COUNTY OF OTTAWA
GRAND HAVEN, MICHIGAN

2015 COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2015

COUNTY OF OTTAWA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

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County of Ottawa
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June 28, 2016

Members of the Board of Commissioners and citizens of the County of Ottawa:

Local governments are required to complete a set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited by a firm of licensed certified public accountants. Pursuant to those requirements, we hereby issue the Comprehensive Annual Financial Report for the County of Ottawa, Michigan ("the County") for the fiscal year ended December 31, 2015.

Management of the County has established a comprehensive internal control framework to provide a reasonable basis for this report. Because the cost of internal controls should not outweigh their benefit, the internal control framework of the County is designed to provide reasonable, rather than absolute, assurance the financial statements are free from any material misstatement. Management assumes full responsibility for the completeness and reliability of the information presented in this report and we believe it to be complete and reliable in all material respects.

Vredeveld Haefner LLC, an independent firm of certified public accountants, has audited the financial statements contained in this report and has found them to present fairly, in all material respects, the financial position of the County. Vredeveld Haefner LLC also performed a single audit in conformity with Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this single audit, including the schedule of expenditures of federal awards, schedule of findings and questioned costs, and independent auditor's report, can be found at the end of this report.

GAAP require management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

Profile of the County

The County was established in 1837 and encompasses approximately 565 square miles of the southwestern portion of Michigan's Lower Peninsula, including over 30 miles of Lake Michigan shoreline. The six cities, one village, and seventeen townships of the County are home to approximately 276,292 people, making the County the eighth most populous county in the state. Since 2010, the County has been the fastest growing county in the state and has been named Michigan's Healthiest County three times. The County is governed by an 11-member elected Board of Commissioners ("Board") and provides a wide range of services to residents, including law enforcement, administration of justice, community development and enrichment, health and human services, and recreation. Thanks to the sound management by the Board, elected officials, and appointed county administration, the County continues to maintain a healthy financial status, including high credit ratings, low interest rates, and the fifth lowest general property tax levy in the state.

Although considered legally separate entities, the County works closely with its six component units – Office of the Water Resources Commissioner, Public Utilities System, Central Dispatch Authority, Economic Development Corporation, Land Bank Authority, and Road Commission – as well as the two blended component units – Building Authority and Insurance Authority to provide the citizens of the County additional services.

Local Economy

As the State of Michigan's housing market fights to rebound, the County continues to see a strong real estate market and increasing property values. The Taxable Value on the Ad-Valorem Roll increased 5.59% in 2015 and Taxable Value now exceeds the previous peak experienced in 2009. The County is anticipating additional challenges when looking ahead to 2016, due in part to the federal government setting the inflation rate at zero, the implementation of the State Personal Property Tax reform, and the plan to proactively set aside funds for property tax values under appeal.

Sustained economic growth by the County, including a 2.5% increase in Gross Domestic Product, has helped attract significant business development and expansion to the area. The Grand Rapids-Wyoming MSA (which includes the County) was ranked 21st in the nation for "Best Performing Large Cities" last year by the Milken Institute, a nonprofit, nonpartisan economic think tank. The annual unemployment rate decreased from 4.7% to 3.5% in 2015 and looks to only decrease further in 2016.

The County officially launched the Great Lakes Ag-Tech Business Incubator in December 2014. The non-profit corporation, which helps farmers and entrepreneurs turn their ag-tech machine, equipment, software ideas and inventions into businesses, had five businesses sign or commit to agreements, 20 prospective clients awaiting screening, and 12 entrepreneurs referred to other economic development agencies in the first year of operations.

2015 proved to be the busiest year for county-wide brownfield redevelopment activities since the Ottawa County Brownfield Redevelopment Authority (OCBRA) was established in 2008. Using federal funds from a grant award from the Environmental Protection Agency, the OCBRA was able to provide financial assistance for 26 projects in 12 municipalities across the County. Using $243,000 of grant funds, the OCBRA was able to leverage an estimated $40 million of investment in acquisition and redevelopment in the County, as well as the creation of a projected 300 new full and part time jobs.

Impacts of regionalization and Governor Snyder's Regional Prosperity Initiative continue. In positive ways, the Grand Valley Metro Council continues to lead the West Michigan Prosperity Alliance division of this effort, promoting regional projects, including the Muskegon Port initiative, over the 13 county area. However, regionalization also meant the County saw the elimination of Michigan Works! In 2015, as Governor Snyder mandated a variety of changes that moved the department into a regional construct.

Major Initiatives

The County initiated and/or completed a number of major initiatives in 2015 designed to enhance residents' quality of life and increase the efficiency and effectiveness of county government. These initiatives, which include an increased social media presence, innovation and technology upgrades, collaboration with local partners have continued to make the County the location of choice to work, play, and live.

Social Media: Citizen engagement increased greatly with the expansion of the County's social networking footprint, which includes eight Facebook accounts, a YouTube channel, seven Twitter accounts, and two Instagram accounts. The County also focused on improving communication with employees and constituents by improving the employee portal, digital signage, and the implementation of GovDelivery – a service that allows notifications to employees and the public of changes made to the County's website.

Innovation and Technology (IT): The County initiated a project to replace its long serving Lotus Notes e-mail system and over 80% of County employees were converted to Microsoft Exchange in 2015. The new email system provides enhanced access by employees from any location, internal or external. IT also completed the release of the MICA Jail Management System, a replacement for a major component of the County's legacy Justice System.

Collaboration: The County continues to make progress toward enhancing and supporting a culture of innovation and continuous improvement. The Parks and Recreation department is nearing the end of the first innovation pilot project with Adaptive Capacity, Inc, for which they were able to use innovation tools to brainstorm ideas around how to increase park usage and desirability to underserved populations. Specific marketing ideas were identified and are currently being implemented. One of the indirect benefits achieved through this process was a collaborative effort between the County and the Hispanic Center of West Michigan to better serve this population.

