval is granted, Road Commission's taxes are levied under the taxing authority of the County, as approved by the County electors. The nature and significance of the relationship between the primary government and the Road Commission is such that exclusion would cause the reporting entity's financial statements to be misleading. A complete financial statement can be obtained from the Gladwin County Road Commission, 301 South State Street, Gladwin, Michigan 48624.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Gladwin City-County Transit – The Gladwin City-County Transit (Transit) is a countywide transportation system created by an interlocal agreement dated June 22, 1981, between the County and the City of Gladwin. Pursuant to the interlocal agreement, administrative control of the system was transferred to the Gladwin City Housing Commission (Housing Commission), with the County Treasurer acting as fiscal agent for the system. The Transit may not issue debt and the tax levy is subject to County Board approval. The transit taxes are levied under the taxing authority of the County, as approved by the County electors. The nature and significance of the relationship between the primary government and the Transit is such that exclusion would cause the reporting entity's financial statements to be misleading. Due to the difference in the fiscal year-end of the Transit, the September 30, 2020 amounts have been included in the County audit. A complete financial statement can be obtained from the Gladwin City Housing Commission, 615 Weaver Ct, Gladwin, Michigan 48624.

Department of Public Works – Pursuant to Michigan Compiled Law 123.732, Gladwin County created the Department of Public Works. The Department of Public Works operates under the general control of the County Board and under the immediate control of a Board of Public Works, which includes the County Drain Commissioner. The Board of Public Works is considered an agency of the County. The Board of Public Works manages water supply and sanitary sewer system construction projects that are bonded by the County. Bonds issued are authorized by an ordinance or a resolution approved by the Board of Public Works and adopted by the County Board. The nature and significance of the relationship between the County and the Department of Public Works is such that exclusion would cause the reporting entity financial statements to be misleading or incomplete.

Drain Commission – Each of the drainage districts established pursuant to the Drain Code of 1956 are separate legal entities, with the power to contract, to sue and be sued, to hold, manage and dispose of real and personal property, etc. The Drain Commissioner is responsible for planning, developing, and maintaining surface water drainage systems within the County. The Drain Commissioner, on behalf of each drainage district, may issue debt or levy a tax as authorized by the State Drain Code without the approval of the County Board. The County employs all full-time employees and the elected officials of the Drain Commission. The Drain Commission deposits its receipts with the County Treasurer. The nature and significance of the relationship between the County and the Drain Commission is such that exclusion would cause the reporting entity financial statements to be misleading or incomplete.

Land Bank Authority – The Gladwin County Land Bank Authority (Land Bank) is a public body corporation organized pursuant to the Michigan Land Bank Fast Track Public Act 258 and an intergovernmental agreement entered into between the Michigan Land Bank Fast Track Authority and the County Treasurer. The Land Bank was created to acquire, hold, manage and develop tax-foreclosed properties, as well as other vacant and abandoned properties. The Land Bank was legally established on October 16, 2008, and began operations on that date. The Land Bank is comprised of seven members, as follows: the County Treasurer, one member of the County Board, and five persons appointed by the County Board to represent the interests of the City of Gladwin, the City of Beaverton, the townships in the County, and the members of the general public.

Joint Organizations

Central Michigan District Health Department – Gladwin, Clare, Arenac, Isabella, Osceola, and Roscommon counties participate jointly in the operation of the Central Michigan District Health Department (Health Department). All of the financial operations of the Health Department are recorded in the records of Isabella County.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Joint Organizations (continued)

The funding formula approved by the member counties is based pro-rata on each unit's population and equalized valuation to the Health Department's total population and valuation. Member counties' percentages of the 2020 net operating budget were:

Gladwin	14%	Isabella	28%
Clare	17%	Osceola	13%
Arenac	10%	Roscommon	18%

The County's appropriation to the Health Department for the year ended December 31, 2020 was $187,733.

Central Michigan Community Mental Health Services Board – The Central Michigan Community Mental Health Services Board (Services Board) reorganized as a Community Mental Health Authority under Public Act 258 of 1974, as amended. The Services Board has representatives and provides services to Isabella, Mecosta, Osceola, Clare, Midland, and Gladwin counties. All participating counties provide annual appropriations; however, none of the participating counties are financially responsible for the Board.

The Services Board is legally separate from the County; however, it has not met the financial accountability criteria. For this reason, it is not considered a component unit of the County.

The County's appropriation to the Services Board for the year ended December 31, 2020 was $91,531.

Related Organization

Northern Michigan Substance Abuse Services, Inc. – The County, in conjunction with 31 other counties, has entered into an agreement which created Northern Michigan Substance Abuse Services, Inc. This organization's board is composed of one member appointed by the board of commissioners from each of the participating counties.

C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the County's enterprise funds. 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.

As discussed earlier, the County has five discretely presented component units. While not all are considered to be a major component unit, they are nevertheless shown in separate columns in the government-wide financial statements.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component unit. Separate statements for each fund category— governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the County, except those required to be accounted for in another fund.

The *Emergency Medical Services Fund* accounts for funds raised by a special tax levy to maintain emergency medical services to County citizens.

The *E-911 Millage Fund* accounts for funds raised by a special tax levy to maintain E-911 services to County citizens.

The *Wireless E-911 Millage Fund* accounts for funds received to operate E-911 services for County citizens.

The *Senior Citizens Program Fund* accounts for funds raised by a special tax levy to maintain and expand services to older citizens of the County.

The County reports the following major proprietary funds:

The *Tax Revision Fund* accounts for the purchase and collection of delinquent taxes.

The *Unallocated Tax Revolving Fund* accounts for the purchase of delinquent taxes from other local taxing units and the subsequent collection of those taxes receivable.

The *2020 Tax Revolving Fund* accounts for the purchase of delinquent taxes from other local taxing units and the subsequent collection of those taxes receivable.

Additionally, the County reports the following fund types:

Agency funds are used to account for assets held for other governments in an agency capacity, including tax collections.

During the course of operations, the County has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Use of Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles require management to make estimates and assumptions that affect the amounts of assets, deferred outflows, liabilities, and deferred inflows disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include, but are not limited to, the net OPEB obligation and the net pension obligation.

F. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The 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 County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the County.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

G. Budgetary Accounting

1. Budgetary basis of accounting

The General Fund and special revenue funds operate under formal budgetary control. A general appropriation budget is prepared in accordance with Michigan Public Act 2 of 1968, as amended, and the budgetary document is submitted annually by the Finance Committee which recommends formal adoption by the County Board. Budgets presented in the financial statements are prepared on a modified accrual basis of accounting and encompass all amendments.

Budgetary control is exercised at the activity level. The Finance Committee is authorized to make budget transfers within these funds at the activity level.

The County Board is authorized to make and has made supplemental appropriation adjustments to the budget during the year as deemed necessary at the levels of budgetary control as noted above. These adjustments are reflected in the budget amounts in the financial statements. All encumbered appropriations lapse at the end of the year.

2. Excess of expenditures over appropriations

Public Act 2 of 1968, the Uniform Budget and Accounting Act, provides that a local unit shall not incur expenditures in excess of the amount appropriated. In the body of the financial statements, the County's actual expenditures were in excess of amounts appropriated as follows:

	Total Appropriations	Amount of Expenditures	Budget Variance
Emergency Medical Services Fund:			
Health and Welfare	$ 752,500	$ 840,310	$ (87,810)
E 911 Millage Fund:			
Public Safety	$ -	$ 25,785	$ (25,785)
Transfers Out	$ -	$ 896,897	$ (896,897)
Wireless E 911 Fund:			
Public Safety	$ -	$ 12,585	$ (12,585)
Senior Citizens Program Fund:			
Health and Welfare	$ 687,069	$ 738,995	$ (51,926)

H - Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

Cash and equivalents

For purposes of the statement of cash flows, the County considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

Inventory and prepaid items

Inventory in the Road Commission component unit, consisting of various operating parts, supplies and road materials, is valued at cost, as determined on the average unit cost method. Inventory items are charged to road construction and maintenance, equipment repairs and operations as they are used. Inventory in the Gladwin City-County Transit component unit is valued at cost, on a first-in, first-out basis. Certain payments to vendors reflect cost applicable to future years and are recorded as prepaid expenses or expenditures in the government-wide and fund statements.

Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed. In the Drain Commission component unit and the Road Commission component unit, infrastructure includes only those infrastructure assets acquired subsequent to January 1, 2004. Capital assets of the County are depreciated using the straight-line method over the following estimated useful lives:

Building and Improvements	10 to 50 years
Equipment and Furniture	3 to 10 years
Vehicles and Equipment	3 to 15 years
Road/Drain Infrastructure	5 to 50 years

Deferred Outflows of Resources

In addition to assets, the statement of net 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 has pension items that qualify for reporting in this category.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and governmental funds balance sheet 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 County has pension, OPEB, property taxes and state grants that qualify for reporting in this category.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition to liabilities, the statement of net position and governmental funds balance sheet 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 and so will not be recognized as an inflow of resources (revenue) until that time. The County has several types of items that qualify for reporting in this category. The governmental funds report unavailable revenues, which arise only under a modified accrual basis of accounting, from property taxes and accounts receivable. 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. Deferred inflows are reported regarding the County's pension plan. The component units also report deferred inflows of resources for property taxes and special assessments levied for a subsequent period, as well as unavailable revenues for special assessments. The government has three item that qualifies for reporting in this category. They are the deferred inflows related to the County's multiple-employer net pension obligation totaling $646,797, deferred inflows related to the County's OPEB obligation of $16,893, the taxes levied for a subsequent period of $2,787,312, and state grants of $44,253 as of December 31, 2020.

Pensions

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

Long-term obligations

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental or business-type activities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported inclusive of the applicable bond premium or net of the applicable bond discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. 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 are reported as other financing uses. Issuance costs are reported as debt service expenditures.

Net position flow assumption

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund balance flow assumptions

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

The County's policy is to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance policies

Fund balance of governmental funds is reported in one of five possible categories based on the nature of any limitations requiring the use of resources for specific purposes.

Nonspendable – amounts which cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted – amounts constrained to specific purposes by their providers (such as creditors, grantors, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed – amounts which the County imposes upon itself through formal actions made by the County's Board of Commissioners. A formal resolution of the County Board is required to establish, modify or rescind a fund balance commitment.

Assigned – amounts neither restricted nor committed for which the County has a stated intended use as established by the County Board of Commissions or an official to which the County Commissioners have delegated the authority to assign amounts for specific purposes.

Unassigned – amounts that are available for any purpose. The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

I - Revenues and Expenditures/Expenses

Program revenues

Amounts reported as *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 (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property taxes

County general operating property taxes are levied annually on July 1 (the lien date) to fund operations for the current year. The property taxes are due in full within nine months (prior to March 1), at which time uncollected taxes became delinquent. The assessed value of real and personal property is established by the local units, accepted by the County and equalized under State statute at approximately 50% of the current estimated market value. In March 1994, Michigan voters approved Proposal A, which requires property taxes to be levied based on the taxable value of the underlying property. Annual increases in taxable value are limited to the lesser of 5% or the rate of inflation.

Taxable value reverts to 50% of true cash value when the property is sold. Taxable value is determined by using such factors as equalized, assessed and capped values, along with a value change multiplier.

The taxable value of real and personal property for the December 31, 2019 general operating levy was $991.5 million and $1.029.2 million as of July 1, 2020. The general operating tax rate for this levy was at the maximum rate of 4.3866 mills, as adjusted by the Headlee Amendment to the State of Michigan Constitution. The County also had voter approved taxes of 0.75 mils for senior citizen programs, 0.5 mils for EMS, 0.11 mils for MSUE, 0.2 mils for Animal Shelter, and 0.75 mils for 911 services on the December 1, 2019 voter-approved levy.

By agreement with various taxing authorities, the County purchases at face value the real property taxes returned delinquent each March 1 and records a corresponding delinquent taxes receivable. These receivables are pledged to a bank for payment of the notes payable; the subsequent collection of the receivables, interest and collection fees thereon, and investment earnings are used to extinguish the debt.

Vested Employee Benefits

County employees accumulate compensated leave time in varying amounts depending on length of service and other factors. All vacation pay and 50% of sick pay are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they matured, for example, as a result of employee resignations and retirements. This liability includes salary-related benefits, where applicable.

Proprietary funds operating and nonoperating revenues and expenses

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 are collection fees and interest earned on delinquent taxes. Operating expenses for enterprise funds include the fees and charges. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Interfund Transfers

During the course of normal operations, the County has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as operating transfers. The classification of amounts recorded as subsidies, advances, or equity contributions is determined by County management.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information – Annual budgets are adopted on a basis consistent with U.S. generally accepted accounting principles.

Budgets and Budgetary Control – The County follows these procedures in establishing the budgetary data reflected in the financial statements:

a. Annually, after receiving input from the individual departments, the Board of Commissioners prepares a proposed operating budget for the fiscal period commencing January 1st and lapses on December 31st. The operating budget includes proposed expenditures and the means of financing them.

b. Public hearings are conducted to obtain taxpayer comments.

c. Prior to January 1st, the budget is legally enacted through a resolution passed by the Board of Commissioners.

d. Budgetary control is exercised at the department or activity level of the General Fund and fund level for Special Revenue Funds. Any revisions that alter the total expenditures of any department or fund (i.e., budget amendments) require approval by the Board of Commissioners. Such amendments are made in accordance with the procedures prescribed under Public Act 621 of 1978.

e. The budget and approved appropriations lapse at the end of the fiscal year.

f. The County does not record encumbrances in the accounting records during the year as normal practice and, therefore, no outstanding encumbrances exist at year end.

Budgeted amounts are as originally adopted or amended by the Board of Commissioners during the year. Individual amendments were material in relation to the original appropriations which were amended. The modified accrual basis of accounting is used for budgetary purposes.

The General Fund revenue budget was adopted on the basis of activities or programs financed by the General Fund.

Michigan Public Act 621 of 1978 requires that budgets be adopted for Governmental Funds. U.S. generally accepted accounting principles require that the financial statements present budgetary comparisons for the Governmental Fund Types for which budgets were legally adopted. The original budget adopted for the General fund was modified throughout the year through various budget amendments.

The budget document presents information by fund, activity, department, and line items. The legal level of budgetary control adopted by the governing body is the activity or department level.

NOTE 3 - CASH, EQUIVALENTS AND INVESTMENTS

At year end, the County's cash, equivalents and investments were reported in the basic financial statements in the following categories:

	Governmental Activities	Business-Type Activities	Total Primary Government	Fiduciary Funds	Component Units
Cash and Equivalents	$ 4,698,223	$ 1,813,250	$ 6,511,473	$ 194,198	$ 4,054,894
Investments	646,118	-	646,118	-	1,980,105
Total	$ 5,344,341	$ 1,813,250	$ 7,157,591	$ 194,198	$ 6,034,999

NOTE 3 - CASH, EQUIVALENTS AND INVESTMENTS (Continued)

	Primary Government	Fiduciary Funds	Component Units
Bank Deposits (checking and savings accounts, money markets, & certificates of deposit)	$ 6,508,828	$ 194,198	$ 4,054,869
Investments	646,118	-	1,980,105
Petty Cash and Cash on Hand	2,645	-	25
Total	$ 7,157,591	$ 194,198	$ 6,034,999

		Years to Maturity			
	Fair Value	Less Than 1	1 – 5	6 – 10	S&P Ratings
Investments:					
MI CLASS**	$ 646,118	$ 646,118	$ -	$ -	AAAm
Total	$ 646,118	$ 646,118	$ -	$ -	

Credit risk. State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The County's investments all meet State statutes.

Interest rate risk. The County has not adopted a policy that indicates how the County will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by limiting the weighted average maturity of its investment portfolio to less than a given period of time.

Custodial deposit credit risk. Custodial deposit credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned. State law does not require and the County does not have a policy for custodial deposit credit risk. As of year-end, $8,960,724 of the County's bank balance of $9,710,724 was exposed to credit risk because it was uninsured and uncollateralized.

In accordance with the County's investment policy and State law, all deposits are uncollateralized, held in the County's name, and evidenced by a safekeeping receipt. Also, due to the dollar amounts of cash deposits and the limits of FDIC insurance, the County believes it impractical to insure all bank deposits. As a result, the County evaluates each financial institution and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Concentration of credit risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

Custodial credit risk. The County has not adopted a policy that indicates how the County will minimize custodial credit risk, which 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 of collateral securities that are in possession of an outside party.

Custodial investment credit risk. For 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 securities that are in the possession of an outside party. None of the County's investments are in the name of the County. Credit quality ratings of public money funds were not available from the financial institutions or are unrated.

NOTE 3 - CASH, EQUIVALENTS AND INVESTMENTS (Continued)

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; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or equivalent) as a practical expedient are not classified in the fair value hierarchy below.

**Michigan CLASS measures its investments at fair value in accordance with Paragraph 41 of Statement 79 and Paragraph 11 of Statement 31, and therefore a Participant's investment in MICHIGAN CLASS is not required to be categorized within the fair value hierarchy for purposes of Paragraph 81a(2) of Statement 72.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The County's assessment of the significance of particular inputs to these fair value measurements required judgment and considers factors specific to each asset or liability.

Statutory Authority:

An act (PA 152) to amend 1943 PA 20, entitled "An act relative to the investment of funds of public corporations of the state; and to validate certain investments," by amending section 1 (MCL 129.91), as amended by 2009 PA 21.

Except as provided in section 5, the governing body by resolution may authorize its investment officer to invest the funds of that public corporation in one or more of the following:

a. Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.

b. Certificates of deposit, savings accounts, or depository receipts of a financial institution, but only if the financial institution complies with subsection (2); certificates of deposit obtained through a financial institution as provided in subsection (5); or deposit accounts of a financial institution as provided in subsection (6).

c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and matures not more than 270 days after the date of purchase.

d. Repurchase agreements consisting of instruments listed in subdivision (a).

e. Bankers' acceptances of United States banks.

f. Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.

g. Mutual funds registered under the investment company act of 1940, 15 USC 80a-1 to 80a-64, with authority to purchase only investment vehicles that are legal for direct investment by a public corporation. However, a mutual fund is not disqualified as a permissible investment solely by reason of any of the following:
   (i) The purchase of securities on a when-issued or delayed delivery basis.
   (ii) The ability to lend portfolio securities as long as the mutual fund receives collateral at all times equal to at least 100% of the value of the securities loaned.
   (iii) The limited ability to borrow and pledge a like portion of the portfolio's assets for temporary or emergency purposes.

NOTE 3 - CASH, EQUIVALENTS AND INVESTMENTS (Continued)

h. Obligations described in subdivisions (a) through (g) if purchased through an interlocal agreement under the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512.

i. Investment pools organized under the surplus funds investment pool act, 1982 PA 367, MCL 129.111 to 129.118.

j. The investment pools organized under the local government investment pool act, 1985 PA 121, MCL 129.141 to 129.150.

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the primary government for the current year was as follows:

	Beginning Balances	Additions	Adjustments/ Disposals	Ending Balances
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 297,231	-	-	$ 297,231
Construction in Progress	1,129,625	$ 406,125	$ (1,535,750)	-
Subtotal	1,426,856	406,125	(1,535,750)	297,231
Capital assets being depreciated:				
Buildings and Improvements	1,782,050	40,396	1,535,750	3,358,196
Equipment and Furniture	617,200	6,475	-	623,675
Vehicles and Boats	835,112	26,831	-	861,943
Subtotal	3,234,362	73,702	1,535,750	4,843,814
Less accumulated depreciation for:				
Buildings and Improvements	(1,596,876)	(7,683)	(38,393)	(1,642,952)
Equipment and Furniture	(397,982)	(30,437)	-	(428,419)
Vehicles and Boats	(657,968)	(69,724)	-	(727,692)
Subtotal	(2,652,826)	(107,844)	(38,393)	(2,799,063)
Net Capital Assets Being Depreciated	581,536	(34,142)	1,497,357	2,044,751
Capital Assets, Net	$ 2,008,392	$ 371,983	$ (38,393)	$ 2,341,982

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

Governmental Activities:	
General Government	$ 38,120
Public Safety	69,724
Total Depreciation – Governmental Activities	$ 107,844

NOTE 4 - CAPITAL ASSETS (Continued)

A summary of changes in the Road Commission's capital assets are as follows:

	Beginning Balances	Additions	Disposals/ Adjustments	Ending Balances
Capital assets not being depreciated:				
Land and Improvements	$ 5,849,700	$ 878,896	$ -	$ 6,728,596
Construction in Progress	499,861	4,197,118	(105,189)	4,591,790
Subtotal	6,349,561	5,076,014	(105,189)	11,320,386
Capital Assets Being Depreciated				
Buildings	3,484,056	6,015	(466,018)	3,024,053
Road Equipment	7,393,661	577,785	(456,126)	7,515,320
Shop Equipment	113,276	-	(56,133)	57,143
Yard Equipment	85,252	-	(13,387)	71,865
Office Equipment	104,075	-	(40,954)	63,121
Engineers' Equipment	12,524	-	(4,755)	7,769
Infrastructure – Bridges	5,265,511	97,853	-	5,363,364
Infrastructure – Roads	33,793,755	956,041	-	34,749,796
Subtotal	50,252,110	1,637,694	(1,037,373)	50,852,431
Less Accumulated Depreciation				
Buildings	(1,740,665)	(111,937)	466,018	(1,386,584)
Road Equipment	(6,300,983)	(566,160)	439,550	(6,427,593)
Shop Equipment	(113,276)	-	56,133	(57,143)
Yard Equipment	(84,286)	-	12,421	(71,865)
Office Equipment	(100,824)	(1,785)	40,954	(61,655)
Engineers' Equipment	(12,524)	-	4,755	(7,769)
Infrastructure – Bridges	(1,030,564)	(118,680)	-	(1,149,244)
Infrastructure – Roads	(15,293,058)	(1,822,601)	-	(17,115,659)
Subtotal	(24,676,180)	(2,621,163)	1,019,831	(26,277,512)
Net Capital Assets Being Depreciated	25,575,930	(983,469)	(17,542)	24,574,919
Capital Assets - Net	$ 31,925,491	$ 4,092,545	$ (122,731)	$ 35,895,305

Depletion/depreciation expense was charged to programs of the Gladwin County Road Commission as follows:

Total Depreciation Expense – Public Works	$ 2,621,163

NOTE 4 - CAPITAL ASSETS (Continued)

A summary of changes in the Drain Commission's capital assets are as follows:

	Beginning Balances	Addition	Disposals	Ending Balances
Capital assets not being depreciated:				
Construction in Progress	$ -	$ 610,190	$ -	$ 610,190
Capital assets being depreciated:				
Infrastructure - Drains	$ 1,614,421	$ -	$ -	$ 1,614,421
Less accumulated depreciation for:				
Infrastructure - Drains	(258,304)	(32,288)	-	(290,592)
Net Capital Assets Being Depreciated	1,356,117	(32,288)	-	1,323,829
Capital Assets, Net	$ 1,356,117	$ 577,902	$ -	$ 1,934,019

Depreciation expense was charged entirely to Public Works in the amount of $32,288.

A summary of changes in the Gladwin City-County Transit capital assets are as follows:

	Beginning Balances 10/01/19	Additions	Disposals	Ending Balances 09/30/20
Capital assets not being depreciated:				
Land	$ 14,135	$ -	$ -	$ 14,135
Capital assets being depreciated:				
Building and Improvements	1,624,856	-	-	1,624,856
Land Improvements	12,600	-	-	12,600
Office Equipment	167,146	17,977	-	185,123
Bus Equipment	105,425	23,201	-	128,626
Buses and Other Vehicles	2,068,024	785,924	709,481	2,144,467
Maintenance Equipment	228,714	55,479	-	284,193
Subtotal	4,206,765	882,581	709,481	4,379,865
Less accumulated depreciation for:				
Building and Improvements	(1,182,499)	(54,793)	-	(1,237,292)
Land Improvements	(12,600)	-	-	(12,600)
Office Equipment	(162,221)	(2,730)	-	(164,951)
Bus Equipment	(76,397)	(12,499)	-	(88,896)
Buses and Other Vehicles	(1,625,335)	(215,490)	709,481	(1,131,344)
Maintenance Equipment	(136,198)	(21,285)	-	(157,483)
Subtotal	(3,195,250)	(306,797)	709,481	(2,792,566)
Net Capital Assets Being Depreciated	1,011,515	575,784	-	1,587,299
Capital Assets, Net	$ 1,025,650	$ 575,784	$ -	$ 1,601,434

Depreciation expense was charged entirely to Transportation in the amount of $306,797.

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The County of Osceola, Michigan reports interfund balances between many of its funds. Some of the balances are considered immaterial and are aggregated into a single column or row. The total of all balances agrees with the sum of interfund balances presented in the statements of net position/balance sheet for governmental funds and proprietary funds. Interfund transactions resulting in interfund receivables and payables are as follows:

DUE FROM OTHER FUNDS	DUE TO OTHER FUNDS
	Nonmajor Governmental
Nonmajor Governmental	$ 3,000

All 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) payment between funds are made.

TRANSFERS IN	TRANSFERS OUT						
	General	E-911 Millage	Nonmajor Governmental	Tax Revision	Unallocated Tax Revolving	Nonmajor Enterprise	Total
General	$ 115,012	$ 896,897	$ 336,961	$ 199,467	$ 544,677	$ -	$ 2,093,014
Nonmajor Governmental	175,077	-	-	-	-	-	175,077
Unallocated Tax Revolving	-	-	-	-	-	736,597	736,597
Total	$ 290,089	$ 896,897	$ 336,961	$ 199,467	$ 544,677	$ 736,597	$ 3,044,688

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) moves receipts restricted to 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.

NOTE 6 - LONG-TERM DEBT

Primary Government

General obligation and revenue bonds and notes are direct obligations and pledge the full faith and credit of the government. These bonds are generally issued as 5 to 20-year serial bonds with varying amounts of principal maturing each year. General obligation and revenue bonds and notes currently outstanding are as follows:

Long-term liability activity for the year ended December 31, 2020 was as follows:

	Interest Rate	Principal Matures	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:							
Installment Purchase Agreement	3.25%	2029	$ 1,335,750	$ -	$ 115,043	$ 1,220,707	$ 118,812
Vested Employee Benefits			221,436	40,837	-	262,273	-
Total Governmental Activities			1,557,186	40,837	115,043	1,482,980	118,812
Business-type Activities:							
General Obligation Limited Tax Notes	Variable	2019	910,000	-	910,000	-	-
General Obligation Limited Tax Notes	Variable	2020	-	2,400,000	1,460,000	940,000	940,000
Total Business-type Activities			910,000	2,400,000	2,370,000	940,000	940,000
Total Primary Long-Term Debt			$ 2,467,186	$ 2,440,837	$ 2,485,043	$ 2,422,980	$ 1,058,812

Annual debt service requirements to maturity for the above obligations are as follows:

	Governmental Activities		Business-type Activities	
Year End December 31	Principal	Interest	Principal	Interest
2021	$ 118,812	$ 38,715	$ 940,000	$ -
2022	122,705	34,823	-	-
2023	126,725	30,802	-	-
2024	130,877	26,650	-	-
2025	135,165	22,362	-	-
2026-2029	586,423	43,688	-	-
Total	$ 1,220,707	$ 197,040	$ 940,000	$ -

Component Units

The long-term debt and other long-term obligations of the County's component units, and the changes therein, are summarized as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Road Commission:					
Installment Purchase Agreements	$ 305,396	$ -	$ 38,514	$ 266,882	$ 82,503
Bonds Payable	660,000	4,215,000	218,000	4,657,000	420,000
Vested Employee Benefits	240,014	160,112	144,654	255,472	6,000
Total Road Commission Long-term Debt	$ 1,205,410	$ 4,375,112	$ 401,168	$ 5,179,354	$ 508,503

NOTE 6 - LONG-TERM DEBT (Continued)

Road Commission – Michigan Transportation, USDA and State Infrastructure Bank (SIB) Bonds are issued by the Road Commission to finance construction projects and are direct obligations, pledging the full faith and credit of the County and the Road Commission. The bonds are issued as a 5 to 20 year serial bonds with varying amounts of principal maturing each year through 2045 and bear interest at a rate of 0.00% to 2.75%. The installment purchase agreements bear interest from 2.89% to 3.00%. Title to the equipment is transferred to the lessor at the end of the lease. Annual debt service requirements to maturity for the Michigan Transportation bonds and installment purchase agreements are as follows:

Year End December 31	Principal	Interest
2021	$ 502,503	$ 36,395
2022	606,379	115,063
2023	425,000	108,877
2024	438,000	103,863
2025	300,000	99,963
2026-2030	545,000	458,014
2031-2035	624,000	380,986
2036-2040	715,000	292,766
2041-2045	768,000	262,544
Total	$ 4,923,882	$ 1,858,471

Advance Refunding

In October 2012, the Road Commission component unit issued Michigan Transportation Fund Bonds in the amount of $1,285,000. Proceeds from this bond issue, along with a contribution from the Road Commission of $10,818 were used to advance refund Michigan Transportation Fund Bonds issued in 2004. The refunded bonds mature as scheduled through February 2024. The balance of the defeased debt outstanding at December 31, 2020, was $535,000. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the statement of net position.

Department of Public Works:					
General Obligation Bonds	$ 100,000	$ -	$ 100,000	$ -	$ -
Drain Commission:					
General Obligation Notes	$ 735,000	$ -	$ 100,000	$ 635,000	$ 100,000
General Obligation Notes	-	565,000	-	565,000	35,000
Total Drain Commission	$ 735,000	$ 565,000	$ 100,000	$ 1,200,000	$ 135,000

Annual debt service requirements to maturity for the above obligations are as follows:

Drain Commission – General obligation drain improvement bonds and notes are issued by the County to finance certain drainage district construction projects. General obligation bonds have been issued for governmental activities. These bonds and notes are direct obligations, pledging the full faith and credit of the County and the respective drainage districts. The bonds are generally issued as 10 to 20-year serial bonds with varying amounts of principal maturing each year and bear interest rates varying from 4.14% to 6%. Annual debt service requirements to maturity for the Drain Commission general obligation bonds are as follows:

NOTE 6 - LONG-TERM DEBT (Continued)

Year End December 31	Principal	Interest
2021	$ 135,000	$ 45,604
2022	140,000	39,242
2023	140,000	32,822
2024	140,000	26,277
2025	140,000	19,607
2026-2030	330,000	37,001
2031-2035	175,000	10,065
Total	$ 1,200,000	$ 210,618

Gladwin City-County Transit:					
Vested Employee Benefits	$ 37,436	$ 10,433	$ -	$ 47,869	$ -

NOTE 7 - EMPLOYEE RETIREMENT AND BENEFIT SYSTEMS

PRIMARY GOVERNMENT

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

Benefits Provided. The charts below summarize the County's benefit provisions for its covered groups.

01 – Elctd & NonUnion: Closed to new hires, linked to Division 13	
	2019 Valuation
Benefit Multiplier:	2.25% Multiplier (80% max)
Normal Retirement Age:	60
Vesting:	10 Years
Early Retirement (Unreduced):	55/20
Early Retirement (Reduced):	50/25
	55/15
Final Average Compensation:	3 years
Cola for Future Retirees:	2.50% (Non-Compound)
Cola for Current Retirees:	2.50% (Non-Compound)
Employee Contributions	5%
Act 88:	Yes (Adopted 12/14/1970)

NOTE 7 - EMPLOYEE RETIREMENT AND BENEFIT SYSTEMS (Continued)

02 – Dispatchers: Closed to new hires, linked to Division 13

	2019 Valuation
Benefit Multiplier:	2.50% Multiplier (80% max)
Normal Retirement Age:	60
Vesting:	10 Years
Early Retirement (Unreduced):	55/20
Early Retirement (Reduced):	50/25
	55/15
Final Average Compensation:	3 years
Cola for Future Retirees:	2.50% (Non-Compound)
Cola for Current Retirees:	2.50% (Non-Compound)
Employee Contributions	5%
Act 88:	Yes (Adopted 12/14/1970)

10– UAW Unit 6 & 7: Closed to new hires, linked to Division 13

	2019 Valuation
Benefit Multiplier:	2.25% Multiplier (80% max)
Normal Retirement Age:	60
Vesting:	10 Years
Early Retirement (Unreduced):	55/20
Early Retirement (Reduced):	50/25
	55/15
Final Average Compensation:	3 years
Cola for Future Retirees:	2.50% (Non-Compound)
Cola for Current Retirees:	2.50% (Non-Compound)
Employee Contributions	5%
Act 88:	Yes (Adopted 12/14/1970)

11 – UAW Unit 3, 4, & 5: Open Division

	2019 Valuation
Benefit Multiplier:	2.25% Multiplier (80% max)
Normal Retirement Age:	60
Vesting:	10 Years
Early Retirement (Unreduced):	55/20
Early Retirement (Reduced):	50/25
	55/15
Final Average Compensation:	3 years
Cola for Future Retirees:	2.50% (Non-Compound)
Cola for Current Retirees:	2.50% (Non-Compound)
Employee Contributions	3.80%
Act 88:	Yes (Adopted 12/14/1970)

NOTE 7 - EMPLOYEE RETIREMENT AND BENEFIT SYSTEMS (Continued)

12 – UAW #7: Closed to new hires, linked to Division 13

	2019 Valuation
Benefit Multiplier:	2.25% Multiplier (80% max)
Normal Retirement Age:	60
Vesting:	10 Years
Early Retirement (Unreduced):	55/20
Early Retirement (Reduced):	50/25
	55/15
Final Average Compensation:	3 years
Cola for Future Retirees:	2.50% (Non-Compound)
Employee Contributions	5%
Act 88:	Yes (Adopted 12/14/1970)

13 – New Hire div 01, 02, 10, 12, 20, 22: Open Division, linked to Division 01, 02, 10, 12, 20, 22

	2019 Valuation
Benefit Multiplier:	1.50% Multiplier (no max)
Normal Retirement Age:	60
Vesting:	10 Years
Early Retirement (Unreduced):	55/20
Early Retirement (Reduced):	50/25
	55/15
Final Average Compensation:	3 years
Employee Contributions	5%
Act 88:	Yes (Adopted 12/14/1970)

20 – Sheriff COAM: Closed to new hires, linked to Division 13

	2019 Valuation
Benefit Multiplier:	2.25% Multiplier (80% max)
Normal Retirement Age:	60
Vesting:	10 Years
Early Retirement (Unreduced):	55/20
Early Retirement (Reduced):	50/25
	55/15
Final Average Compensation:	3 years
Cola for Future Retirees:	2.50% (Non-Compound)
Cola for Current Retirees:	2.50% (Non-Compound)
Employee Contributions	5%
Act 88:	Yes (Adopted 12/14/1970)

NOTE 7 - EMPLOYEE RETIREMENT AND BENEFIT SYSTEMS (Continued)

21 – Cmd, Sher & Under: Open Division	
	2019 Valuation
Benefit Multiplier:	2.50% Multiplier (80% max)
Normal Retirement Age:	60
Vesting:	10 Years
Early Retirement (Unreduced):	55/20
Early Retirement (Reduced):	50/25
	55/15
Final Average Compensation:	3 years
Cola for Future Retirees:	2.50% (Non-Compound)
Employee Contributions	5%
Act 88:	Yes (Adopted 12/14/1970)

22 – Sheriff's Deputies POAM: Closed to new hires, linked to Division 13	
	2019 Valuation
Benefit Multiplier:	2.50% Multiplier (80% max)
Normal Retirement Age:	60
Vesting:	10 Years
Early Retirement (Unreduced):	50/25
Early Retirement (Reduced):	55/15
Final Average Compensation:	3 years
Cola for Future Retirees:	2.50% (Non-Compound)
Employee Contributions	5%
Act 88:	Yes (Adopted 12/14/1970)

Employees Covered by Benefit Terms

At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	97
Inactive employees entitled to but not yet receiving benefits	86
Active employees	92
	275

Funding Policy

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

Employer contributions range from 2.84% to 41.91% based on annual payroll for open divisions. The County's contributions to the plan for the year ended December 31, 2020 were $863,519 which exceeded the County's required contribution of $844,603.