Kata: The Fiscal Services department completed a three month pilot project involving learning the Kata methodology and working through the process to improve the annual audit process. As a result of this exercise, process improvement will continue and further time savings will be realized for years to come. They are currently underway with their second Kata project, collaborating with IT to create a comprehensive electronic file storage structure. The Department of Public Health will apply the Kata methodology to the challenge of combining Family Planning and STD functions in order to increase the number of patients seen per day, as well as a project to standardize Maternal and Infant Health's documentation process to meet State requirements.

Recreation: The County continues to increase the quality of life for both residents and visitors alike. Locations in the County continue to rank among Michigan's top attractions and the lakeshore beaches continue to receive accolades in *USA Today, US News & World Report, Coastal Living, Travel + Leisure,* and more. Daily permits, as well as annual permits for non-residents, to County parks both increased in 2015, as well as park reservations. Park land acquisition has slowed over the past several years as the Parks and Recreation department edges toward its goal of approximately 7,000 acres. Instead, the department is focusing on improvements and opportunities on existing lands. Some of the major projects completed in 2015 include the Macatawa Greenway Trail, the walkway along Lake Macatawa, the restoration of the historic pumphouse building in partnership with the Historic Ottawa Beach Society, and the new Grand Ravines park in Georgetown Township, which includes the County's first off-leash dog park.

The County continues to look very positively toward the future with the passing of the first of its kind Community Mental Health millage that is planned to improve services and expand specific programs not funded by state and federal funds. The County also continues to seek input from citizens and the local communities to improve customer service and service delivery, with the countywide public opinion survey. Lastly, the consolidation of the County's two fiscal years into one is estimated to save the County time and money by allowing staff to be much more efficient, as well as allowing the County to greatly streamline countless processes.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for the Excellence in Financial Reporting to the County for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2014. In order to be awarded a Certificate of Achievement, the County published a CAFR whose contents conform to program standards. This CAFR satisfied both generally accepted accounting principles (GAAP) and applicable legal requirements. A Certificate of Achievement is valid for a period of only one year and the County has received this prestigious award for thirty-one consecutive years. We believe our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

The preparation of this report could not have been accomplished without the efficient and dedicated services of the Fiscal Services Department. We would like to express our appreciation to all members of the department who assisted and contributed, as well as the Board of Commissioners for their continued leadership and support in planning and conducting the financial operations of the County in a responsible and progressive manner.

Sincerely,

Alan G. Vanderberg
County Administrator

Karen Karasinski, CPA
Fiscal Services Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