Employee contributions for the year ended December 31, 2020 were $205,881.

NOTE 7 - EMPLOYEE RETIREMENT AND BENEFIT SYSTEMS (Continued)

Net Pension Liability

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

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

- Inflation: 2.5%
- Salary Increases: 3.00% in the long-term
- Investment rate of return: 7.35%, net of investment expense, including inflation.

Mortality rates used were based on the RP-2014 Group Annuity Mortality Table of a 50% Male and 50% Female blend.

The actuarial assumptions used in valuation were based on the results of the most recent actuarial experience study of January 1, 2009 through December 31, 2013.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	60.0%	3.70%
Global Fixed Income	20.0%	0.30%
Private Investments	20.0%	1.30%

Discount Rate. The discount rate used to measure the total pension liability is 7.6%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 7 - EMPLOYEE RETIREMENT AND BENEFIT SYSTEMS (Continued)

Changes in the Net Pension Liability:

	Increases (Decreases)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2019	$ 24,961,785	$ 16,921,323	$ 8,040,462
Service cost	435,333	-	435,333
Interest on total pension liability	1,859,435	-	1,859,435
Changes in benefits	-	-	-
Difference between expected and actual experience	653,636	-	653,636
Changes in assumptions	778,145	-	778,145
Employer contributions	-	863,519	(863,519)
Employee contributions	-	205,881	(205,881)
Net investment income	-	2,158,720	(2,158,720)
Benefit payments, including employee refunds	(1,426,403)	(1,426,403)	-
Administrative expense	-	(34,019)	34,019
Other charges	(80,473)	1	(80,474)
Net changes	2,219,673	1,767,699	451,974
Balances as of December 31, 2020	$ 27,181,458	$ 18,689,022	$ 8,492,436

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

	1% Decrease (6.60%)	Current Discount Rate (7.60%)	1% Increase (8.60%)
Net Pension Liability	$ 11,872,662	$ 8,492,436	$ 5,670,015

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2020 the County recognized pension expense of $1,030,521. The County reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	$ 385,704	$ -
Differences in assumptions	518,763	-
Excess (deficit) investment returns	-	646,797
Total	$ 904,467	$ 646,797

NOTE 7 - EMPLOYEE RETIREMENT AND BENEFIT SYSTEMS (Continued)

The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ending December 31, 2019.

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

Year Ended December 31:		
2021	$	297,997
2022		504,103
2023		(358,557)
2024		(185,873)
Total	$	257,670

COMPONENT UNIT – GLADWIN COUNTY ROAD COMMISSION

Plan Description

The Road Commission participates in the Municipal Employees Retirement System (MERS) of Michigan, an agent multiple employer statewide public employee pension plan established by the Michigan's Legislature under Public Act 135 of 1945 and administered by a nine (9) member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing MERS website at www.mersofmich.com.

Summary of Significant Accounting Policies

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

Benefits Provided. The Plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. PA 427 of 1984, as amended, established and amends the benefit provisions of the participants in MERS.

- *Commissioners* – Retirement benefits are calculated as 2.5% of the Commissioner's final 3-year average salary times the Commissioner's years of service. Normal retirement age is 60 years, with early retirement at 50 with 25 years of service (reduced) or 55 with 15 years of service (reduced). The vesting period is 6 years.

- *General employees hired before July 1, 2012* – Retirement benefits are calculated as 2.0% of the employee's final 5-year average salary times the employee's years of service. Normal retirement age is 60 years, with early retirement at 55 with 30 years of service (unreduced), 50 with 25 years of service (reduced) or 55 with 15 years of service (reduced). The vesting period is 10 years. Benefit terms also provide for annual cost-of-living adjustments to each employee's retirement allowance subsequent to the employee's retirement date of 2.5%.

NOTE 7 - EMPLOYEE RETIREMENT AND BENEFIT SYSTEMS (Continued)

- *General employees hired after July 1, 2012 ("new hires")* - Retirement benefits are calculated as 1.5% of the employee's final 5-year average salary times the employee's years of service. Normal retirement age is 60 years, with early retirement at 50 with 25 years of service (reduced) or 55 with 15 years of service (reduced). The vesting period is 10 years.

Employees are eligible for non-duty disability benefits after 10 years of service and for duty related disability benefits upon hire. Disability retirement benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. Death benefits may also be paid to a beneficiary. An employee who leaves service may withdraw his or her contributions, plus any accumulated interest.

Benefit terms, within the parameters established by MERS, are generally established and amended by authority of the Board of County Road Commissioners, generally after negotiations of these terms with the labor union.

Employees Covered by Benefit Terms

At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	41
Inactive employees entitled to but not yet receiving benefits	5
Active employees	30
	76

Contribution Requirements. Article 9, Section 24 of the State of Michigan constitution requires that financial benefits arising on account of employee service rendered in each year be funded during that year. Accordingly, MERS retains an independent actuary to determine the annual contribution. The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS retirement Board. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees.

For the year ended December 31, 2020, the Road Commission's actuarially determined contribution rate was 6.86% of annual covered payroll for Commissioners, 1.71% for general employees hired after July 1, 2012 and $39,097 monthly for general employees hired before July 1, 2012. Commissioners and new hires are required to contribute 5% of their annual covered payroll to the plan. Employees hired before July 1, 2012 are required to contribute 3% (under $4,200) and 5% (over $4,200) of their annual covered payroll to the plan.

Net Pension Liability. The net pension liability reported at year-end was determined using a measure of the total pension liability and the pension net position as of December 31, 2019. The December 31, 2019 total pension liability was determined by an actuarial valuation performed as of that date.

Actuarial Assumptions. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.75%, (plus 0.0% to 11.0% for merit and longevity)
Investment rate of return	7.35%, net of investment expense and including inflation

NOTE 7 - EMPLOYEE RETIREMENT AND BENEFIT SYSTEMS (Continued)

Mortality rates were based on the RP-2014 Group Annuity Mortality Table of a 50% Male and 50% Female blend for non-disabled plan members and 50% Male and 50% Female blend of the RP-2014 Disabled Retiree Mortality Tables for disabled plan members. The actuarial assumptions used in the December 31, 2015 valuation were based on the results of the most recent actuarial experience study dated 2015 that covers the period January 1, 2009 through December 31, 2013.

The long-term expected rate of return on pension plan investments was determined using a model 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. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	55.5%	5.02%
Global Fixed Income	18.5%	2.18%
Real Assets	13.5%	4.23%
Diversifying Strategies	12.5%	6.56%

Discount Rate. The discount rate used to measure the total pension liability is 7.60%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability:

	Increases (Decreases)		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability**
Balances at Janueary 1, 2019	$ 15,865,186	$ 9,285,917	$ 6,579,269
Service cost	136,590	-	136,590
Interest on total pension liability	1,131,489	-	1,131,489
Difference between expected and actual experience	(229,342)	-	(229,342)
Changes in assumptions	556,874	-	556,874
Employer contributions	-	1,205,495	(1,205,495)
Employee contributions	-	71,978	(71,978)
Net investment income (loss)	-	1,276,279	(1,276,279)
Benefit payments, including employee refunds	(1,078,153)	(1,078,153)	-
Administrative expense	-	(22,014)	22,014
Other Changes	(934)	-	(934)
Net changes	516,524	1,453,585	(937,061)
Balances as of December 31, 2019	$ 16,381,710	$ 10,739,502	$ 5,642,208

NOTE 7 - EMPLOYEE RETIREMENT AND BENEFIT SYSTEMS (Continued)

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the Road Commission, calculated using the discount rate of 7.60 percent, as well as what the Road Commission's net pension liability would be using a discount rate that is 1% lower (6.60%) or 1% higher (8.60%) than the current rate.

	1% Decrease (6.60%)	Current Discount Rate (8.00%)	1% Increase (8.60%)
Net Pension Liability	$ 7,256,445	$ 5,642,208	$ 4,257,786

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2020, the County recognized a negative pension expense of $411,655. At December 31, 2019, the Road Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions to the plan subsequent to the measurement date	$ 1,200,000	$ -
Net difference between projected and actual earnings on pension plan investments	-	6,843
Differences in assumptions	417,655	1,383
Differences between expected and actual experience	53,387	172,006
Total	$ 1,671,042	$ 180,232

The Amount reported as deferred outflows resources related to pensions will be recognized as pension expense as follows:

Year Ended December 31:	
2021	$ 106,605
2022	105,870
2023	195,783
2024	(117,448)
Total	$ 290,810

The amounts reported as deferred outflows of resources related to employer contributions to the plan made subsequent to the measurement date $1,200,000 which will impact the net pension liability in fiscal year 2021, as opposed to being amortized to pension expense over a period of year.

NOTE 7 - EMPLOYEE RETIREMENT AND BENEFIT SYSTEMS (Continued)

COMPONENT UNIT – GLADWIN CITY-COUNTY TRANSIT

Description of Plan and Plan Assets

The Gladwin City-County Transit is included with the Gladwin Housing Commission pension plan and is in an agent multiple-employer defined benefit pension plan with the Municipal Employees' Retirement System (MERS). The system provides the following provisions: normal retirement, deferred retirement and service retirement to plan members and their beneficiaries. The service requirement is computed using credited service at the time of termination of membership multiplies by the sum of 2.25% for employees times the final compensation (FAC). The most recent period of which actuarial data was available was for year ended December 31, 2019.

General Information about the Pension Plan

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

01 – HC: Open Division	
	2019 Valuation
Benefit Multiplier:	2.25% Multiplier (80% max)
Normal Retirement Age:	60
Vesting:	10 Years
Early Retirement (Unreduced):	-
Early Retirement (Reduced):	50/25
	55/15
Final Average Compensation:	3 years
COLA for Future Retirees	2.5% (non-compound)
Employee Contributions	6%
Act 88:	Yes (Adopted 8/1/2007)

At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	16
Inactive employees entitled to but not yet receiving benefits	8
Active employees	16
	40

Funding

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

Employer contributions were 21.16% based on annual payroll for open division.

NOTE 7 - EMPLOYEE RETIREMENT AND BENEFIT SYSTEMS (Continued)

Net Pension Liability

The Transit's net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary increases	3.0% in the long-term
Investment rate of return	7.35% net of investment and administrative expense including inflation

Although no explicit price inflation assumptions are used in this valuation, the long-term annual rate of price inflation implicit in the 2.5% base wage inflation is 3.0%.

Mortality rates used were based on the RP-2014 Group Annuity Mortality Table of a 50% Male and 50% Female blend.

The actuarial assumptions used in valuation were based on the results of the most recent actuarial experience study of 2009- 2013.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	60.0%	3.70%
Global Fixed Income	20.0%	0.30%
Real Assets	20.0%	1.30%

Discount Rate. The discount rate used to measure the total pension liability is 7.60% for 2019. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 7 - EMPLOYEE RETIREMENT AND BENEFIT SYSTEMS (Continued)

Changes in the Net Pension Liability:

	Increases (Decreases)		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability**
Balances at December 31, 2018	$ 3,936,474	$ 2,667,077	$ 1,269,397
Service cost	69,912	-	69,912
Interest on total pension liability	290,141	-	290,141
Changes in benefits	-	-	-
Difference between expected and actual experience	41,344	-	41,344
Changes in assumptions	115,240	-	115,240
Employer contributions	-	178,879	(178,879)
Employee contributions	-	38,239	(38,239)
Net investment income	-	357,377	(357,377)
Benefit payments, including employee refunds	(307,560)	(307,560)	-
Administrative expense	-	(6,156)	6,156
Other changes	15,271	-	15,271
Net changes	224,348	260,779	(36,431)
Balances as of December 31, 2019	$ 4,160,822	$ 2,927,856	$ 1,232,966

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the Transit, calculated using the discount rate of 7.60%, as well as what the Transit's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.60%) or 1-percentage-point higher (8.60%) than the current rate:

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
Net pension liability at 12/31/19	$ 1,232,966	$ 1,232,966	$ 1,232,966
Change in Net Pension Liaiblity	380,613	-	(328,626)
Calculated Net Pension Liability	$ 1,613,579	$ 1,232,966	$ 904,340

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued MERS financial report.

NOTE 7 - EMPLOYEE RETIREMENT AND BENEFIT SYSTEMS (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2020, the Transit Authority recognized pension expense of $294,315. The Transit Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	$ 62,573	$ (23,680)
Differences in assumptions	76,827	-
Excess (deficit) investment returns	685	-
Contributions subseqent to the measurement date*	75,685	-
Total	$ 215,770	$ (23,680)

*The amount reported as deferred outflow of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the fiscal year ending September 30, 2021.

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

Year Ended September 30:	
2021	52,995
2022	59,451
2023	35,629
2024	(31,670)
Total	$ 116,405

NOTE 8 - OTHER POST EMPLOYMENT BENEFITS

PRIMARY GOVERNMENT

Plan Description – The County sponsors a single employer defined benefit retiree health care plan (Plan) to all employees provided proper application is made prior to retirement and the employee is a member of the Plan on the date of retirement. The County reimburses the amounts of validated claims for medical, dental and hospitalization costs incurred by pre-Medicare retirees and their dependents based upon the employee's number of years of service. Expenditures for postretirement healthcare benefits are recognized as retirees report claims. As of December 31, 2020, the County has not advance funded any portion of the liability. Therefore, financial statements for the plan are not prepared nor are they included in the financial statements of any other plan or the primary government.

NOTE 8 - OTHER POST EMPLOYMENT BENEFITS (Continued)

Funding Policy – The County has no obligation to make contributions in advance of when the insurance premiums or benefits are due for payment; therefore, the Plan may be financed on a pay-as-you-go basis. For the year ended December 31, 2020, the County contributed $168,098 to the plan for current premiums and no additional amount to prefund benefits.

Employees Covered by Benefit Terms

As of Actuarial date 1/1/19, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits payments	52
Inactive employees entitled to but not yet receiving benefits	44
Active employees	88
Total participants covered by OPEB Plan	184

The County's OPEB Plan is closed to new entrants.

Total OPEB Liability and Net OPEB Liability

The County's total OPEB liability of $8,738,682 was measured as of December 31, 2020, and was determined by an actuarial valuation as of that date.

As of December 31, 2020, there was $0 in assets in the County's OPEB trust, as the county is set up as a pay as you go plan.

Actuarial assumptions and other inputs.

The total OPEB liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Discount Rate	3.64%
Healthcare Cost Trend Rates	8.0% graded down 0.5% per year to an ultimate trend rate of 4.50%
Return on Plan Assets	N/A
Salary Increases	3.75%
Actuarial Cost Method	Entry Age Normal

Mortality rates were based on a blend of the RP – 2014 mortality tables Health Annuity Mortality, Employee Mortality, Juvenile Mortality, all of which were based on an experience study from 2000-2013, a 50% male 50% female blend.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.64%. The projection of cash flows used to determine the discount rate assumed future County contributions. Based on this assumptions, the retirement plan's fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. For projected benefits that are covered by projected assets, the long-term expected rate was used to discount the projected benefits.

NOTE 8 - OTHER POST EMPLOYMENT BENEFITS (Continued)

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at December 31, 2019	$ 7,820,245	$ -	$ 7,820,245
Service cost	290,127	-	290,127
Interest on OPEB liability	287,494	-	287,494
Difference between expected and actual experience	-	-	-
Changes in assumptions	475,026	-	475,026
Contributions - Employer	-	134,210	(134,210)
Benefit payments	(134,210)	(134,210)	-
Net changes	918,437	-	918,437
Balances as December 31, 2020	$ 8,738,682	$ -	$ 8,738,682

Covered payroll was $4,281,682.

Total OPEB Liability as a percentage of covered payroll was 204%.

Sensitivity of the total OPEB liability to changes in the discount rate.

The January 1, 2019 valuation was prepared using a discount rate of 3.64%. If the discount rate were 1% higher than what was used it this valuation, the net OPEB Liability would decrease $1,316,451. If the discount rate were 1% lower than was used in this valuation, the net OPEB Liability would increase $1,657,388. Other information was not available.

Sensitivity of the total OPEB liability to changes in the healthcare trend rate.

The January 1, 2019 valuation was prepared using a trend rate of 8.00%. If the trend rate were 1% higher than what was used it this valuation, the net OPEB Liability would increase $1,823,400. If the trend rate were 1% lower than was used in this valuation, the net OPEB Liability would decrease $1,416,851. Other information was not available.

For the year ended December 31, 2020, the County recognized an OPEB expense as follows:

Service Cost	$ 290,127
Net recognition of deferred in/outflow	(23,378)
Interest on total OPEB liability	287,494
Net OPEB Expense	$ 554,243

NOTE 8 - OTHER POST EMPLOYMENT BENEFITS (Continued)

At December 31, 2020, the reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	$ -	$ 54,900
Differences in assumptions	396,768	358,761
Excess (deficit) investment returns	-	-
Total	$ 396,768	$ 413,661

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recorded in pension expense as follows:

Year Ended December 31:	
2021	$ (23,378)
2022	(23,378)
2023	(23,378)
2023	(23,378)
2024	71,141
2025+	5,478
Total	$ (16,893)

COMPONENT UNIT – GLADWIN COUNTY ROAD COMMISSION

Plan Description – The Road Commission provides healthcare and prescription drug benefits to all full-time employees hired prior to August 19, 2009 upon retirement in accordance with labor contracts. Employees hired after August 19, 2009 who retire for any reason, will not be eligible for health insurance, dental insurance, vision insurance, life insurance, or the hearing aid rider. These employees will be required to contribute a minimum of one percent (1%) of their pay through payroll deduction to a Healthcare Savings Program (HSCP) through MERS. The Road Commission will also contribute a maximum amount equal to one percent (1%) of an employee's pay to an employee's HCSP.

At year-end, membership in the Plan was comprised of 18 active plan members, 29 retirees and beneficiaries and 0 inactive members. The Road Commission includes retirees and their spouses in its insured healthcare plan. Previous eligible employees who retired on or before October 31, 2005 are not required to contribute to their healthcare plan, in accordance with labor contracts. Previous eligible employees who retired after October 31, 2005 are required to contribute monthly to their healthcare plans in the same amounts as required for active employees, in accordance with labor contracts. The monthly contribution amounts for eligible retirees and active employees vary based on the single, two person, and family coverage, and will also vary each year based on the cost of healthcare.

NOTE 8 - OTHER POST EMPLOYMENT BENEFITS (Continued)

Effective July 1, 2012, the employer's contribution towards healthcare cannot exceed those amounts permitted by Public Act 152 (PA 152) of 2011; Publicly Funded Health Insurance Contribution Act, with maximum amounts revised July 1st of each year. Eligible retirees and active employees are required to contribute monthly towards healthcare costs that exceed employer amounts allowed under PA 152.

Funding Policy and Contributions – The contribution requirements of plan members and the Road Commission are established by labor contracts and may be amended by the Board of County Road Commissioners through labor negotiations. The Plan does not require member contributions form Road Commission employees. The required contribution is based on projected pay-as-you-go financing requirements, with optional additional amounts to prefund benefits as determined by the board of County Road Commissioners.

Annual OPEB Cost and Net OPEB Liability – The Road Commission's annual other postemployment benefits (OPEB) cost (expense) is calculated based on the *actuarially determined contribution of the employer (ADC),* an amount actuarially determined in accordance with the parameters of GASB Statement No. 75. The ADC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectation and new estimates are made about the future.

Participants Covered by the Benefit Terms – At the measurement date, the following participants were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits payments	15
Inactive employees entitled to but not yet receiving benefits	-
Active employees	28
Total participants covered by OPEB Plan	43

Contributions – Expenditures for postemployment healthcare benefits are recognized as the insurance premiums become due. During the year, the Road Commission paid current retiree premiums of $266,363 and made advance funding contributions of $125,000. The premiums for postemployment healthcare benefits and the advance funding payments were paid from and recorded as expenditures in the General Operating / Road Fund.

Net OPEB Liability – The net OPEB liability reported at year-end was determined using a measure of the total OPEB liability and the OPEB net position as of December 31, 2020. The December 31, 2020 total OPEB liability was determined by an actuarial valuation performed as of that date. Changes in the Road Commission's proportionate share of the net OPEB liability during the year were as follows:

NOTE 8 - OTHER POST EMPLOYMENT BENEFITS (Continued)

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at December 31, 2019	$ 5,516,427	$ 339,465	$ 5,176,962
Service cost	58,747	-	58,747
Interest on total OPEB liability	399,986	-	399,986
Expected / actual experience differences	(402,699)	-	(402,699)
Changes in actuarial assumptions	(45,751)	-	(45,751)
Contributions - OPEB Trust	-	125,000	(125,000)
Contributions - Benefits Paid		266,363	(266,363)
Net investment income	-	51,416	(51,416)
Benefit payments	(266,363)	(266,363)	-
Administrative expense	-	(636)	636
Net changes	(256,080)	175,780	(431,860)
Balances as December 31, 2020	$ 5,260,347	$ 515,245	$ 4,745,102

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB – During the year the Road Commission recognized a negative OPEB expense of $1,218,718. At year-end, the Road Commission reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 128,754
Changes of assumptions	-	14,628
Net difference between projected and actual earnings on OPEB plan investments	-	15,309
Total	$ -	$ 158,691

The net amounts reported as deferred outflows and deferred inflows of resources will be recognized as OPEB expense as follows:

Year Ended December 31:	
2021	$ (146,872)
2022	(3,490)
2023	(3,490)
2024	(4,839)
Total	$ (158,691)

NOTE 8 - OTHER POST EMPLOYMENT BENEFITS (Continued)

Actuarial Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The valuation of the total OPEB liability was determined using the following actuarial assumptions (a) 2.50% inflation, (b) projected salary increases of 3.50%, (c) investment rate of return of 7.35%, (d) 20-year Aa municipal bond rate of 1.93%, (e) mortality rates using the 2010 Public General Employees and Healthy Retires, Headcount weighted, MP-2018 improvement scale.

Discount Rate – The discount rate used to measure the total OPEB liability was 7.35%. The projection of cash flows used to determine the discount rate assumed the Road Commission will pay benefits from general operating funds on a pay-as-you-go basis and make contributions of $125,000 annually, pursuant upon their Corrective Action Plan, to the OPEB Trust until a funding ratio of 40% is achieved. After the funding level is attained, the Road Commission will continue funding on a pay-as-you-go basis with those payments considered as contributions for purposes of determination of the effective discount rate. Based on this assumption, the retirement plan's fiduciary net position was projected to be sufficient to make projected future benefit payments indefinitely, there is no cross-over point or depletion date, therefore the effective discount rate is equal to the long-term expected rate of return.

Investment Rate of Return – The long-term rate of return on OPEB 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 OPEB 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 by the target asset allocation percentages and by adding expected inflation. Best estimates of arithmetic real rates of return for each major class included in the retirement plan's target asset allocation are summarized below. The sum of each target allocation times its long-term expected real rate is 5.25%. the long-term expected rate of return after including inflation is 7.35%.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	55.50%	6.15%
Global Fixed Income	18.50%	1.26%
Private Assets	26.00%	6.15%

Concentrations – The plan is 100% in the MERS Total Market Fund.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – the following presents the Road Commission's net OPEB liability (asset), calculated using the discount rate of 3.00% as well as what the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1% lower (2.00%) or one percent higher (4.00%) than the current rate:

	1% Decrease (6.35%)	Current Discount Rate (7.35%)	1% Increase (8.35%)
Net OPEB liability	$5,305,610	$4,745,102	$4,272,816

NOTE 8 - OTHER POST EMPLOYMENT BENEFITS (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate – the following presents the Road Commission's net OPEB liability (asset), calculated using the assumed cost trend rate, as well as what the net OPEB liability (asset) would be if it were calculated using a cost trend rate that is 1% lower or one percent higher than the current rate

	1% Decrease in Cost Trend Rate	Assumed Cost Trend Rate	1% Increase in Cost Trend Rate
Net OPEB liability	$4,231,485	$4,745,102	$5,353,266

COMPONENT UNIT – GLADWIN CITY-COUNTY TRANSIT

Plan description – The Transit Authority's defined benefit OPEB plan, provides postemployment healthcare benefits to certain retirees. The Transit Authority's employees become eligible for post-employment healthcare benefits if they retire with 30 years of service at the Transit Authority. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Transit Authority. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The plan is closed and all eligible employees are currently receiving benefits.

Benefits provided – The Transit Authority provides healthcare benefits for retirees and their spouses. The benefit terms provide for payment of 90 percent of health insurance premiums for non-Medicare-eligible retirees and 90 percent of supplemental health insurance premiums for Medicare-eligible retirees.

Employees Covered by Benefit Terms – At September 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits payments	2
Inactive employees entitled to but not yet receiving benefits	-
Active employees	-
Total participants covered by OPEB Plan	2

Total OPEB Liability

The Transit Authority's total OPEB liability of $241,986 was measured as of September 30, 2020, and was determined by using the alternative measurement method as of that date.

Actuarial assumptions and other inputs – The total OPEB liability in the September 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless other specified:

Inflation	0.62 percent
Salary increases	1.89 percent, average, including inflation
Discount rate	2.21 percent
Healthcare cost trend rates	5.7 percent for 2020-2027, increasing 2.7 percent per year on Average over 2020-2027
Retirees' share of benefit-related	90 percent of projected health insurance premiums for retirees

NOTE 8 - OTHER POST EMPLOYMENT BENEFITS (Continued)

The discount rate was based on 2.21 percent based on the index rate for 20-year tax-exempt muni bonds with rating of AAA or higher.

Mortality rates were based on the National Vital Statistics Mortality Table for Males or Females, as appropriate.

The actuarial assumptions used in the September 30, 2020 valuation were based on the results of the alternative measurement method for the period of October 1, 2019 – September 30, 2020.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2019	$ 274,353
Changes for the year:	
Changes in assumptions or other inputs	(17,035)
Benefit payments	(15,332)
Net change	(32,367)
Balance at June 30, 2020	$ 241,986

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Transit Authority, as well as what the Transit Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21 percent) or 1-percentage-point higher (3.21 percent) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Net OPEB liability	$256,259	$241,986	$230,249

Sensitivity of the total OPEB liability to changes in healthcare cost trend rates – The following presents the total OPEB liability of the Transit Authority's, as well as what the Transit Authority's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.7 percent) or 1-percentage-point higher (6.7 percent) than the current healthcare cost trend rates:

	1% Decrease	Current Discount Rate	1% Increase
Net OPEB liability	$225,162	$241,986	$261,863

NOTE 8 - OTHER POST EMPLOYMENT BENEFITS (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2020, the Transit Authority recognized a increase in OPEB expense of $30,867. At September 30, 2020, the Transit Authority did not report any deferred outflows of resources or deferred inflows of resources related to OPEB due to using the alternative measurement method to calculate their OPEB liability, which allowed the measurement date to be the same as their fiscal year end. Since the Transit Authority has a closed plan, the remaining service life would be zero. Since the changes in assumptions are amortized over the remaining service life and the remaining service life is zero, there isn't any expense that needs to be amortized over future years.

The total OPEB expense recognized as calculated by the alternative measurement method is ($13,563). The entire amount of ($13,563) was expensed on the books and is reported in 50202 Other Post-Employment Benefits (OPEB). Below is a tracking schedule for OPEB payments actually paid that exceed the calculated OPEB expense:

Calculated expense		$	(13,563)
Less: eligible payments			
2020 paid	17,304		
Total eligible payments			17,304
Ineligible OPEB expense (carry over)		$	(30,867)

NOTE 9 - RISK MANAGEMENT

The County is exposed to various risks of loss related to property loss, torts, errors and omissions and employee injuries (workers compensation), as well as medical benefits provided to employees. The County manages risk through the purchase of commercial insurance.

Liability, Vehicle Physical Damage, and Property and Crime – The County is a member of the Michigan Municipal Liability and Property Pool, which is an association organized to purchase commercial insurance for protection against loss for Michigan cities, counties, townships and special service governments. The County is insured up to the following limits: Liability - $5,000,000, vehicle physical damage - $5,000,000 and property and crime - $5,000,000, subject to deductibles of $1,000 per vehicle and $1,000 per occurrence of property and crime damage. The County is not subject to supplemental premium assessments by the association.

Workers' Compensation – The County purchases coverage through the Michigan Municipal Workers' Compensation Fund. The Fund is authorized by State law to provide its members with coverage required by the Workers' Disability Compensation Act. Claims are subject to a maximum limit of $500,000 per occurrence.

NOTE 10 - CONTINGENT LIABILITIES

The County has been named as a defendant in various litigation involving lawsuits pending and notices of intent to file suit. Management and legal counsel of the County expect no material losses in excess of insurances should an unfavorable outcome prevail. No provision for any loss has been made in the accompanying financial statements.

Under the terms of various Federal and State grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such grants could lead to reimbursement to the grantor agencies. However, County management does not believe such disallowances, if any, will be material to the financial position of the County.

NOTE 11 - RESTRICTED NET POSITION

Restrictions of the net position shown in the government-wide financial statements indicate that restrictions imposed by the funding source or some other outside source which precludes their use for unrestricted purposes. The following are the various net position restrictions as of December 31, 2020.

PRIMARY GOVERNMENT	
Governmental Activities	
Specific Fund Purposes	$ 4,491,036
COMPONENT UNITS	
City/County Transit	
Restricted for Other Purposes	$ 148,577

Required Supplementary Information

Required Supplementary Information
Employee Retirement and Benefit Systems
Schedule of Changes in the Employers' Net Pension Liability and Related Ratios
For the Year Ended December 31, 2020

Primary Government - Pension Plan Trust

	2015	2016	2017	2018	2019	2020
Total pension liability						
Service cost	$ 412,408	$ 409,864	$ 441,552	$ 405,701	$ 418,496	$ 435,333
Interest	1,569,370	1,644,938	1,758,130	1,841,259	1,878,699	1,859,435
Difference between expected and acutal experience	-	94,615	52,225	(451,432)	188,417	653,636
Changes of assumptions	-	1,161,028	-	-	-	778,145
Other	(7,401)	(133,513)	49,672	(7,994)	(110,246)	(80,473)
Benefit payments, including refund of member contributions	(1,017,989)	(1,096,266)	(1,213,335)	(1,275,726)	(1,376,145)	(1,426,403)
Net change in total pension liability	956,388	2,080,666	1,088,244	511,808	999,221	2,219,673
Total pension liability - beginning	19,325,458	20,281,846	22,362,512	23,450,756	23,962,564	24,961,785
Total pension liability - ending	$ 20,281,846	$ 22,362,512	$ 23,450,756	$ 23,962,564	$ 24,961,785	$ 27,181,458
Plan fiduciary net position						
Contributions - employer	$ 609,169	$ 577,523	$ 679,332	$ 749,545	$ 757,546	$ 863,519
Contributions - employee	164,714	174,133	177,721	188,272	194,720	205,881
Net investment income	(210,882)	1,540,528	1,945,469	(636,431)	2,069,906	2,158,720
Benefit payments, including refunds of member contributions	(1,017,989)	(1,096,266)	(1,213,335)	(1,275,726)	(1,376,145)	(1,426,403)
Other	-	-	2	(1)	1	1
Administrative expense	(30,827)	(30,395)	(30,808)	(31,593)	(35,662)	(34,019)
Net change in plan fiduciary net position	(485,815)	1,165,523	1,558,381	(1,005,934)	1,610,366	1,767,699
Plan fiduciary net position - beginning	14,078,802	13,592,987	14,758,510	16,316,891	15,310,957	16,921,323
Plan fiduciary net position - ending	$ 13,592,987	$ 14,758,510	$ 16,316,891	$ 15,310,957	$ 16,921,323	$ 18,689,022
Net pension liability - ending	$ 6,688,859	$ 7,604,002	$ 7,133,865	$ 8,651,607	$ 8,040,462	$ 8,492,436
Plan fiduciary net position as a percentage of the total pension liability	67.02%	66.00%	69.58%	63.90%	67.79%	68.76%
Covered - employee payroll	$ 3,387,358	$ 3,382,771	$ 3,710,408	$ 3,612,563	$ 3,815,748	$ 4,020,224

Required Supplementary Information
Employee Retirement and Benefit Systems
Schedule of Contributions
For the Year Ended December 31, 2020

	2015	2016	2017	2018	2019	2020
Actuarially determined contribution	$ 549,097	$ 577,523	$ 679,332	$ 718,776	$ 719,652	$ 844,603
Contributions in relation to the actuarially determined contribution	523,929	577,523	679,332	749,545	757,546	863,519
Contribution deficiency (excess)	$ 25,168	$ -	$ -	$ (30,769)	$ (37,894)	$ (18,916)
Covered - employee payroll	$ 3,387,358	$ 3,382,771	$ 3,710,408	$ 3,612,563	$ 3,815,748	$ 4,020,224
Contributions as a percentage of covered-employee payroll	15.47%	17.07%	18.31%	20.75%	19.85%	21.48%

Notes to Schedule:

Valuation date: December 31, 2019

Actuarially determined contribution rates are calculated as of December 31st each year, which is twelve months prior to the beginning of the fiscal year in which contributions were reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Individual Entry Age Normal Cost
Amortization methods	Level percent of payroll
Remaining amortization period	19 years (closed)
Asset valuation method	Market-related value with 5-year smoothing
Inflation	2.75% per year
Salary increases	3.00% including inflation
Investment rate of return	7.35%
Retirement age	Experience-based table of rates that are specific to the type of eligibility
Mortality	RP 2014 Generation Mortality Tables, blue-collar adjustment, projected with scale BB.