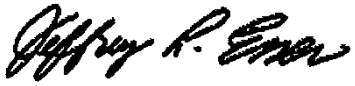
Presented to

County of Ottawa

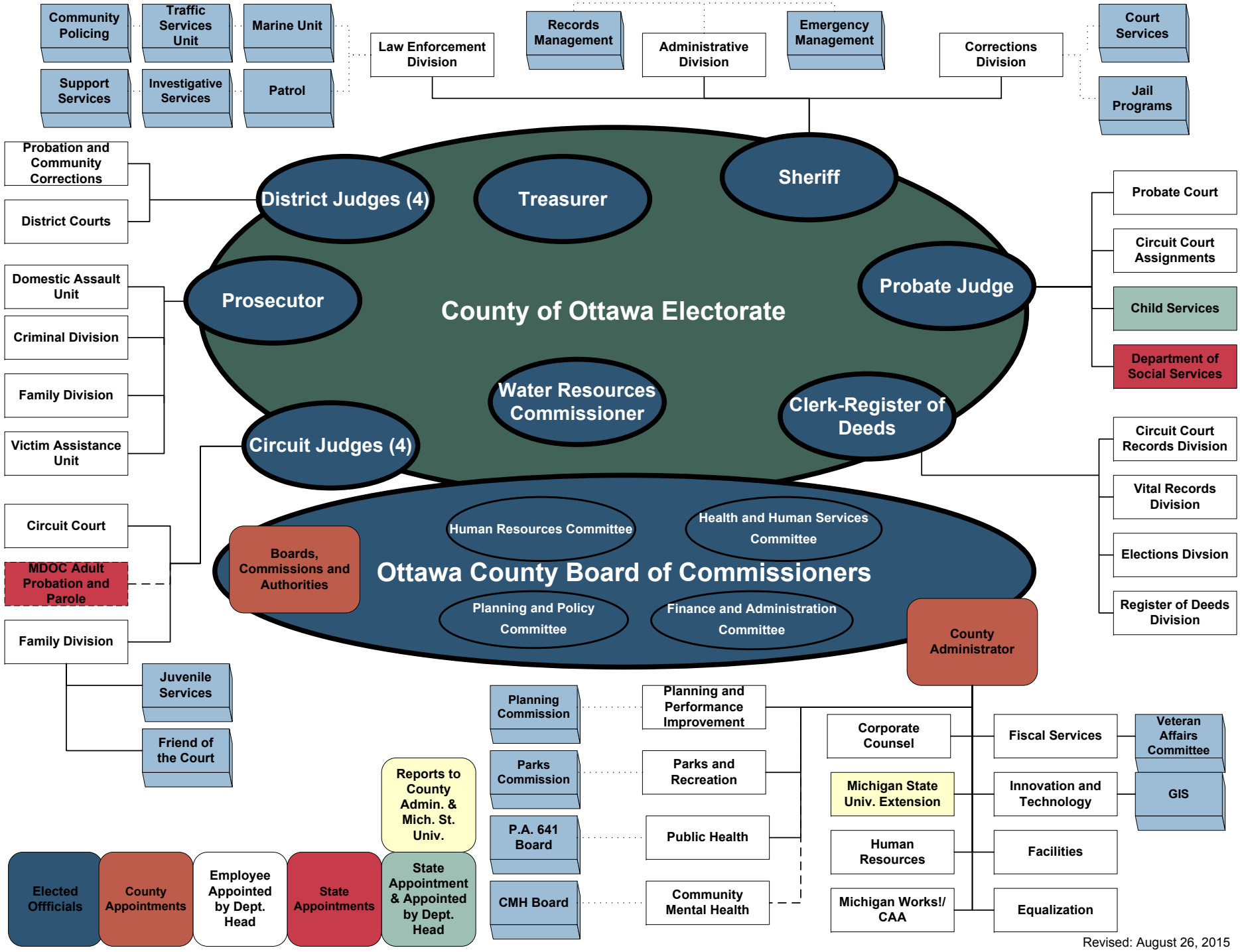
Michigan

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014



Executive Director/CEO



Revised: August 26, 2015

COMPREHENSIVE ANNUAL FINANCIAL REPORT

of

COUNTY OF OTTAWA
GRAND HAVEN, MICHIGAN

FOR THE YEAR ENDED DECEMBER 31, 2015

BOARD OF COMMISSIONERS

2015

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ADMINISTRATOR
ALAN G. VANDERBERG

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INDEPENDENT AUDITORS' REPORT

June 27, 2016

County of Ottawa
Board of County Commissioners
West Olive, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Ottawa, Michigan, as of and for the year ended December 31, 2015, 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 Community Mental Health Special Revenue fund, which is a major fund. This represents 6.1 percent, 1.0 percent, and 27.9 percent, respectively, of the assets, fund balance and revenues of the governmental funds. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Mental Health Funds, is based solely on the report 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.

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 Ottawa County, Michigan, as of December 31, 2015, 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 on pages 3-11 and the information on pages 81-87 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Ottawa, Michigan's basic financial statements. The introductory section, combining and individual fund statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued, under separate cover, our report dated June 27, 2016, on our consideration of the County of Ottawa, 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 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 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 Ottawa, Michigan's internal control over financial reporting and compliance.

Urodaxold Hoefner LLC

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the County of Ottawa, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of the introductory section.

Financial Highlights

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by $173,986,403 (net position). Of this amount, $36,647,643 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.

- The government's total net position decreased by $205,961 as a result of current year operations.

- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of $54,220,937, a decrease of $1,435,022 in comparison with the prior year. 81.61 percent of the ending fund balances, $44,249,593, are subject to the underlying limitations applicable to the particular general, special revenue, debt service and capital project funds. 18.39 percent of this total amount, $9,971,344, is available for spending at the government's discretion only (General Fund unassigned fund balance).

- The General Fund had a net decrease in fund balance of $4,043,692 for 2015. At the end of the year, total fund balance for the General Fund was $39,292,365, or approximately 59.29 percent of total General Fund expenditures (including transfers).

- The County's total bonded debt decreased by $3,595,000 during the current fiscal year. In 2015, Ottawa County (primary government) refunded $13,075,000 and issued $11,955,000 worth of general obligation bonds.

Overview of the Financial Statements

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

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

The *statement of net position* presents information on all the County's assets and liabilities, with the difference between the two reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash* flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of Ottawa 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, and culture and recreation. The business-type activities include the administration of the delinquent property tax collection system.

The government-wide financial statements include not only the County itself (known as the *primary government),* but also five legally separate entities: Ottawa County Road Commission, Ottawa County Central Dispatch Authority (911), Ottawa County Land Bank Authority, Ottawa County Public Utilities, and the Ottawa County Office of the Water Resources Commission. Financial information for the *component units* is reported separately from the financial information presented for the primary government itself. The Ottawa County Building Authority and the Ottawa County, Michigan Insurance Authority, although also legally separate, function for all practical purposes as departments of the County, and therefore have been included as an integral part of the primary government.

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

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

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

The County maintains 21 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Parks and Recreation, and the Mental Health funds, each of which is considered to be a major fund. Data from the other 18 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, special revenue, debt service, capital projects and permanent funds. Budgetary comparison statements or schedules have been provided herein to demonstrate compliance with those budgets.

Proprietary funds. The County maintains two types of proprietary funds. Enterprise funds report the same functions as business-type activities in the government-wide financial statements. The County uses an enterprise fund to account for the Delinquent Tax Revolving Fund (5160).

Internal service funds. The County uses 10 internal service funds to account for and allocate costs internally among the following functions: information technology services, duplicating, telecommunications, equipment pool, employee insurances, and protected self-funded liability, unemployment and worker's compensation insurances. Because these services predominantly benefit governmental functions, they have been included within *governmental activities* in the government-wide financial statements.

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

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

Required supplementary information. The required supplementary information includes this management's and discussion and analysis, major fund budget to actual schedules and provides multiyear trend information on the funding progress of the County's defined benefit pension plan and other post employment benefits.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *supplementary information.* This is limited to combining statements and schedules and statistical information.

Government-wide Financial Analysis

Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial health. In the case of the County of Ottawa, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $173,986,403 the close of the most recent fiscal year.

County of Ottawa's Net Position

	Governmental Activities		Business-type Activities		Total	
	2014	2015	2014	2015	2014	2015
Current and other assets	$ 151,285,558	$ 125,107,543	$ 23,153,917	$ 22,290,390	$ 174,439,475	$ 147,397,933
Capital assets	132,821,815	131,749,896			132,821,815	131,749,896
Deferred outflows of resources	139,441	10,519,850			139,441	10,519,850
Total assets and deferred outflows of resources	284,246,814	267,377,289	23,153,917	22,290,390	307,400,731	289,667,679
Other liabilities	24,972,457	25,303,249	17,475	8,705	24,989,932	25,311,954
Deferred inflows of resources	7,563,573	12,827,432			7,563,573	12,827,432
Long-term liabilities outstanding	51,469,711	77,541,890			51,469,711	77,541,890
Total liabilities and deferred inflows of resources	84,005,741	115,672,571	17,475	8,705	84,023,216	115,681,276
Net position						
Net investment in capital assets	112,174,398	112,970,569			112,174,398	112,970,569
Restricted	20,170,211	22,685,963	1,489,576	1,682,228	21,659,787	24,368,191
Unrestricted	67,896,464	16,048,186	21,646,866	20,599,457	89,543,330	36,647,643
Total net position	$ 200,241,073	$ 151,704,718	$ 23,136,442	$ 22,281,685	$ 223,377,515	$ 173,986,403

A significant portion of the County's net position (21 percent) is unrestricted. *Unrestricted net position* may be used to meet the government's ongoing obligations to citizens and creditors.