Required Supplementary Inforamtion
Employee Retirement and Benefit Systems
Schedule of Changes in the OPEB Liability and Related Ratios
Year Ended December 31, 2020

	Measurement Date		
	12/31/2017	12/31/2018	12/31/2019
Total OPEB Liability - Beginning of Year	$ 7,663,633	$ 8,034,417	$ 7,820,245
Service cost	298,846	314,043	290,127
Interest on total OPEB liability	246,236	256,816	287,494
Changes in assumptions	-	(535,055)	475,026
Difference between actual and expected experience	-	(81,878)	-
Benefit payments	(174,298)	(168,098)	(134,210)
OPEB Liability - End of Year	$ 8,034,417	$ 7,820,245	$ 8,738,682
Plan fiduciary net position			
Benefit payments	(174,298)	(168,098)	(134,210)
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position - Beginning of Year	-	-	-
Plan fiduciary net position - End of Year	$ -	$ -	$ -
Net OPEB liability - End of Year	$ 8,034,417	$ 7,820,245	$ 8,738,682
Plan fiduciary net position as a percentage of the total OPEB liability	0%	0%	0%
Covered Payroll	$ 3,298,735	$ 4,223,630	$ 4,281,682
Net OPEB liability as a percentage of covered payroll	243.56%	185.15%	204.09%
Schedule of Employer Contributions			
Actuarially determined contribution	174,298	572,075	593,528
Actual Contribution	174,298	168,098	134,210
Contribution deficiency/(excess)	$ -	$ 403,977	$ 459,318
Covered Payroll	$ 3,298,735	$ 4,223,630	$ 4,281,682
ADC as a percentage of payroll	5.28%	13.54%	13.86%

Key Assumptions:

Census Collection Date	January 1, 2018
Discount rate	3.26%
Year 1 per 65 inflation rates (Medical/RX)	8.00%
Year 2 inflation rate	7.50%
Ultimate inflation rate	4.50%
Year Ultimate inflation rate is reached	2026
Actuarial Cost Method	Entry age normal (percent of salary)

Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Taxes	$ 4,734,161	$ 4,821,753	$ 4,783,041	$ (38,712)
Licenses and Permits	414,960	463,605	444,149	(19,456)
Federal	242,656	243,931	246,741	2,810
State	1,188,533	1,330,807	1,271,458	(59,349)
Local	-	-	-	-
Charges for Services	1,390,700	1,441,809	1,181,381	(260,428)
Fines and Forfeits	24,800	24,800	10,384	(14,416)
Interest and Rents	86,520	87,212	85,716	(1,496)
Reimbursements	236,584	250,163	222,777	(27,386)
Other Revenue	223,773	232,242	65,763	(166,479)
TOTAL REVENUES	8,542,687	8,896,322	8,311,410	(584,912)
EXPENDITURES:				
Legislative				
Board of commissioners	154,772	142,961	142,930	31
Judicial				
Circuit court	355,833	372,514	372,333	181
District court	503,819	505,734	505,463	271
Friend of the court	285,987	246,377	246,369	8
Jury	250	311	300	11
Law Library	9,000	9,000	11,187	(2,187)
Probate court	422,806	369,884	369,841	43
Circuit court probation	1,850	1,055	1,054	1
Total Judicial	1,579,545	1,504,875	1,506,547	(1,672)
General Government				
Elections	88,700	135,036	134,916	120
Budgeting	10,225	25,101	25,100	1
Clerk	339,822	361,507	360,984	523
Equalization	176,188	192,160	192,149	11
GIS	9,800	7,195	7,194	1
Prosecuting attorney	425,361	441,678	441,642	36
Register of deeds	166,982	174,207	174,202	5
Treasurer	310,424	327,767	327,762	5
State survey & remonumentation	40,000	39,335	39,335	-
Cooperative extension	105,362	105,248	108,897	(3,649)
Computers	125,700	118,034	118,032	2
Building and grounds	354,002	406,701	406,684	17
Drain commission	58,359	52,102	52,087	15
Duplicator	59,000	46,675	46,668	7
Telephone contract	35,000	25,005	25,004	1
Mail department	49,000	50,559	50,557	2
Audit	29,500	29,895	29,895	-
Total General Government	2,383,425	2,538,205	2,541,108	(2,903)

Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
Public Safety				
Sheriff department	1,507,316	1,501,165	1,501,134	31
Traffic enforcement	-	9,432	9,431	1
Secondary road patrol	93,472	93,927	93,919	8
Marine	11,600	9,649	9,640	9
Courthouse security	-	380	379	1
Jail	1,615,084	1,654,727	1,654,698	29
Inmate meals	154,000	129,405	129,404	1
Construction code	218,416	236,427	236,418	9
Planning commission	17,200	1,655	1,629	26
Zoning department	72,828	83,600	83,594	6
911	873,808	838,266	835,524	2,742
Emergency management	60,574	92,703	92,696	7
Animal control	156,639	165,731	165,721	10
Total Public Safety	4,780,937	4,817,067	4,814,187	2,880
Public Works				
DPW	-	538	538	-
Drains at large	-	14,510	14,510	-
Total Public Works	-	15,048	15,048	-
Health and Welfare				
Public health	184,961	187,733	187,733	-
Contagious disease	500	100	100	-
Substance abuse	78,894	38,797	38,797	-
Mental health	91,531	91,531	91,531	-
Mental health guardianship	16,800	19,223	19,223	-
Veterans	81,218	88,502	88,383	119
Soldiers & sailors	1,500	1,500	-	1,500
Medical examiner	67,200	86,988	86,988	-
Total Health and Welfare	522,604	514,374	512,755	1,619
Recreation & Culture				
Parks	3,000	1,910	1,905	5
Other				
Insurance and bonds	164,892	217,514	217,513	1
Health insurance	131,217	181,262	181,261	1
Retirement	30,000	30,000	30,000	-
City/County airport	12,500	25,000	25,000	-
Total Other	338,609	453,776	453,774	2
Debt Service	-	157,528	157,528	-
Capital Outlay	382,000	561,721	561,712	9
Total Expenditures	10,144,892	10,707,465	10,707,494	(29)

Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	(1,602,205)	(1,811,143)	(2,396,084)	(584,941)
OTHER FINANCING SOURCES (USES):				
Lease Proceeds	-	-	-	-
Transfers In	1,853,715	2,102,353	2,093,014	(9,339)
Transfers Out	(251,212)	(290,912)	(290,089)	823
Total Other Financing Sources (Uses)	1,602,503	1,811,441	1,802,925	(8,516)
NET CHANGE IN FUND BALANCES	$ 298	$ 298	(593,159)	$ (593,457)
FUND BALANCE BEGINNING OF YEAR			911,804	
FUND BALANCE END OF YEAR			$ 318,645	

Required Supplementary Information
Budgetary Comparison Schedule
Emergency Medical Services Fund
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Taxes	$ 457,443	$ 457,443	$ 503,291	$ 45,848
Interest and Rents	9,000	9,000	5,930	(3,070)
TOTAL REVENUES	466,443	466,443	509,221	42,778
EXPENDITURES:				
Health & Welfare	752,500	752,500	840,310	(87,810)
TOTAL EXPENDITURES	752,500	752,500	840,310	(87,810)
NET CHANGE IN FUND BALANCES	$ (286,057)	$ (286,057)	(331,089)	$ (45,032)
FUND BALANCE BEGINNING OF YEAR			1,828,085	
FUND BALANCE END OF YEAR			$ 1,496,996	

Required Supplementary Information
Budgetary Comparison Schedule
E 911 Millage Fund
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Taxes	$ -	$ -	$ 756,463	$ 756,463
Interest and Rents	-	-	2,089	2,089
TOTAL REVENUES	-	-	758,552	758,552
EXPENDITURES:				
Public Safety	-	-	25,785	(25,785)
TOTAL EXPENDITURES	-	-	25,785	(25,785)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	-	-	732,767	732,767
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	(896,897)	(896,897)
NET CHANGE IN FUND BALANCES	$ -	$ -	(164,130)	$ (164,130)
FUND BALANCE BEGINNING OF YEAR			669,840	
FUND BALANCE END OF YEAR			$ 505,710	

Required Supplementary Information
Budgetary Comparison Schedule
Wireless E 911 Fund
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
State	$ -	$ -	$ 165,847	$ 165,847
Interest and Rents	-	-	4,501	4,501
TOTAL REVENUES	-	-	170,348	170,348
EXPENDITURES:				
Public Safety	-	-	12,585	(12,585)
TOTAL EXPENDITURES	-	-	12,585	(12,585)
NET CHANGE IN FUND BALANCES	$ -	$ -	157,763	$ 157,763
FUND BALANCE BEGINNING OF YEAR			1,117,902	
FUND BALANCE END OF YEAR			$ 1,275,665	

Required Supplementary Information
Budgetary Comparison Schedule
Senior Citizens Program Fund
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Taxes	$ 685,271	$ 685,271	$ 759,581	$ 74,310
Interest and Rents	250	250	533	283
TOTAL REVENUES	685,521	685,521	760,114	74,593
EXPENDITURES:				
Health & Welfare	687,069	687,069	738,995	(51,926)
TOTAL EXPENDITURES	687,069	687,069	738,995	(51,926)
NET CHANGE IN FUND BALANCES	$ (1,548)	$ (1,548)	21,119	$ 22,667
FUND BALANCE BEGINNING OF YEAR			63,971	
FUND BALANCE END OF YEAR			$ 85,090	

Other Information

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020

	Special Revenue Funds							
	Friend of the Court	Animal Shelter Millage	Gypsy Moth	Breault Road Tower	Economic Development Administration	Courthouse Preservation	Economic Development Revolving	Register of Deeds Technology
ASSETS:								
Cash and Equivalents	$ 195,301	$ 109,127	$ 7,318	$ 8,200	$ 46,125	$ 46,444	$ 74,169	$ 59,569
Accounts Receivable	-	-	-	-	-	-	44,253	-
Taxes Receivable	-	185,767	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	3,000	-	-	-
Due from Other Governmental Units	7,360	-	-	-	-	-	-	-
TOTAL ASSETS	$ 202,661	$ 294,894	$ 7,318	$ 8,200	$ 49,125	$ 46,444	$ 118,422	$ 59,569
LIABILITIES:								
Due to Other Funds	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,000	$ -
Accounts Payable	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	3,000	-
DEFERRED INFLOWS OF RESOURCES:								
Property Taxes Levied for Subsequent Period	-	206,825	-	-	-	-	-	-
Other State Grants/Loans	-	-	-	-	-	-	44,253	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	206,825	-	-	-	-	44,253	-
FUND BALANCES:								
Restricted	202,661	88,069	7,318	8,200	49,125	46,444	71,169	59,569
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
TOTAL FUND BALANCES	202,661	88,069	7,318	8,200	49,125	46,444	71,169	59,569
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 202,661	$ 294,894	$ 7,318	$ 8,200	$ 49,125	$ 46,444	$ 118,422	$ 59,569

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020

	Special Revenue Funds							
	FEMA Flood Mapping	Marriage Counseling	Concealed Pistol	Corrections Officer Training	Drug Enforcement	Social Welfare	CDBG	E-911 4% Surcharge
ASSETS:								
Cash and Equivalents	$ 1,301	$ 33,529	$ 20,578	$ 25,167	$ 5,023	$ -	$ 40,060	$ 367,131
Accounts Receivable	-	-	-	-	-	-	-	-
Taxes Receivable	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-
Due from Other Governmental Units	-	-	-	-	-	-	-	-
TOTAL ASSETS	$ 1,301	$ 33,529	$ 20,578	$ 25,167	$ 5,023	$ -	$ 40,060	$ 367,131
LIABILITIES:								
Due to Other Funds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts Payable	-	-	-	-	-	-	-	2,631
TOTAL LIABILITIES	-	-	-	-	-	-	-	2,631
DEFERRED INFLOWS OF RESOURCES:								
Property Taxes Levied for Subsequent Period	-	-	-	-	-	-	-	-
Other State Grants	-	-	-	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-	-	-	-	-
FUND BALANCES:								
Restricted	1,301	33,529	20,578	25,167	5,023	-	-	364,500
Committed	-	-	-	-	-	-	40,060	-
Assigned	-	-	-	-	-	-	-	-
TOTAL FUND BALANCES	1,301	33,529	20,578	25,167	5,023	-	40,060	364,500
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 1,301	$ 33,529	$ 20,578	$ 25,167	$ 5,023	$ -	$ 40,060	$ 367,131

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020

	Special Revenue Funds							
	Commissary	Sheriff Training	Jail Telephone	Project Fresh	DHS - Child Care	Probate Court Child Care	Veterans	Veterans Bouillard
ASSETS:								
Cash and Equivalents	$ 8,062	$ 7,861	$ 32,485	$ -	$ 17,555	$ 126,135	$ 787	$ 14,740
Accounts Receivable	-	-	-	-	-	-	-	-
Taxes Receivable	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-
Due from Other Governmental Units	-	-	-	-	-	-	-	-
TOTAL ASSETS	$ 8,062	$ 7,861	$ 32,485	$ -	$ 17,555	$ 126,135	$ 787	$ 14,740
LIABILITIES:								
Due to Other Funds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts Payable	-	-	-	-	-	89,641	-	
TOTAL LIABILITIES	-	-	-	-	-	89,641	-	-
DEFERRED INFLOWS OF RESOURCES:								
Property Taxes Levied for Subsequent Period	-	-	-	-	-	-	-	-
Other State Grants	-	-	-	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-	-	-	-	-
FUND BALANCES:								
Restricted	-	7,861	32,485	-	17,555	36,494	787	-
Committed	-	-	-	-	-	-	-	-
Assigned	8,062	-	-	-	-	-	-	14,740
TOTAL FUND BALANCES	8,062	7,861	32,485	-	17,555	36,494	787	14,740
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 8,062	$ 7,861	$ 32,485	$ -	$ 17,555	$ 126,135	$ 787	$ 14,740

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020

	Special Revenue Funds					
	Disaster Contingency	Veterans Service Fund	Soil Conservation	Victims Advocate	Trail & Recreation	Totals
ASSETS:						
Cash and Equivalents	$ 3,501	$ 39,261	$ 45	$ 25	$ 37,500	1,326,999
Accounts Receivable	-	-	-	-	-	44,253
Taxes Receivable	-	-	-	-	-	185,767
Due from Other Funds	-	-	-	-	-	3,000
Due from Other Governmental Units	-	-	-	-	-	7,360
TOTAL ASSETS	$ 3,501	$ 39,261	$ 45	$ 25	$ 37,500	1,567,379
LIABILITIES:						
Due to Other Funds	$ -	$ -	$ -	$ -	$ -	$ 3,000
Accounts Payable	-	425	-	-	5,000	97,697
TOTAL LIABILITIES	-	425	-	-	5,000	100,697
DEFERRED INFLOWS OF RESOURCES:						
Property Taxes Levied for Subsequent Period	-	-	-	-	-	206,825
Other State Grants	-	-	-	-	-	44,253
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-	-	251,078
FUND BALANCES:						
Restricted	-	-	-	-	-	1,077,835
Committed	-	-	-	-	-	40,060
Assigned	3,501	38,836	45	25	32,500	97,709
TOTAL FUND BALANCES	3,501	38,836	45	25	32,500	1,215,604
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 3,501	$ 39,261	$ 45	$ 25	$ 37,500	$ 1,567,379

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

	Special Revenue Funds							
	Friend of the Court	Animal Shelter Millage	Gypsy Moth	Breault Road Tower	Economic Development Administration	Courthouse Preservation	Economic Development Revolving	Register of Deeds Technology
REVENUES:								
Taxes	$ -	$ 201,648	$ -	$ -	$ -	$ -	$ -	$ -
Federal	81,817	-	-	-	17,744	-	-	-
State	-	-	-	-	-	-	-	-
Local	-	-	-	-	42,661	-	-	-
Charges for Services	4,880	8,772	13,000	-	-	-	13,168	39,160
Interest and Rents	-	49	-	-	78	-	1,189	21
Other Revenue	-	-	-	6,000	-	55,787	-	-
TOTAL REVENUES	86,697	210,469	13,000	6,000	60,483	55,787	14,357	39,181
EXPENDITURES:								
Judicial	-	-	-	-	-	-	-	-
General Government	-	-	-	-	-	-	-	27,383
Public Safety	-	6,979	-	-	-	-	-	-
Health and Welfare	-	-	6,002	-	-	-	-	-
Community and Economic Development	-	-	-	-	60,779	-	-	-
Recreation and Culture	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	-	6,979	6,002	-	60,779	-	-	27,383
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	86,697	203,490	6,998	6,000	(296)	55,787	14,357	11,798
OTHER FINANCING SOURCES (USES):								
Transfers In	-	-	-	-	5,000	-	-	-
Transfers Out	(68,000)	(199,089)	-	(18,800)	-	(10,000)	-	(6,800)
TOTAL OTHER FINANCING SOURCES (USES)	(68,000)	(199,089)	-	(18,800)	5,000	(10,000)	-	(6,800)
NET CHANGE IN FUND BALANCES	18,697	4,401	6,998	(12,800)	4,704	45,787	14,357	4,998
FUND BALANCE BEGINNING OF YEAR	183,964	83,668	320	21,000	44,421	657	56,812	54,571
FUND BALANCE END OF YEAR	$ 202,661	$ 88,069	$ 7,318	$ 8,200	$ 49,125	$ 46,444	$ 71,169	$ 59,569

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

	Special Revenue Funds							
	FEMA Flood Mapping	Marriage Counseling	Concealed Pistol	Corrections Officer Training	Drug Enforcement	Social Welfare	CDBG	E-911 4% Surcharge
REVENUES:								
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Federal	-	-	-	-	-	-	-	-
State	-	-	-	-	-	-	-	-
Local	-	-	-	-	-	-	-	-
Charges for Services	-	1,710	21,054	769	352	-	35,783	124,401
Interest and Rents	-	-	-	-	-	-	23	433
Other Revenue	-	-	-	-	-	-	-	-
TOTAL REVENUES	-	1,710	21,054	769	352	-	35,806	124,834
EXPENDITURES:								
Judicial	-	2,295	-	-	-	-	-	-
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	6,075	5,287	32	-	-	89,806
Health and Welfare	-	-	-	-	-	900	-	-
Community and Economic Development	-	-	-	-	-	-	56,786	-
Recreation and Culture	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	-	2,295	6,075	5,287	32	900	56,786	89,806
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	-	(585)	14,979	(4,518)	320	(900)	(20,980)	35,028
OTHER FINANCING SOURCES (USES):								
Transfers In	-	-	-	-	-	900	-	-
Transfers Out	-	-	(20,000)	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(20,000)	-	-	900	-	-
NET CHANGE IN FUND BALANCES	-	(585)	(5,021)	(4,518)	320	-	(20,980)	35,028
FUND BALANCE BEGINNING OF YEAR	1,301	34,114	25,599	29,685	4,703	-	61,040	329,472
FUND BALANCE END OF YEAR	$ 1,301	$ 33,529	$ 20,578	$ 25,167	$ 5,023	$ -	$ 40,060	$ 364,500