Capital assets, representing 65 percent of total net position, includes net book value of land, buildings, vehicles and equipment 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 should be provided from other sources, since the capital assets themselves cannot readily be used to liquidate these liabilities. Capital assets increased slightly in 2015 due to new capital purchases.

In addition to the net investment in capital assets certain other restrictions on the use of net position apply due primarily to legal guidelines. This restricted net position total was $24,368,191. The 2015 balance is slightly higher due to increases in restrictions for public improvements.

County of Ottawa's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2014	2015	2014	2015	2014	2015
Revenues						
Program revenues:						
Charges for services	$ 25,044,897	$ 26,121,654	$ 1,300,687	$ 1,162,809	$ 26,345,584	$ 27,284,463
Operating grants and contributions	60,350,883	61,175,917			60,350,883	61,175,917
Capital grants and contributions						-
General revenues:						
Property taxes	42,185,402	44,583,727			42,185,402	44,583,727
Grants and contributions not restricted to specific programs	4,124,536	4,729,722			4,124,536	4,729,722
Investment earnings	2,717,490	1,090,878	261,179	136,970	2,978,669	1,227,848
Other	1,234,530	472,033			1,234,530	
Total revenues	135,657,738	138,173,931	1,561,866	1,299,779	137,219,604	139,001,677
Expenses						
Legislative	441,294	467,155			441,294	467,155
Judicial	16,209,766	16,995,782			16,209,766	16,995,782
General government	14,509,005	14,214,900			14,509,005	14,214,900
Public safety	33,036,226	32,905,190			33,036,226	32,905,190
Public works	1,717,110	1,113,013			1,717,110	1,113,013
Health and welfare	66,399,041	64,251,760			66,399,041	64,251,760
Community and economic development	807,476	1,090,188			807,476	1,090,188
Culture and recreation	3,559,748	5,059,018			3,559,748	5,059,018
Interest on long-term debt	1,163,255	1,578,129			1,163,255	1,578,129
Business-type activities			2,025,379	2,004,536	2,025,379	2,004,536
Total expenses	137,842,921	137,675,135	2,025,379	2,004,536	139,868,300	139,679,671
Increase in net position before transfers to other funds	(2,185,183)	498,796	(463,513)	(704,757)	(2,648,696)	(205,961)
Transfers	150,000	150,000	(150,000)	(150,000)	-	-
Increase (decrease) in net position	(2,035,183)	648,796	(613,513)	(854,757)	(2,648,696)	(205,961)
Net position, beginning of year, as restated	202,276,256	151,055,922	23,749,955	23,136,442	226,026,211	174,192,364
Net position, end of year	$ 200,241,073	$ 151,704,718	$ 23,136,442	$ 22,281,685	$ 223,377,515	$ 173,986,403

*Expenses include indirect expense allocation

Beginning net position of governmental activities were reduced by $49,185,151 to recognize a net pension liability at the beginning of the year in accordance with the implementation of GASB Statement No. 68 and No. 71.

The preceding table shows that the primary government's net position decreased by approximately $206,000 during 2015. Activity affecting net position is as follows:

Revenues:
Revenues increased 1.3% in 2015. There are several revenue sources with variances as follows.

Program charges for services:
Program charges for services increased approximately $939,000 in total. The increases came from additional judicial and general government revenue.

Program operating grants and contributions:
Program grant revenue increased $825,000. The majority of the increase was related to health and community mental health department increases and was offset by a decrease in Michigan Works! Funding.

Property taxes
Taxes increased by nearly $2.4 million or 5.4% which is consistent with the increases in taxable value.

Grants and contributions not restricted to specific programs
These revenues increased by $605,000 in 2015 due to an increase in State revenue sharing.

Expenses:
Expenses as a whole decreased $188,000 or 0.001%.

Judicial
Expenses decreased approximately $786,000, primarily due to decreases in personnel costs.

Public works
Expenses decreased $604,000, primarily due to a decrease in the County's share of drain assessment costs.

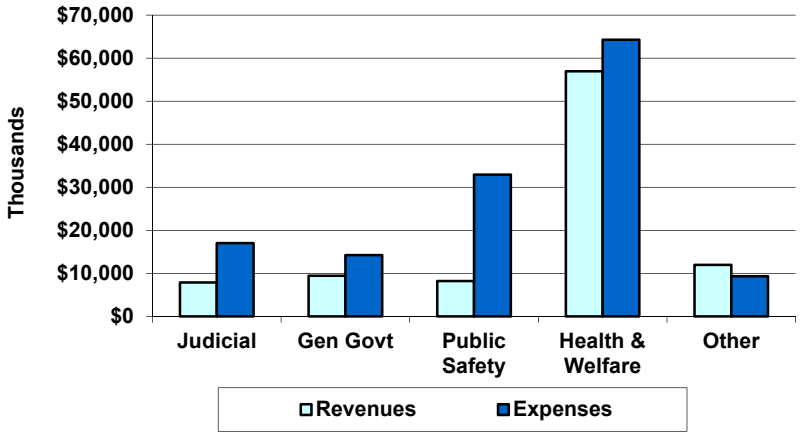
Health and welfare
Expenses decreased $2.1 million, or 3.3%, primarily due to the change in the entity administering the Michigan Works! Program.

Culture and recreation
Expenses increased $1.5 million, or 29.6%, primarily due to significant increases in internal service fund allocations.