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

	Special Revenue Funds							
	Commissary	Sheriff Training	Jail Telephone	Project Fresh	DHS - Child Care	Probate Court - Child Care	Veterans	Veterans Bouillard
REVENUES:								
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Federal	-	-	-	-	-	-	-	-
State	-	1,917	-	-	13,215	27,445	-	-
Local	-	-	-	-	-	-	-	-
Charges for Services	19,068	-	25,941	-	-	-	-	-
Interest and Rents	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	1,325	12,088	-	2,600
TOTAL REVENUES	19,068	1,917	25,941	-	14,540	39,533	-	2,600
EXPENDITURES:								
Judicial	-	-	-	-	-	-	-	-
General Government	-	-	-	1,930	-	-	-	-
Public Safety	16,113	1,253	3,610	-	-	-	-	-
Health and Welfare	-	-	-	-	-	197,882	-	7,633
Community and Economic Development	-	-	-	-	-	-	-	-
Recreation and Culture	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	16,113	1,253	3,610	1,930	-	197,882	-	7,633
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	2,955	664	22,331	(1,930)	14,540	(158,349)	-	(5,033)
OTHER FINANCING SOURCES (USES):								
Transfers In	-	-	-	-	-	169,177	-	-
Transfers Out	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	169,177	-	-
NET CHANGE IN FUND BALANCES	2,955	664	22,331	(1,930)	14,540	10,828	-	(5,033)
FUND BALANCE BEGINNING OF YEAR	5,107	7,197	10,154	1,930	3,015	25,666	787	19,773
FUND BALANCE END OF YEAR	$ 8,062	$ 7,861	$ 32,485	$ -	$ 17,555	$ 36,494	$ 787	$ 14,740

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

	Special Revenue Fund					
	Disaster Contingency	Veterans Service Grant	Soil Conservation	Victims Advocate	Trail & Recreation	Totals
REVENUES:						
Taxes	$ -	$ -	$ 45	$ -	$ -	$ 201,693
Federal	-	-	-	-	-	99,561
State	-	77,216	-	-	-	119,793
Local	-	-	-	25	50,000	92,686
Charges for Services	-	-	-	-	-	308,058
Interest and Rents	-	11	-	-	-	1,804
Other Revenue	-	-	-	-	-	77,800
TOTAL REVENUES	-	77,227	45	25	50,000	901,395
EXPENDITURES:						
Judicial	-	-	-	-	-	2,295
General Government	-	-	-	-	-	29,313
Public Safety	-	-	-	-	-	129,155
Health and Welfare	-	26,117	-	-	-	238,534
Community and Economic Development	-	-	-	-	-	117,565
Recreation and Culture	-	-	-	-	17,500	17,500
TOTAL EXPENDITURES	-	26,117	-	-	17,500	534,362
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	-	51,110	45	25	32,500	367,033
OTHER FINANCING SOURCES (USES):						
Transfers In	-	-	-	-	-	175,077
Transfers Out	-	(14,272)	-	-	-	(336,961)
TOTAL OTHER FINANCING SOURCES (USES)	-	(14,272)	-	-	-	(161,884)
NET CHANGE IN FUND BALANCES	-	36,838	45	25	32,500	205,149
FUND BALANCE BEGINNING OF YEAR	3,501	1,998	-	-	-	1,010,455
FUND BALANCE END OF YEAR	$ 3,501	$ 38,836	$ 45	$ 25	$ 32,500	$ 1,215,604

Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2020

	2017 Tax Revolving	2018 Tax Revolving	2019 Tax Revolving	2015 Tax Revolving	2016 Tax Revolving	Totals
ASSETS:						
Cash and Equivalents	$ -	$ 252,174	$ 135,868	$ -	$ -	$ 388,042
Taxes Receivable	-	28,338	176,182	-	-	204,520
Due from Other Governmental Units	-	46,910	-	-	-	46,910
TOTAL ASSETS	$ -	$ 327,422	$ 312,050	$ -	$ -	$ 639,472
NET POSITION:						
Unrestricted	$ -	$ 327,422	$ 312,050	$ -	$ -	$ 639,472
TOTAL NET POSITION	$ -	$ 327,422	$ 312,050	$ -	$ -	$ 639,472

Combining Statement of Revenues, Expenses and Changes in Net Position - Nonmajor Enterprise Funds
For the Year Ended December 31, 2020

	2017 Tax Revolving	2018 Tax Revolving	2019 Tax Revolving	2015 Tax Revolving	2016 Tax Revolving	Totals
OPERATING REVENUES:						
Interest and Penalties on Taxes	$ 1,518	$ 75,019	$ 153,350	$ 55	$ 660	$ 230,602
Administrative Fees	814	16,087	43,777	4	250	60,932
Total Operating Revenues	2,332	91,106	197,127	59	910	291,534
OPERATING INCOME (LOSS)	2,332	91,106	197,127	59	910	291,534
NON-OPERATING REVENUES (EXPENSES):						
Interest Expense	-	-	(4,210)	-	-	(4,210)
Interest Income	46	57	44	99	81	327
Total Non-Operating Revenues (Expenses)	46	57	(4,166)	99	81	(3,883)
Income (Loss) Before Transfers	2,378	91,163	192,961	158	991	287,651
Other Financing Sources (Uses)						
Transfers Out	(367,896)	-	-	(8,904)	(359,797)	(736,597)
CHANGE IN NET POSITION	(365,518)	91,163	192,961	(8,746)	(358,806)	(448,946)
NET POSITION, BEGINNING OF YEAR	365,518	236,259	119,089	8,746	358,806	1,088,418
NET POSITION, END OF YEAR	$ -	$ 327,422	$ 312,050	$ -	$ -	$ 639,472

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2020

	2017 Tax Revolving	2018 Tax Revolving	2019 Tax Revolving	2015 Tax Revolving	2016 Tax Revolving	Totals
Cash Flows From Operating Activities:						
Cash Received from Customers	$ 8,570	$ 208,707	$ 1,176,985	$ 4,629	$ 19,146	$ 1,418,037
Cash Paid to Other Funds	300,000	(148,000)	(250,000)	-	98,000	-
Net Cash Provided (Used) by Operating Activities	308,570	60,707	926,985	4,629	117,146	1,418,037
Cash Flows From Noncapital and Related Financing Activities:						
Transfers Out	(367,896)	-	-	(8,904)	(359,797)	(736,597)
Net Cash Provided (Used) by Noncapital and Related Financing Activities	(367,896)	-	-	(8,904)	(359,797)	(736,597)
Cash Flows From Capital and Related Financing Activities:						
Interest Payments	-	-	(4,210)	-	-	(4,210)
Principal Payments	-	-	(910,000)	-	-	(910,000)
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	(914,210)	-	-	(914,210)
Cash Flows from Investing Activities:						
Interest on Deposits	46	57	44	99	81	327
Net Cash Provided (Used) by Investing Activities	46	57	44	99	81	327
Net Increase (Decrease) in Cash and Equivalents	(59,280)	60,764	12,819	(4,176)	(242,570)	(232,443)
Cash and Equivalents - Beginning of Year	59,280	191,410	123,049	4,176	242,570	620,485
Cash and Equivalents - End of Year	$ -	$ 252,174	$ 135,868	$ -	$ -	$ 388,042
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating Income (Loss)	$ 2,332	$ 91,106	$ 197,127	$ 59	$ 910	$ 291,534
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Change in Assets and Liabilities:						
(Increase) Decrease in Assets						
Receivables	6,238	164,511	979,858	4,570	55	1,155,232
Due From Other Funds	300,000	-	-	-	98,000	398,000
Due from Other Governmental Units	-	(46,910)	-	-	18,181	(28,729)
(Decrease) Increase in Liabilities						
Due to Other Funds		(148,000)	(250,000)	-	-	(398,000)
Net Cash Provided (Used) by Operating Activities	$ 308,570	$ 60,707	$ 926,985	$ 4,629	$ 117,146	$ 1,418,037

Combining Statement of Net Position
Fiduciary Funds
December 31, 2020

	Trust and Agency	Library Fund (Penal Fines)	Inmate Trust	Totals
ASSETS:				
Cash and Equivalents	$ 185,221	$ 163	$ 8,804	$ 194,188
LIABILITIES:				
Due to Other Governmental Units	$ -	$ 163	$ -	$ 163
Due to Individuals and Agencies	185,221	-	8,804	194,025
TOTAL LIABILITIES	$ 185,221	$ 163	$ 8,804	$ 194,188

Combining Balance Sheet
Component Unit - Drainage Districts
December 31, 2020

	Debt Service		Capital Project Funds		
	Drain	Revolving Drain	Storm Water Management	Chappel Dam Construction Fund	Wiggins Dam
ASSETS:					
Cash and Equivalents	$ 193,824	$ 7,903	$ -	$ -	$ 220,993
Receivables					
Special Assessments	113,821	-	-	-	-
Due from Other Funds	294,654	78,271	-	55,500	-
TOTAL ASSETS	$ 602,299	$ 86,174	$ -	$ 55,500	$ 220,993
LIABILITIES:					
Accounts Payable	$ -	$ -	$ -	$ -	$ -
Due to Other Funds	372,925	-	-	-	-
Due to Other Governmental Units	-	6,300	-	-	-
TOTAL LIABILITIES	372,925	6,300	-	-	-
DEFERRED INFLOWS OF RESOURCES:					
Unavailable Revenue	113,821	-	-	-	-
FUND BALANCES:					
Restricted for Debt Service	-	-	-	-	-
Committed for Capital Improvements	115,553	79,874	-	55,500	220,993
TOTAL FUND BALANCES	115,553	79,874	-	55,500	220,993
TOTAL LIABILITIES, DEFERRED INFLOWS RESOURCES, AND FUND BALANCES	$ 602,299	$ 86,174	$ -	$ 55,500	$ 220,993

Combining Balance Sheet
Component Unit - Drainage Districts
December 31, 2020

	Capital Project Funds				
	Lake Level	Chappel Dam Debt Retirement	Wiggins Lake Dam	Lake Improvement	Totals
ASSETS:					
Cash and Equivalents	$ 105,377	$ 108,870	$ 17,746	$ 379,595	$ 1,034,308
Receivables					
Special Assessments	159,859	-	-	212,513	486,193
Due from Other Funds	-	-	-	-	428,425
TOTAL ASSETS	$ 265,236	$ 108,870	$ 17,746	$ 592,108	$ 1,948,926
LIABILITIES:					
Accounts Payable	$ 504	$ -	$ -	$ 3,000	$ 3,504
Due to Other Funds	40,500	-	-	15,000	428,425
Due to Other Governmental Units		-	-	-	6,300
TOTAL LIABILITIES	41,004	-	-	18,000	438,229
DEFERRED INFLOWS OF RESOURCES:					
Unavailable Revenue	159,859	-	-	212,513	486,193
FUND BALANCES:					
Restricted for Debt Service	-	108,870	17,746	-	126,616
Committed for Capital Improvements	64,373	-	-	361,595	897,888
TOTAL FUND BALANCES	64,373	108,870	17,746	361,595	1,024,504
TOTAL LIABILITIES, DEFERRED INFLOWS RESOURCES, AND FUND BALANCES	$ 265,236	$ 108,870	$ 17,746	$ 592,108	$ 1,948,926

Reconciliation of the Combining Balance Sheet to the Statement of Net Position - Component Unit - Drainage Districts
December 31, 2020

Total fund balances - governmental funds		$ 1,024,504
Amounts reported for the 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 as assets in the governmental funds.		
Capital assets, net		1,934,019
Long-term receivables are not available to pay for current period expenditures and therefore are not available in the funds. They consist of:		
Special Assessments		486,193
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of the following:		
Notes payable	(1,200,000)	
Accrued interest payable	(4,063)	
		(1,204,063)
Net position of governmental activities		$ 2,240,653

Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Component Unit - Drainage Districts
For the Year Ended December 31, 2020

	Debt Service		Capital Project Funds		
	Drain	Revolving Drain	Storm Water Management	Chappel Dam Construction Fund	Wiggins Dam
REVENUES					
Special Assessment	$ 87,963	$ -	$ -	$ -	$ -
Interest	151	13	3	-	13
Total Revenues	88,114	13	3	-	13
EXPENDITURES					
Public works	377,734	-	1	-	626,829
Debt Service	-	-	-	-	-
Total Expenditures	377,734	-	1	-	626,829
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	(289,620)	13	2	-	(626,816)
Other Financing Sources/(Uses)					
Loan Proceeds	-	-	-	-	565,000
Transfers In	6,363	-	-	-	282,809
Transfers Out	-	-	(6,363)	-	-
Total Other Financing Sources/(Uses)	6,363	-	(6,363)	-	847,809
NET CHANGE IN FUND BALANCES	(283,257)	13	(6,361)	-	220,993
FUND BALANCE BEGINNING OF YEAR	398,810	79,861	6,361	55,500	-
FUND BALANCE END OF YEAR	$ 115,553	$ 79,874	$ -	$ 55,500	$ 220,993

Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Component Unit - Drainage Districts
For the Year Ended December 31, 2020

	Capital Project Funds				
	Lake Level	Chappel Dam Debt Retirement	Wiggins Lake Dam	Lake Improvement	Totals
REVENUES					
Special Assessment	$ 133,793	$ 134,555	$ 302,754	$ 212,421	$ 871,486
Interest		49	3		232
Total Revenues	133,793	134,604	302,757	212,421	871,718
EXPENDITURES					
Public works	53,274	-	-	113,348	1,171,186
Debt Service	-	139,263	2,202	-	141,465
Total Expenditures	53,274	139,263	2,202	113,348	1,312,651
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	80,519	(4,659)	300,555	99,073	(440,933)
Other Financing Sources/(Uses)					
Loan Proceeds	-	-	-	-	565,000
Transfers In	-	-	-	-	289,172
Transfers Out	-	-	(282,809)	-	(289,172)
Total Other Financing Sources/(Uses)	-	-	(282,809)	-	565,000
NET CHANGE IN FUND BALANCES	80,519	(4,659)	17,746	99,073	124,067
FUND BALANCE BEGINNING OF YEAR	(16,146)	113,529	-	262,522	900,437
FUND BALANCE END OF YEAR	$ 64,373	$ 108,870	$ 17,746	$ 361,595	$ 1,024,504

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of to the Statement of Activities
Component Unit - Drainage Districts
For the Year Ended December 31, 2020

Net changes in fund balances - total governmental funds		$ 124,067
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds reported capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital Outlay	610,190	
Depreciation Expense	(32,288)	
Excess of depreciation expense		577,902
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. In the current period, these amounts consist of:		
Unavailable Revenue		141,412
Debt Proceeds		(565,000)
Repayment of long-term debt and borrowing of long-term debt is reported as expenditures and other financing sources in governmental funds, but the repayment reduces long-term liabilities and the borrowing increase long-term liabilities in the statement of net position.		
Change in accrued interest payable	(624)	
Note principal retirement	100,000	
		99,376
Changes in net position of governmental activities		$ 377,757

Combining Balance Sheet
Component Unit - Board of Public Works
December 31, 2020

	Public Works	Gladwin City 1996 Water/Sewage Debt	Totals
ASSETS:			
Cash and Equivalents	$ 161,573	$ -	$ 161,573
TOTAL ASSETS	$ 161,573	$ -	$ 161,573
FUND BALANCES:			
Restricted for:			
Debt Service	-	-	-
Capital Projects	161,573	-	161,573
TOTAL FUND BALANCES	161,573	-	161,573
TOTAL LIABILITIES AND FUND BALANCES	$ 161,573	$ -	$ 161,573

Reconciliation of the Combining Balance Sheet to the Statement of Net Position - Component Unit - Board of Public Works
December 31, 2020

Total fund balances - governmental funds		$ 161,573
Amounts reported for the governmental activities in the statement of net position are different because:		
Long-term receivables are not available to pay for current period expenditures and therefore are not reported as assets in the funds.		
Deferred portion of leases receivable		-
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.		
Direct obligations	-	
Accrued interest payable	-	
		-
Net position of governmental activities		$ 161,573

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Component Unit - Board of Public Works
For the Year Ended December 31, 2020

	Public Works	Gladwin City 1996 Water/Sewage Debt	Totals
REVENUES:			
Intergovernmental	$ -	$ 104,548	$ 104,548
Interest on Investments	-		-
Total Revenues	-	104,548	104,548
EXPENDITURES:			
Debt Service	-	104,550	104,550
Total Expenditures	-	104,550	104,550
NET CHANGE IN FUND BALANCES	-	(2)	(2)
FUND BALANCE BEGINNING OF YEAR	161,573	2	161,575
FUND BALANCE END OF YEAR	$ 161,573	$ -	$ 161,573

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities
Component Unit - Board of Public Works
For the Year Ended December 31, 2020

Net changes in fund balances - total governmental funds	$ (2)
The change in net position reported for governmental activities in the statement of activities is different because:	
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	
Change in leases receivable	(101,517)
Repayment of long-term debt and borrowing of long-term debt is reported as expenditures and other financing sources in governmental funds, but the repayment reduces long-term liabilities and the borrowing increase long-term liabilities in the statement of net position.	
Bond principal retirement	100,000
Some items reported in the statement of activities require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Change in accrued interest payable	1,517
Changes in net position of governmental activities	$ (2)

Report on Compliance

ANDERSON, TACKMAN & COMPANY, PLC
CERTIFIED PUBLIC ACCOUNTANTS

KINROSS OFFICE
SUE A. BOWLBY, CPA, PRINCIPAL
KENNETH A. TALSMA, CPA, PRINCIPAL
AMBER N. MACK, CPA, PRINCIPAL

PHILLIP J. WOLF, CPA
LESLIE BOHN, CPA
TORI KRUISE, CPA

MEMBER AICPA
DIVISION FOR CPA FIRMS
MEMBER MACPA
OFFICES IN
MICHIGAN & WISCONSIN

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Commissioners
Gladwin County
Gladwin, Michigan

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, 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 Gladwin, Michigan, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County of Gladwin, Michigan's basic financial statements and have issued our report thereon dated May 24, 2021. Our report includes a reference to other auditors who audited the financial statements of the Gladwin County Road Commission and Gladwin City-County Transit, as described in our report on the County of Gladwin, Michigan's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County of Gladwin, Michigan's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County of Gladwin, Michigan's internal control. Accordingly, we do not express an opinion on the effectiveness of the County of Gladwin, Michigan's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

16978 S. RILEY AVENUE
KINCHELOE, MICHIGAN 49788

(906) 495-5952 / FAX 495-7312
E-mail: antack@antack.com

To the Board of Commissioners
Gladwin County

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompany schedule of findings and responses that we consider to be a significant deficiency listed as 2020-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Gladwin, Michigan's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards,* which is described in the accompanying schedule of findings and responses as item 2020-001.