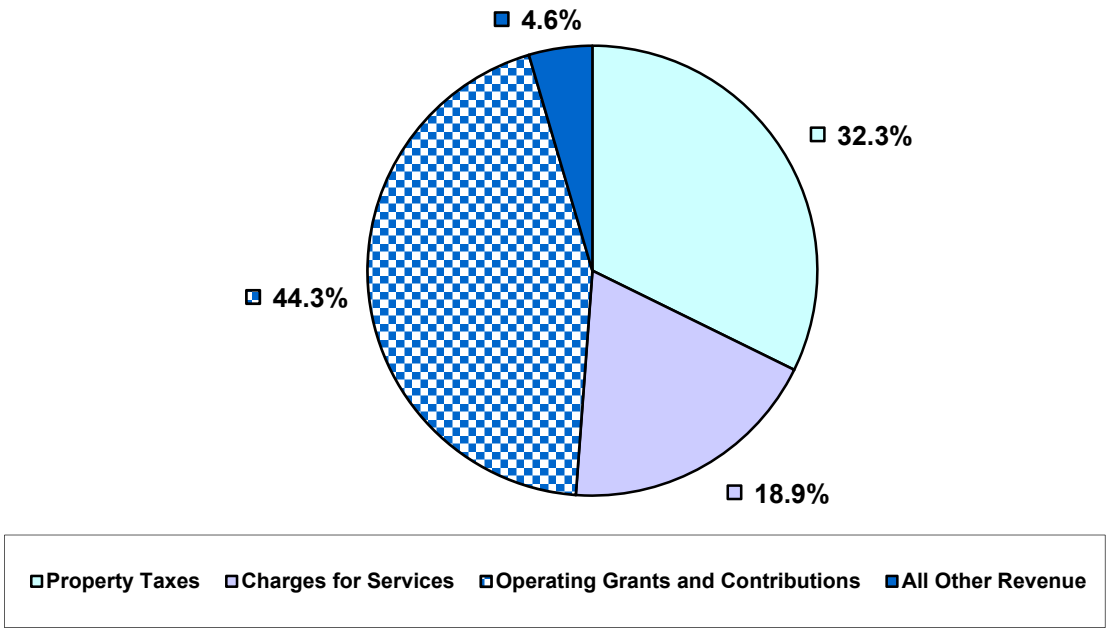
Interest on long-term debt
Interest on long-term debt increased $415,000 or 26.3%, primarily due to better interest rates.

The graph below summarizes revenues and expenses by category.

Program Revenues and Expenses – Governmental Activities



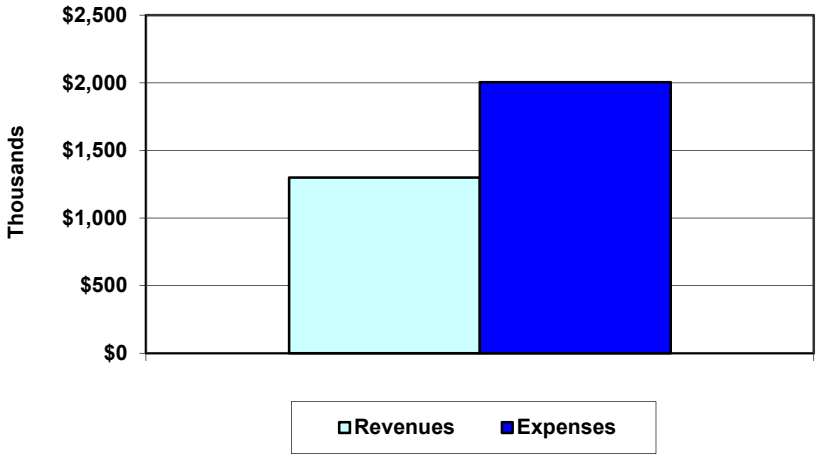
Revenues by Source – Governmental Activities



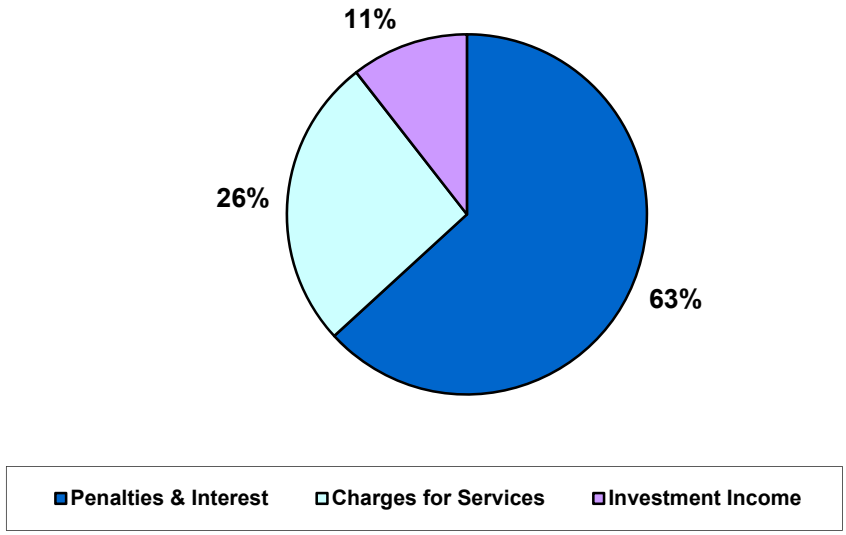
Business-type Activities

Business-type activities decreased the County's net position by $855,000 which was expected. The revenues for the business-type activities are penalties and interest on delinquent taxes, proceeds from tax sales, and investment income. Since the amount of delinquencies is decreasing, the penalties and interest earned is also decreasing. The majority of the expenses represent rent payments to the Ottawa County Building Authority (blended component unit). These payments cover principal and interest payments on several bond issues.

Program Revenues and Expenses – Business-type Activities



Revenues by Source – Business-type Activities



Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of $54,220,937, a decrease of $1.4 million in comparison with the prior year.

Approximately 56.7% percent of this total amount ($30.7 million) constitutes *spendable, non-restricted fund balance*. The remainder of fund balance is considered *nonspendable* or *restricted* to indicate that it is not available for new spending because it is 1) not in a spendable form such as inventory or prepaid expenses ($487,977), 2) unavailable as it provides a long-term advance to component units and other funds ($325,000) or 3) unavailable due to legal restrictions ($22,685,963). Of the $30.7 million, $15 million has been committed by the Board of Commissioners for specific projects/spending, and $5.7 million has been assigned by the County Administrator for specific projects/spending. The remaining $9.9 million in unassigned fund balance which is available for spending at the County's discretion.

The General Fund (1010) is the chief operating fund of the County. At the end of the current fiscal year, the unassigned fund balance of the General Fund was $9,971,344, while total fund balance was $39,292,365. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures and transfers. Unassigned fund balance represents 15.0 percent of total General Fund expenditures and transfers out.

The fund balance of the County's General Fund decreased by $4.0 million during 2015. This was mostly due to an increase in transfers to other funds and personnel cost increases.

The Parks and Recreation fund (2081) has a total fund balance of $3.6 million, which is a decrease of $854,000. The Parks and Recreation department is undergoing a period of growth and development with the help of a .33 property tax millage approved for park acquisition and development. Accordingly, the fund balance of the fund will vary from year to year with land acquisitions and capital improvement projects.

The fund balance of the Community Mental Health fund (2220) showed an increase of $329,000, primarily due to significant cuts in expenditures due to concern about future funding.

General Fund Budgetary Highlights

The original revenue and expenditure budgets (including transfers in/out) for the General Fund (1010) were $64,351,291 and $64,257,658 respectively. The amended revenue budget was $65,377,353, and the amended expenditure budget was $69,709,133.

The revenue budget decreased overall by $93,000. The decrease in revenue was spread throughout the County in various departments with no area having a material decrease. Operating transfers in decreased by approximately $1.1 million when it became clear that the transfer of $500,000 from the Insurance Authority and the $625,000 operating transfer from the Delinquent Tax Revolving fund would not be needed.

The budget for General Fund expenditures increased $85,000 in total, and expenditures and transfers out as a whole were $3.8 million under budget. The budget for Planning and Performance was increased $301,000 due to an increase in staff costs and expenses related to the Ag-Tech Business Incubator. The budget for the Jail was decreased by $132,000 due to a decrease in the cost of building rental.

Parks and Recreation made budget adjustments during the year based on the carryover of projects that were started in 2014, but were not completed as of December 31, 2014. This carryover resulted in an increase in the revenue budget of $944,000 and an increase in the expense budget of $2.9 million.

Community Mental Health saw decreases in both their revenue and expenditures from their adopted budget due to budget cuts from various programs.

Capital Asset and Debt Administration

Capital assets

The County's (primary government) investment in capital assets as of December 31, 2015, amounted to $131,749,896 (net of accumulated depreciation). This investment in capital assets includes land and land improvements, buildings and improvements, machinery and equipment, and park facilities. The County's total investment in capital assets for the current fiscal year remained essentially steady as additions approximated depreciation.

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

- The County continued energy improvements in most County facilities, spending an additional $451,000 in 2015. Significant renovations were done to the Grand River Ravines Lodge and Jail, totaling $212,000 and $286,000, respectively. Additionally, $760,000 was spent on a sally port at the Hudsonville Courthouse.

- Approximately $2.2 million was spent on various park improvement projects, including $263,000 for the Pumphouse Museum project, $1.1 million for the Grand River Ravines access improvements, and $658,000 for the Macatawa Greenway Trail.

- The County spent approximately $647,000 on vehicle replacements, mostly in Public Safety.

County of Ottawa's Governmental Activities Capital Assets (net of depreciation)
Additional information on the County's capital assets can be found in Note 5 of this report.

	2015	2014
Land	$ 48,921,584	$ 48,921,584
Construction in progress		
Land improvements	13,923,303	12,709,398
Buildings and improvements	62,586,710	64,147,543
Equipment	6,318,299	7,043,290
Total	$ 131,749,896	$ 132,821,815

Long-term Debt

At the end of the current fiscal year, the County had total general obligation bonds outstanding of $46,685,000 which are backed by the County's full faith and credit.

County of Ottawa's Outstanding Debt
General Obligation Bonds

	2015	2014
General obligation bonds	$ 34,730,000	$ 46,955,000
General obligation bonds - Refunding	11,955,000	3,325,000
Total	$ 46,685,000	$ 50,280,000

The County's total general obligation bonded debt decreased by $3.6 million. Debt from prior issues was reduced by $2.5 million as planned. The County refunded $13.1 million and issued $11.95 million in general obligation refunding bonds.

The County has a "AAA" rating from Fitch on general obligation limited tax bonds. Moody's bond rating is "Aaa" for general obligation unlimited and limited tax bonds. Standard and Poor's bond rating is "AA" for general obligation unlimited and limited tax bonds.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current (2015) debt limitation for the County is $1,015,417,548, which is significantly in excess of the County's outstanding general obligation debt.

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

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the County's budget for the 2016 fiscal year:

- The County's tax base has noticed improvement in the tax base. The changes in taxable value over the last few years is as follows:

2011	2012	2013	2014	2015
-2.15%	-0.96%	-1.44%	3.19%	4.00%

- On the positive side, the County's operating levy is 3.6 mills, the fifth lowest amount the 83 counties in the state. In fact, the County does not levy its maximum authorized levy to alleviate taxpayer burden. The County still has a cushion of .665 mills which provides an additional $6.9 million the County may access with a vote of the Board of Commissioners.

- The unemployment rate for the County was 3.5% for 2015 which is significantly lower than Michigan as a whole (7.3%). The rate for February 2016 was 3.1%. Industry initiatives discussed in the transmittal letter have improved the employment outlook for the County.