County of Gladwin, Michigan's Response to Findings

The County of Gladwin, Michigan's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. The County of Gladwin, Michigan's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Anderson, Tackman & Company, PLC
Certified Public Accountants
Kincheloe, Michigan

May 24, 2021

Significant Deficiencies – Noncompliance with State Statutes

Excess Expenditures Over Appropriations ***Finding 2020-001***

Condition: Our examination indicated instances of noncompliance with the provisions of Public Act 2 of 1968, the Uniform Budgeting and Accounting Act.

The County's 2020 General Appropriations Act (budget) provided for expenditures of the following funds to be controlled to the activity level. During the fiscal year ended December 31, 2020, expenditures were incurred in excess of amounts appropriated in the amended budgets.

Criteria: The expenditures of funds in excess of appropriations are contrary to the provisions of Public Act 2 of 1968, the Uniform Budget and Accounting Act.

During the year ended December 31, 2020, the County incurred expenditures in certain budgetary funds, which were in excess of the amount appropriated as follows:

	Total Appropriations	Amount of Expenditures	Budget Variance
Emergency Medical Services Fund:			
Health and Welfare	$ 752,500	$ 840,310	$ (87,810)
E 911 Millage Fund:			
Public Safety	$ -	$ 25,785	$ (25,785)
Transfers Out	$ -	$ 896,897	$ (896,897)
Wireless E 911 Fund:			
Public Safety	$ -	$ 12,585	$ (12,585)
Senior Citizens Program Fund:			
Health and Welfare	$ 687,069	$ 738,995	$ (51,926)

Effect: The County has not complied with State Statutes.

Cause: A budget was not adopted for E 911 Millage Fund or Wireless E911 Fund prior to the beginning of the fiscal year. The Emergency Medical Services Fund and Senior Citizens Program Fund had expenditures in excess of amounts appropriated in the amended budgets.

Recommendation: The County should follow the State Law that requires County Governmental Funds have budgets for its funds approved before the fiscal year commences.

Management's Response – Corrective Action Plan: Management does monitor budgets closely and perform budget amendments on a timely basis. We will work to implement budget amendments as soon as information becomes available to us; however, because the budgets lapse at year end amendments can only be made as information becomes available.

- Contact Person(s) Responsible for Correction:
  Ron Taylor, Chairman

ANDERSON, TACKMAN & COMPANY, PLC
CERTIFIED PUBLIC ACCOUNTANTS

KINROSS OFFICE
SUE A. BOWLBY, CPA, PRINCIPAL
KENNETH A. TALSMA, CPA, PRINCIPAL
AMBER N. MACK, CPA, PRINCIPAL

PHILLIP J. WOLF, CPA
LESLIE BOHN, CPA
TORI KRUISE, CPA

MEMBER AICPA
DIVISION FOR CPA FIRMS
MEMBER MACPA
OFFICES IN
MICHIGAN & WISCONSIN

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the Board of Commissioners
Gladwin County
Gladwin, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Gladwin, Michigan for the year ended December 31, 2020, and have issued our report thereon dated May 24, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards and *Government Auditing Standards*

As stated in our engagement letter dated January 15, 2021 our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, inconformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the internal control of the County of Gladwin, Michigan. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to the management's discussion and analysis, schedule of funding progress, and budgetary comparison schedules, which supplement the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

16978 S. RILEY AVENUE
KINCHELOE, MICHIGAN 49788

(906) 495-5952 / FAX 495-7312
E-mail: antack@antack.com

We have been engaged to report on combining fund financial statements, which accompany the financial statements but are not RSI. Our responsibility for this other information, as described by professional standards, is to evaluate the presentation of the other information in relation to the financial statements as a whole and to report on whether the other information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our correspondence about planning matters dated January 15, 2020.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the County of Gladwin, Michigan are described in Note 1 to the financial statements. One new accounting pronouncement was adopted regarding the implementation of GASB Statement 84 and the application of existing policies was not changed during the year. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

- Management's estimate of the depreciation expense is based on estimated lives. We evaluated the key factors and assumptions used to develop the estimate to determine that it is reasonable in relation to the financial statements taken as a whole.

- Management's estimate of the allowance for uncollectible accounts receivable is based on past experience and future expectations for collection of various account balances and has been determined to be zero.

- Management's estimate of the Annual Required Contribution for OPEB Obligations and net pension liability were based on various assumptions regarding life expectancies, inflation, premium increases, and investment rates.

- Management's estimate of the vested employee benefits is based on current hourly rates and policies regarding payment of sick and vacation banks.

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Disagreement with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 24, 2021.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Comments and Recommendations

Year End Accruals (Prior Year)

It was noted during our review of accounts receivable at year end that multiple accounts had stale prior year balances and unrecorded or unadjusted current year receivables. We recommend that accounts receivable be reviewed at year end to ensure that all amounts are accurately reported.

Status: Corrected

Budgets (Prior Year)

A budget was not adopted for the E-911 Millage or E-911 Wireless funds prior to the beginning of the County's fiscal year. State law requires that County's Governmental funds follow the State's prescribed timetable in having budgets for it's funds approved before the fiscal year commences.

Status: No change.

Long Outstanding Checks (Prior Year)

It was noted in our review of bank reconciliations there are multiple checks that are over one-year delinquent. We recommend that the County follow the State of Michigan's Unclaimed Property Act (Act 29 of 1995) for all unclaimed property to ensure compliance with State statutes.

Status: No change

Single Approach for Reporting Leases

The Governmental Accounting Standards Board (GASB) issued guidance that establishes a single approach to accounting for and reporting leases by state and local governments. The single approach is based on the principle that leases are financing of the right to use an underlying asset.

GASB Statement No. 87, *Leases*, provides guidance for lease contracts for nonfinancial assets – including vehicles heavy equipment, and buildings – but excludes nonexchange transactions, including donated assets, and leases of intangible assets.

Under the new Statement, a lessee government is required to recognize (1) a lease liability and (2) an intangible asset representing the lessee's right to use the leased asset. A lessor government is required to recognize (1) a lease receivable and (2) a deferred inflow of resources. A lessor will continue to report the leased asset in its financial statements.

A lease also will report the following in its financial statements:

- Amortization expense for using the lease asset (similar to depreciation) over the shorter of the term of the lease or the useful life of the underlying asset.
- Interest expense on the lease liability.
- Note disclosures about the lease, including a general description of the leasing arrangement, the amount of the lease assets recognized, and a schedule of future lease payment to be made.

Limited exceptions to the single-approach guidance are provided for:

- Short-term leases, defined as lasting a maximum of 12 months at inception, including any options to extend.
- Financial purchases.
- Certain regulated leases, such as between municipal airports and air carriers.

The full text of Statement 87 is available on the GASB website, www.gasb.org.

Other Matters

We applied certain limited procedures to the management's discussion and analysis and budgetary comparison schedules, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquires of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and our knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

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

Conclusion

This information is intended solely for the information and use of the Board of Commissioners, management, federal and state awarding agencies, pass-through entities and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Anderson Tackman & Co. PLC

Anderson Tackman & Company, PLC
Certified Public Accountants
Kincheloe, Michigan

May 24, 2021

Michigan Department of Treasury
2795 (Rev. 8-08)

06/08/2021 10:56 AM

L-4046

Taxable Valuations, Gladwin County

Issued under the General Property Tax Act, Section 211.27d. Filing is mandatory.

Statement of taxable valuation in the year 2021. File this form with the State Tax Commission on or before the fourth Monday in June.

REAL PROPERTY Taxable Valuations as of the Fourth Monday in May. **(Do not Report Assessed Valuations or Equalized Valuations on This Form.)**

Township or City	(Col. 1) Agricultural	(Col. 2) Commercial	(Col. 3) Industrial	(Col. 4) Residential	(Col. 5) Timber-Cutover	(Col. 6) Developmental	(Col. 7) Total Real Property
Beaverton	4,176,346	1,308,213	2,382,651	41,717,422	0	0	49,584,632
Bentley	3,607,376	410,260	0	18,566,350	0	0	22,583,986
Billings	1,837,223	1,772,733	0	100,272,791	0	0	103,882,747
Bourret	323,469	248,557	387,300	20,865,368	0	0	21,824,694
Buckeye	1,448,591	3,640,375	47,962	33,565,815	0	0	38,702,743
Butman	6,005,364	1,138,287	0	142,162,371	0	0	149,306,022
Clement	695,918	1,631,019	75,037	58,344,750	0	0	60,746,724
Gladwin	12,582,949	661,823	37,727	21,523,482	0	0	34,805,981
Grim	476,701	63,161	7,442	6,208,425	0	0	6,755,729
Grout	10,003,829	1,586,561	167,199	35,477,092	0	0	47,234,681
Hay	588,413	2,087,114	0	49,396,547	0	0	52,072,074
Sage	10,454,984	1,365,830	0	75,862,417	0	0	87,683,231
Secord	1,013,234	1,269,944	8,666	97,236,351	0	0	99,528,195
Sherman	4,173,962	476,507	0	32,352,650	0	0	37,003,119
Tobacco	6,636,190	3,108,908	0	92,207,509	0	0	101,952,607
Beaverton	0	4,422,659	2,058,364	10,859,671	0	0	17,340,694
Gladwin	0	24,037,760	2,846,300	32,060,830	0	0	58,944,890
Total for County	64,024,549	49,229,711	8,018,648	868,679,841	0	0	989,952,749

INSTRUCTIONS: This form is used to report total Taxable Valuations, by classiciation, for each township and city within the county. The Taxable Valuations reported here are the final Taxable Valuations as of the fourth Monday in May, NOT the Tentative Taxable Valuations. Final Taxable Valuations may be different from Tentative Taxable Valuations when a township or city receives a county and/or state equalization factor more or less than was used to calculate Tentative Taxable Valuations

NOTE: Where there is a partial Homeowner's Principal Residence Exemption or partial qualified agricultural property exemption, split the taxable value between Homeowner's Principal Residence (column 15) and Non-Homestead (column 18)

Report the Taxable Valuations for the six classifications of real property in columns 1 through 6 on page 1. Then report the Total Taxable Valuations for real property in column 7 on page 1.
Report the Taxable Valuations for the five classifications of Personal Property in columns 8 through 12 on page 2. Then enter the total Taxable Valuations for personal property in column 13 on page 2.
Add the total Taxable Valuations for real property (column 7, page 1) and personal property (column 13, page 2) and enter in column 14 on page 3.
Report the Total Taxable Valuations of entire township or city for Homeowner's Principal Residence, Qualified Agricultural property and Qualified Forest Property in column 15, and Non-Homestead and Non-Qualified Agricultural Personal Property, and Non-Qualified Forest property except Commercial and Industrial Personal Property, in column 18. Report the Total Taxable Value of Commercial Personal Property in column 16. Report the Total Taxable Value of Industrial Personal property in column 17.

Michigan Department of Treasury
2795 (Rev. 8-08)

06/08/2021 10:56 AM

L-4046

Taxable Valuations, Gladwin County

Issued under the General Property Tax Act, Section 211.27d. Filing is mandatory.

Statement of taxable valuation in the year 2021. File this form with the State Tax Comission on or before the fourth Monday in June.

PERSONAL PROPERTY Taxable Valuations as of the Fourth Monday in May. **(Do not Report Assessed Valuations or Equalized Valuations on This Form.)**

Township or City	(Col. 8) Agricultural	(Col. 9) Commercial	(Col. 10) Industrial	(Col. 11) Residential	(Col. 12) Utility	(Col. 13) Total Personal Property
Beaverton	0	119,400	2,090,100	0	2,832,900	5,042,400
Bentley	0	133,900	0	0	853,400	987,300
Billings	0	283,200	0	0	3,462,000	3,745,200
Bourret	0	4,700	52,400	0	900,700	957,800
Buckeye	0	1,313,500	1,800	0	3,467,300	4,782,600
Butman	0	604,100	0	0	3,289,500	3,893,600
Clement	0	181,900	0	0	1,979,900	2,161,800
Gladwin	0	33,500	0	0	1,218,000	1,251,500
Grim	0	34,100	0	0	324,500	358,600
Grout	0	493,550	59,900	0	2,020,700	2,574,150
Hay	0	122,000	0	0	1,858,900	1,980,900
Sage	0	835,000	0	0	5,671,700	6,506,700
Secord	0	131,900	0	0	5,114,506	5,246,406
Sherman	0	896,100	0	0	2,326,550	3,222,650
Tobacco	0	1,300,300	0	0	4,176,200	5,476,500
Beaverton	0	257,800	230,500	0	2,322,800	2,811,100
Gladwin	0	2,347,000	820,300	0	3,926,200	7,093,500
Total for County	0	9,091,950	3,255,000	0	45,745,756	58,092,706

Michigan Department of Treasury
2795 (Rev. 8-08)

06/08/2021 10:56 AM

Taxable Valuations, Gladwin County

L-4046

Statement of taxable valuation in the year 2021. File this form with the State Tax Commission on or before the fourth Monday in June.

(Do not Report Assessed Valuations or Equalized Valuations on This Form.)

Township or City	(Col. 14) Total Real and Personal Property Taxable Valuations	(Col. 15) Homeowner's Principal Residence & Qualified Agricultural & Qualified Forest Property Taxable Valuations	(Col. 16) Commercial Personal Property Taxable Valuations	(Col. 17) Industrial Personal Property Taxable Valuations	(Col. 18) Non-Homestead and Non-Qualified Agricultural and Non-Qualified Forest Personal Property Taxable Valuations except Commercial and Industrial
Beaverton	54,627,032	36,914,280	119,400	2,090,100	15,503,252
Bentley	23,571,286	17,750,750	133,900	0	5,686,636
Billings	107,627,947	55,549,170	283,200	0	51,795,577
Bourret	22,782,494	8,053,427	4,700	52,400	14,671,967
Buckeye	43,485,343	23,768,513	1,313,500	1,800	18,401,530
Butman	153,199,622	75,794,274	604,100	0	76,801,248
Clement	62,908,524	23,167,063	181,900	0	39,559,561
Gladwin	36,057,481	27,907,570	33,500	0	8,116,411
Grim	7,114,329	3,619,119	34,100	0	3,461,110
Grout	49,808,831	35,959,434	493,550	59,900	13,295,947
Hay	54,052,974	22,973,557	122,000	0	30,957,417
Sage	94,189,931	54,167,543	835,000	0	39,187,388
Secord	104,774,601	43,470,963	131,900	0	61,171,738
Sherman	40,225,769	21,604,227	896,100	0	17,725,442
Tobacco	107,429,107	69,603,048	1,300,300	0	36,525,759
Beaverton	20,151,794	7,991,730	257,800	230,500	11,671,764
Gladwin	66,038,390	26,589,973	2,347,000	820,300	36,281,117
Totals for County	1,048,045,455	554,884,641	9,091,950	3,255,000	480,813,864

Print or Type Name of County Equalization Director	Signature	Date
		Date

Michigan Department of Treasury
2691, page 3 (Rev. 05-11)

L-4037
(County)
Ad Valorem

State Tax Commission Assessment Roll Certification (County Board of Commissioners, CBC)

This form is issued under the authority of the General Property Tax Act, P.A. 206 of 1893, MCL 211.34. Attach original copy to the assessment roll with copies provided to the local unit and county clerk.

PART 1: ASSESSOR AND LOCAL UNIT INFORMATION
(When complete, this form is to be filed with the local unit of government)

Assessing Officer Name	Certification Number	Certification Level (MCAO, MAAO, MMAO)	Tax Year
COREY CUDDIE	R-9513	MCAO - Michigan Certified Assessing Officer	2021

Local Unit of Government Name	City or Township	County Name
HAY TOWNSHIP	Township	GLADWIN

PART 2: CBC ASSESSED VALUE AS EQUALIZED - Ad Valorem

ADDING OR DEDUCTING	THE SUM OF	FROM OR TO	PROPERTY CLASS	GIVING ASSESSED VALUE AS EQUALIZED
	0		Real Agriculture	1,001,700
	0		Real Commercial	2,334,400
	0		Real Industrial	0
	0		Real Residential	64,251,100
	0		Real Timber Cutover	0
	0		Real Developmental	0
			TOTAL REAL PROPERTY	**67,587,200**
			TOTAL PERSONAL PROPERTY	**1,980,900**
			TOTAL REAL & PERSONAL PROPERTY	**69,568,100**

PART 3: COUNTY BOARD OF COMMISSIONERS CERTIFICATION

We hereby certify that the information contained within this County Board of Commissioners Assessment Roll Certification is true and accurate to the best of our knowledge, information and belief. We further certify that the County Board of Commissioners have examined the Assessment Roll of the above mentioned local unit of government and have determined the equalized valuations of the taxable Ad-Valorem and Special Act property to be accurate.

Chairperson of the County Board of Commissioners Signature	Date
Clerk of the County Board of Commissioners Signature	Date

L-4037
(County)
Special Acts

State Tax Commission Assessment Roll Certification (County Board of Commissioners, CBC)

This form is issued under the authority of the General Property Tax Act, P.A. 206 of 1893, MCL 211.34. Attach original copy to the assessment roll with copies provided to the local unit and county clerk.