- The County had the fastest growing population in the state at 6.1 percent from 2010 to 2015.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Fiscal Services Director, 12220 Fillmore Street, Room 331, West Olive, Michigan, 49460.

COUNTY OF OTTAWA

STATEMENT OF NET POSITION

DECEMBER 31, 2015

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Current assets				
Cash and pooled investments (Note 3)	$ 63,740,952	$ 19,533,590	$ 83,274,542	$ 21,390,014
Investments	34,967,485	-	34,967,485	3,112,000
Receivables (net of allowance for estimated uncollectibles)				
Taxes	13,576,457	2,286,383	15,862,840	-
Accrued interest and penalties on delinquent taxes	-	468,205	468,205	-
Accounts	929,656	2,212	931,868	2,292,688
Accrued interest on investments	280,500	-	280,500	-
Advances to component units (Note 6)	325,000	-	325,000	-
Due from other governments	9,934,181	-	9,934,181	7,967,082
Inventory of supplies	252,351	-	252,351	1,181,482
Prepaid items	653,244	-	653,244	531,798
Total current assets	124,659,826	22,290,390	146,950,216	36,475,064
Noncurrent assets				
Net other post employment benefits asset	447,717	-	447,717	-
Due from other governments	-	-	-	117,084,096
Capital assets not being depreciated (Note 5)	48,921,584	-	48,921,584	17,683,770
Capital assets being depreciated, net	82,828,312	-	82,828,312	232,148,283
Total noncurrent assets	132,197,613	-	132,197,613	366,916,149
Total assets	256,857,439	22,290,390	279,147,829	403,391,213
Deferred outflows of resources				
Unamortized deferred bond refunding costs	442,710	-	442,710	-
Deferred outflow for pension plan (Note 10)	10,077,140	-	10,077,140	4,655,357
Liabilities				
Current liabilities				
Accounts payable	14,933,112	7,040	14,940,152	7,011,455
Interest payable	258,262	-	258,262	1,205,258
Due to other governments	3,103,237	1,665	3,104,902	59,003
Notes payable	-	-	-	250,000
Current portion of long-term debt (Note 8)	6,435,762	-	6,435,762	8,176,788
Advances from primary government	-	-	-	325,000
Advances from other governments	478,406	-	478,406	749,869
Unearned revenue	94,470	-	94,470	-
Total current liabilities	25,303,249	8,705	25,311,954	17,777,373
Noncurrent liabilities				
Noncurrent portion of long-term obligations (Note 8)	48,196,805	-	48,196,805	133,601,066
Net pension liability (Note 10)	29,345,085	-	29,345,085	19,774,073
Total noncurrent liabilities	77,541,890	-	77,541,890	153,375,139
Total liabilities	102,845,139	8,705	102,853,844	171,152,512
Deferred inflows of resources				
Aggregate deferred inflows (Note 4)	12,827,432	-	12,827,432	-
Net position (Note 1)				
Net investment in capital assets	112,970,569	-	112,970,569	234,756,915
Restricted for				
Debt Service	6,981	-	6,981	2,848,711
Donations	184,474	-	184,474	-
Grants	2,109,785	-	2,109,785	-
Capital projects	10,088,670	-	10,088,670	1,649,586
State of Michigan public act restrictions	10,290,163	1,682,228	11,972,391	55,031
Infrastructure maintenance	-	-	-	597,763
Cemetery trust				
Restricted	120	-	120	-
Nonspendable	5,770	-	5,770	-
Unrestricted	16,048,186	20,599,457	36,647,643	(3,013,948)
Total net position	$ 151,704,718	$ 22,281,685	$ 173,986,403	$ 236,894,058

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

COUNTY OF OTTAWA

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2015

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary government						
Governmental activities						
Legislative	$ 465,543	$ 1,612	$ -	$ -	$ -	$ (467,155)
Judicial	14,640,242	2,355,540	4,258,011	3,626,451	-	(9,111,320)
General government	21,554,360	(7,339,460)	7,531,480	1,887,174	-	(4,796,246)
Public safety	31,939,089	966,101	7,549,221	654,990	-	(24,700,979)
Public works	1,097,979	15,034	376,166	134,724	-	(602,123)
Health and welfare	62,623,001	1,628,759	3,421,008	53,531,132	-	(7,299,620)
Community and economic development	1,088,873	1,315	225,426	264,455	-	(600,307)
Culture and recreation	5,055,581	3,437	716,220	911,868	-	(3,430,930)
Interest on long-term debt	1,578,129	-	2,044,122	165,123	-	631,116
Total governmental activities	140,042,797	(2,367,662)	26,121,654	61,175,917	-	(50,377,564)
Business-type activities						
Delinquent tax collection	186,242	1,818,294	1,162,809	-	-	(841,727)
Total primary government	$ 140,229,039	$ (549,368)	$ 27,284,463	$ 61,175,917	$ -	$ (51,219,291)
Component units	$ 57,307,243	$ -	$ 37,318,024	$ 24,719,790	$ 10,376,915	$ 15,107,486

(Continued)

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

COUNTY OF OTTAWA

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2015

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Changes in net position				
Net (expense) revenue	$ (50,377,564)	$ (841,727)	$ (51,219,291)	$ 15,107,486
General revenues				
Property taxes, levied for general purposes	37,214,739	-	37,214,739	1,553
Property taxes, levied for park development	3,085,811	-	3,085,811	-
Property taxes, levied for E-911 Central Dispatch	4,283,177	-	4,283,177	-
Grants and contributions not restricted to specific programs	4,729,722	-	4,729,722	-
Investment earnings	1,090,878	136,970	1,227,848	86,361
Miscellaneous	472,033	-	472,033	17,157
Transfers - internal activities	150,000	(150,000)	-	-
Total general revenues and transfers	51,026,360	(13,030)	51,013,330	105,071
Change in net position	648,796	(854,757)	(205,961)	15,212,557
Net position, beginning of year, as restated (Note 16)	151,055,922	23,136,442	174,192,364	221,681,501
Net position, end of year	$ 151,704,718	$ 22,281,685	$ 173,986,403	$ 236,894,058