PART 1: ASSESSOR AND LOCAL UNIT INFORMATION
(When complete, this form is to be filed with the local unit of government)

Assessing Officer Name	Certification Number	Certification Level (MCAO, MAAO, MMAO)	Tax Year
COREY CUDDIE	R-9513	MCAO - Michigan Certified Assessing Officer	2021

Local Unit of Government Name	City or Township	County Name
HAY TOWNSHIP	Township	GLADWIN

PART 2: CBC ASSESSED VALUE AS EQUALIZED - Special Acts

ADDING OR DEDUCTING	THE SUM OF	FROM OR TO	PROPERTY CLASS	GIVING ASSESSED VALUE AS EQUALIZED
	0		Real Agriculture	0
	0		Real Commercial	0
	0		Real Industrial	0
	0		Real Residential	1,635,700
	0		Real Timber Cutover	0
	0		Real Developmental	0
			TOTAL REAL PROPERTY	1,635,700
			TOTAL PERSONAL PROPERTY	0
			TOTAL REAL & PERSONAL PROPERTY	1,635,700

PART 3: COUNTY BOARD OF COMMISSIONERS CERTIFICATION

We hereby certify that the information contained within this County Board of Commissioners Assessment Roll Certification is true and accurate to the best of our knowledge, information and belief. We further certify that the County Board of Commissioners have examined the Assessment Roll of the above mentioned local unit of government and have determined the equalized valuations of the taxable Ad-Valorem and Special Act property to be accurate.

Chairperson of the County Board of Commissioners Signature	Date
Clerk of the County Board of Commissioners Signature	Date

FY22 County Veteran Service Fund Grant

Letter of Intent to Apply

Michigan Veterans Affairs Agency
3423 N. Martin Luther King Jr. Blvd.
Building 32
Lansing, Michigan 48933

DATE:

RE: LETTER OF INTENT TO APPLY FOR THE COUNTY VETERAN SERVICE FUND (CVSF) GRANT

Attention Grant Specialist:

I am submitting a letter of intent on behalf of_____County to apply for the CVSF Grant.

I understand that the full fund amount exceeding the $50,000 base amount has not yet been determined and that this is a placeholder for funds. I agree to inform MVAA if the County chooses not to apply for the Grant after submission of the Letter of Intent.

I acknowledge that the Grant Application has not yet been released and more information will be forthcoming.

Submission deadline for the Letter of Intent is June 25, 2021 at 5:00 p.m. EST*

> ***Please return the signed copy to MVAAGrants@michigan.gov. You should receive an email confirmation of submission within 24 business hours; if not, please contact the Grant Specialist at 517-243-7675 for confirmation.**

Sincerely,

Applicant Signature: _____

Name Print: _____

Title: _____

Phone: _____

Email: _____

Laura Brandon-Maveal

From: Veterans Director
Sent: Thursday, June 17, 2021 11:24 AM
To: Laura Brandon-Maveal
Subject: COW Agenda - Memorial Fund

I would like to be placed on the next COW agenda to discuss transferring funds from the Veterans Memorial Fund (296) into a Gladwin County Veterans Memorial project fund with the GCCF.

Respectfully,

Kenneth Roberts,
Director, Gladwin County
Office of Veteran Affairs
555 W. Cedar Avenue
Gladwin, MI 48624

Office: 989.426.4891
Fax: 989.426.4182

I.T. RIGHT

Information Technology Solutions that Work for Local Government

5815 East Clark Rd Suite G
Box 160
48808 Batn
United States

QUOTE

Number ITRQ19880
Date Jun 11, 2021

Sold To

Gladwin County-MI
Karrie Hulme
401 W. Cedar Ave.
48624 Gladwin

Phone (989) 426-7351
Fax

Ship To

Gladwin County-MI
Karrie Hulme
401 W. Cedar Ave.
48624 Gladwin

Phone (989) 426-7351
Fax

From The Desk Of

mallen
855-487-4448
mallen@itright.com

Here is the quote you requested.

Terms	P.O. Number	Ship Via

Line	Qty	Description	Unit Price	Ext. Price
1	3	Fujitsu Fi-7160 Sheetfed Scanner - 600 dpi Optical - 24-bit Color - 8-bit Grayscale - 60 - 60 - USB	$1,130.00	$3,390.00

* For orders over $5000, payment for the hardware/software is required prior to processing the order.

Please contact me if I can be of further assistance.

SubTotal	$3,390.00
Tax	$0.00
Shipping	$0.00
Total	**$3,390.00**

* For orders over $5000, payment for the hardware/software is required prior to processing the order.

Thanks for choosing I.T. Right!

Laura Brandon-Maveal

From: Wechet, Michael <Michael.Wechet@quill.com>
Sent: Tuesday, June 15, 2021 11:36 AM
To: Laura Brandon-Maveal
Subject: Quill Scanner Quote

Hi Laura, Below I have your quote on the 3 Fujitsu scanners. Please verify that I have the correct shipping address listed and note with this pricing we would not be able to use any Quill coupons. If any changes need to be made please let me know as well. Thanks!

Thank you for considering Quill.com!

Your initial quote is included below. When you are ready to turn the Quote into an order, click on load quote to cart. If you need assistance, please contact us.

Email: quotes@quill.com
Phone: 888.860.6733
Fax:

Load Quote to Cart

Please note: The prices in this quote will be honored for 7 days and you will no longer be able to load quote to your cart

Quote Details

Shipment 1
Order: 151156524

Item Number	Product Description	Color	Quantity	Unit	Price	Total
901-24343297	Fujitsu Fi 7160 Desktop Scanner, White/Black (PA03670-B085)		3 EA	EA	$964.67	$2894.01

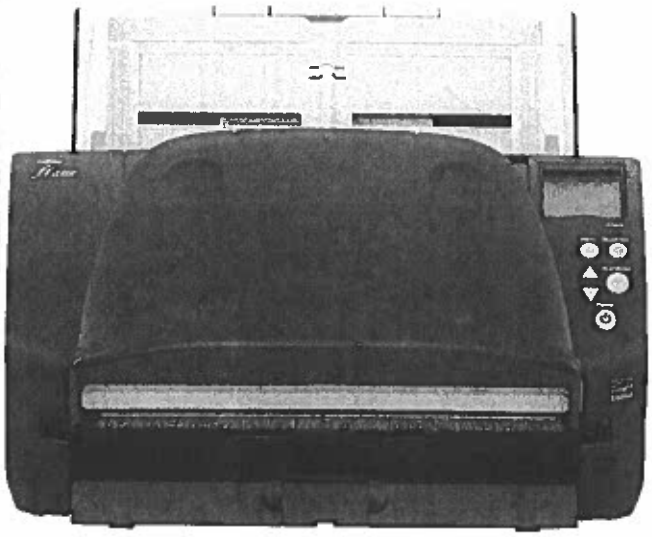
Subtotal:	$2894.01
Delivery:	FREE
Estimated Tax:	$0.00
Shipment Total:	**$2894.01**

Quote Summary

Merchandise Total:	**$2894.01**
Handling:	**FREE**
Delivery:	**FREE**
Estimated Tax:	**$0.00**
Total:	**$2894.01**

You saved $849.96 today!

Sponsored



Roll over image to zoom in

Fujitsu fi-7160 Color Duplex Document Scanner - Workgroup Series

Visit the Fujitsu Store

538 ratings | 291 answered questions

Choice in Docume...

Climate Pledge Friendly

List Price: ~~$999.00~~ Details
Price: $879.99
& FREE Returns
You Save: $119.01 (12%)

Thank you for being a Prime Member. Get $125 off: Pay **$754.99** ~~$879.99~~ upon approval for the Amazon Business Prime Card. Terms apply

May be available at a lower price from other sellers, potentially without free Prime shipping.

Style: **fi-7160 ADF (60 ppm)**

fi-7160 with Paperstream Capture Pro
$1,179.99

fi-7160 ADF (60 ppm)

$879.99

fi-7180 ADF (80 ppm)

$1,419.99

Media Type	Receipt, Paper
Scanner Type	Document
Brand	Fujitsu
Model Name	PA03670-B085
Connectivity	USB

Buy new: $879.99

& FREE Returns

FREE Delivery by **Friday, June 18** for Prime members
Details

Deliver to Laura - Beaverton 43612

Only 4 left in stock - order soon.

Qty: 1

Add to Cart

Buy Now

Secure transaction

Ships from **Amazon.com**
Sold by **Amazon.com**

Return policy: This item is returnable

Support: Free Amazon product support included

Add a Protection Plan:

- 4-Year Protection for $105.99
- 3-Year Protection for $80.99

Add an Accessory:

- Amazon Basics Multipurpose Copy Printer Paper - Wh... **$8.99**
- Add a gift receipt for easy returns

Save with Used - Like New
$499.00

$7.81 delivery: June 23 - 28
Ships from: THE PRINTER PROS
Sold by: THE PRINTER PROS

Add to List

Add to essentials

GLADWIN COUNTY SHERIFF'S OFFICE

MICHAEL SHEA
SHERIFF

501 WEST CEDAR AVENUE • GLADWIN, MI 48624
PHONE (989) 426-9284 OR 1-800-553-0911
FAX (989) 426-1173

RAY HARTWELL
UNDERSHERIFF

Date: June 10, 2021

To: County Administrator / Board of Commissioners
From: Undersheriff Hartwell
Reference: Temporary Part-Time Court Security Officer – New Hire

Charles Harvey Hinman
Date of Birth: [redacted]

Due to the shortages in staffing at the Sheriff's Office and Court Security, we have hired Charles Hinman as a temporary part-time Court Security Officer. Charles will be assigned to specifically work jury trials when additional officers are needed. His main function will be to call court to order and be responsible for supervising the jury. With the lack of personnel available to tend to this function, we would have to pull from other resources or mandate over-time for current personnel. Therefore, this should be a cost saving solution. At this time, this will be a temporary position until our staffing levels are at an adequate level.

Respectfully,

Raymond E. Hartwell / Undersheriff

Michigan Association of County Clerks 113th Annual Summer Conference
August 22 – 25, 2021
Inn at Harbor Shores, St. Joseph, Michigan

REGISTRATION DEADLINE – FRIDAY, JULY 16, 2021
Registration fee per person includes all meals and breaks

Name of Clerk attending: Karrie Hulme County: Gladwin

Name of Deputy attending: _____ Deputy Email: _____

Name of Clerk or Deputy	I will attend the Board meeting on Sunday	Sunday President's Reception and Dinner	Monday Breakfast Lunch & Breaks	Tuesday Breakfast Lunch & Breaks	Tuesday Reception & Dinner	TOTAL Per Individual
Karrie Hulme	☐	Included ☒	Included ☒	Included ☒	Included ☒	$350
	☐	Included ☐	Included ☐	Included ☐	Included ☐	$350

Food allergies _____ **Total Amount Due $** 350.00

MUST RESERVE HOTEL BY FRIDAY, JULY 16, 2021
Hotel Reservations – 269.983.1111
CLERK RESERVATION CODE: 121233
Inn at Harbor Shores, 800 Whitwam Drive, St. Joseph, MI 49085
$179 per night + 5% occupancy tax and $6.95 per day resort fee.

800-000-800.100

MACC's Notary Fund will assist in covering overnight accommodations on Sunday, August 22; Monday, August 23 and Tuesday, August 24 (one room, per night, per county) for the MACC educational meetings in St. Joseph. In order for the Notary Fund to assist in covering overnight accommodations and meal expenses, you must attend all sessions, a roll call vote will be taken and you must sign in (KH) ***Please initial that you have read and agree to the terms.***

I have made my own reservation at the Inn at Harbor Shores and would like the Notary Fund to cover my hotel expenses and for which night(s). ☑ Sunday, August 22, 2021 ☑ Monday, August 23, 2021 ☑ Tuesday, August 24, 2021

The room the association will be covering has been reserved under the name of Karrie Hulme

Please fax (517) 371-1170 or email this form ASAP to Tara @ paksi.t@gcsionline.com

Please make checks payable to: MACC
Mail to: Tara Paksi | Michigan Association of County Clerks | 120 N. Washington Sq., Ste. 110A | Lansing, MI 48933

:ourt Electronic Operator (CEO) Exam Preparation Course 2021

ates: August 30 - September 27, 2021

eets: Online

ɔcation: Online

egistration Cost: $140.00

ıere are still openings remaining at this time.

ENROLL YOURSELF OR ENROLL SOMEONE ELSE

Description Fees Location Instructor

This online course will help participants gain the knowledge, skills and abilities to become a court electronic operator as it relates to court reporting in the State of Michigan. Successful completion of this course will allow participants to sit for the certification examination to officially become a CEO and record courtroom proceedings as well as the ability to produce logs.

Notes:

Cancellation Policy: Seven (7) calendar days or more before course - 100% refund; Two (2) to Six (6) calendar days before course - 50% refund; One (1) calendar day before, or later - 0% refund.

*** Registration Deadline: Monday, July 26, 2021**

You are enrolling in the Court Electronic Operator (CEO) Exam Preparation Course 2021. Successful completion of this course will allow participants to sit for the certification examination to officially become a CEO and record courtroom proceedings as well as the ability to produce transcripts. This course is graded on a pass/fail bases, with 80 percent participation required to pass.

141-215-8600.cw

CEO - 2021 SCAO State Certification Examination

Dates: November 17, 2021

Meets: W from 8:30 AM to 11:00 AM

Location: LCC - West Campus - Room S150

Registration Cost: $60.00

101-215-860.000

There are still openings remaining at this time.

ENROLL YOURSELF OR ENROLL SOMEONE ELSE

Description Fees Location

State of Michigan, State Court Administrative Office - certification examination for Court Electronic Operator (CEO).

Notes:

Registration fee is non-refundable. Transferring of test dates will not be permitted beyond registration deadline.

*** Registration Deadline: Monday, October 18, 2021**

You are enrolling in the Court Electronic Operator (CEO) State Certification Exam. Please save your receipt as confirmation and your proof of enrollment.

When registering, make sure to use an email that you have access to at all times as you will receive a subsequent notification sent to the email address used for your registration one week prior to the exam session date.

Please save the receipt for your records.

Four Lakes Task Force

Four Lakes Task Force (FLTF)

Land Use GUIDELINES for Secord, Smallwood, Wixom and Sanford Lakes

GLADWIN AND MIDLAND COUNTIES ASSUME NO LIABILITY FOR DAMAGES, INJURIES OR DEATH RESULTING FROM ACCESS TO, OR ACTIVITIES UPON THE BOTTOMLANDS. PROCEED AT YOUR OWN RISK.

FLTF, as the Delegated Authority for both Gladwin and Midland Counties under State of Michigan Part 307 regulations, has acquired the properties formerly owned by Boyce Hydro and will be managing these properties associated with the Secord, Smallwood, Wixom, and Sanford Lakes (Four Lakes), including shoreline and lake bottomland (defined as the shoreline area between the previous water's edge and the current water's edge) areas. FLTF is also managing the restoration of water levels for the Four Lakes; an effort that includes the redesign and reconstruction of dam and spillway-related structures, as appropriate.

The May 2020 flooding event significantly changed the Four Lakes bottomlands. The water levels at Four Lakes will continue to be abnormally low due to the need to make dam repairs and/or dam section replacements. The length of time to restore the water levels in the Four Lakes is unknown. This means that the public may encounter hazards when traversing the shorelines, bottomlands or waters of the Four Lakes that did not previously exist. Therefore, when visiting the bottomlands, the public should take the new conditions of the area into consideration. Due to environmental erosion and habitat concerns that exist therein, the bottomlands are not intended for unlimited recreational use. Limited use while protecting the health of the property, the safe use of the resources and being respectful to all is listed below.

Typical recreation when conducted responsibly includes:

- Access to docks or other structures that have been permitted by the respective County permitting authority; the permitted upland property owner; or FLTF on behalf of the respective County
- Hiking or fishing in unrestricted public areas
- Use of open federal, state, local or private boat ramps
- Sightseeing
- The permitted upland property owners have a right to access the bottomlands from their property
- Non-residence access is only allowed from unrestricted public access points along the Four Lakes
- Waterfowl hunting, trapping, and fishing consistent with previous use is permitted following all state and federal rules and regulations
- Dogs or other animals must be under immediate control

Four Lakes Task Force

- Kayaking and canoeing are permitted provided all state and federal rules and regulations are followed
- Mowing/weed whacking by property owners at the edge of their shorelines following guidelines

Activities requiring permission that must be reviewed by FLTF first:

- Cutting stumps to lower injury potential or damaging boat props. Cut logs must be removed from bottomlands. STUMPS CANNOT BE REMOVED
- Debris removal is permitted provided it is performed safely and the debris is disposed of properly

Recreational activities that are **more dangerous** and NOT permissible per the guidelines include:

- Deer or upland game hunting
- Camping
- Open fires or burn areas
- Bike riding
- Horseback riding
- ORV or snowmobile riding
- Digging up or otherwise disturbing the ground on the bottomlands without a permit
- Stump removal
- Building or placing structures on the bottomlands (i.e. pools, tiki huts, etc.)

As the lakes are being restored, following common-sense rules and guidelines helps ensure that the bottomlands can be enjoyed in a manner that is safe and environmentally responsible.

As a reminder, the bottomlands are owned by Gladwin and Midland counties. However, they are NOT designated as park and recreation property.

THE ABOVE COMMENTS DO NOT CONSTITUTE AN INVITATION TO ACCESS OR USE THE BOTTOMLANDS THAT WERE FORMERLY LAKES. ALL ENTRY AND ACTIVITY IS AT THE USERS SOLE RISK. NEITHER GLADWIN NOR MIDLAND COUNTIES NOR FOUR LAKES TASK FORCE ASSUME ANY LIABILITY FOR DAMAGES, INJURIES OR DEATH RESULTING FROM ACCESS TO, OR ACTIVITIES UPON THE BOTTOMLANDS.