(Concluded)

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

COUNTY OF OTTAWA

GOVERNMENTAL FUNDS
BALANCE SHEET

DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	General	Parks and Recreation	Community Mental Health	Nonmajor Governmental Funds	Total Governmental Funds 2015	Total Governmental Funds 2014
Assets						
Cash and pooled investments	$ 36,340,811	$ 3,858,064	$ 1,822,414	$ 11,298,663	$ 53,319,952	$ 50,894,186
Receivables (net of allowance for estimated uncollectibles)						
Taxes	10,495,468	3,080,989	-	-	13,576,457	7,276,504
Accounts	457,493	2,991	201,572	204,591	866,647	976,414
Accrued interest on investments	159,440	-	-	-	159,440	173,738
Due from other funds	-	-	-	-	-	1,041,840
Due from other governmental units	2,099,827	-	2,892,015	4,942,339	9,934,181	12,858,607
Interfund receivable	3,378,842	-	-	-	3,378,842	4,408,218
Advances to component units	325,000	-	-	-	325,000	325,000
Inventory of supplies	6,076	15,863	12,786	217,626	252,351	328,345
Prepaid expenditures	113,026	1,600	90,260	30,740	235,626	299,547
Total assets	53,375,983	6,959,507	5,019,047	16,693,959	82,048,496	78,582,399
Liabilities, deferred inflows of resources and fund balances						
Liabilities						
Accounts payable	1,822,482	66,167	2,818,933	1,789,732	6,497,314	8,692,215
Due to other governmental units	42,080	-	1,652,665	1,408,492	3,103,237	1,837,829
Due to other funds	-	-	-	-	-	560,005
Interfund payable	-	-	-	2,226,328	2,226,328	1,505,032
Advances from other governmental units	-	-	-	478,406	478,406	478,406
Unearned revenue	39,877	21,681	495	32,417	94,470	234,780
Total liabilities	1,904,439	87,848	4,472,093	5,935,375	12,399,755	13,308,267
Deferred inflows of resources						
Aggregate deferred inflows (Note 4)	12,179,179	3,237,470	-	11,155	15,427,804	9,618,173
Fund balances (Note 1)						
Nonspendable	444,102	17,463	103,046	254,136	818,747	1,151,870
Restricted	11,020,236	3,616,726	443,908	7,599,323	22,680,193	20,358,397
Committed	15,003,982	-	-	2,246	15,006,228	16,602,639
Assigned	2,852,701	-	-	2,891,724	5,744,425	4,292,008
Unassigned	9,971,344	-	-	-	9,971,344	13,251,045
Total fund balances	39,292,365	3,634,189	546,954	10,747,429	54,220,937	55,655,959
Total liabilities, deferred inflows of resources and fund balances	$ 53,375,983	$ 6,959,507	$ 5,019,047	$ 16,693,959	$ 82,048,496	$ 78,582,399

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

COUNTY OF OTTAWA

RECONCILIATION OF FUND BALANCE ON THE BALANCE SHEET FOR GOVERNMENTAL FUNDS TO NET POSITION OF GOVERNMENTAL ACTIVITIES ON THE STATEMENT OF NET POSITION

DECEMBER 31, 2015

Total Fund Balances - Governmental Funds	$	54,220,937
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.		
Capital assets not being depreciated - land		48,921,584
Capital assets being depreciated, net of accumulated depreciation		78,271,262
Certain assets are not current financial resources and are not reported in the funds.		
Net other post employment benefits asset		447,717
Internal service funds are used by management to charge the costs of centralized services, to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities.		
Total net position of internal service funds		40,958,910
Certain deferred inflows reported in the funds are not available but are recognized in the governmental activities.		
Unavailable deferred inflows		2,600,371
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Bonds and notes payable		(46,685,000)
Landfill reclamation liability		(3,661,934)
Compensated absences payable		(2,713,595)
Accrued interest payable		(258,261)
Unamortized bond premium		(1,572,038)
Unamortized deferred bond refunding loss		442,710
Net pension liability		(29,345,085)
Deferred outflows for pension plan		10,077,140
Net Position of Governmental Activities	**$**	**151,704,718**

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

COUNTY OF OTTAWA

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	General	Parks and Recreation	Community Mental Health	Nonmajor Governmental Funds	Total Governmental Funds 2015	Total Governmental Funds 2014
Revenues						
Taxes	$ 40,643,909	$ 3,085,811	$ -	$ 6,894	$ 43,736,614	$ 42,185,402
Intergovernmental revenues	8,583,708	108,372	36,662,981	25,609,372	70,964,433	69,894,252
Charges for services	9,289,113	641,845	982,450	2,223,759	13,137,167	11,504,844
Fines and forfeits	69,428	-	-	-	69,428	74,400
Investment earnings (loss)	228,963	50,426	(4,951)	43,700	318,138	721,442
Licenses and permits	379,902	-	-	891,256	1,271,158	1,179,701
Rental income	2,239,377	15,500	-	2,017,223	4,272,100	4,958,509
Other	795,998	871,526	492,139	926,718	3,086,381	3,241,866
Total revenues	62,230,398	4,773,480	38,132,619	31,718,922	136,855,419	133,760,416
Expenditures						
Current operations						
Legislative	465,069	-	-	-	465,069	443,624
Judicial	12,257,326	-	-	4,624,143	16,881,469	16,172,323
General government	12,557,579	-	-	156,127	12,713,706	42,393,192
Public safety	24,824,427	-	-	7,267,689	32,092,116	31,928,910
Public works	321,870	-	-	539,979	861,849	1,285,200
Health and welfare	1,086,102	-	38,366,803	23,729,588	63,182,493	63,162,724
Community and economic development	826,226	-	-	262,209	1,088,435	813,518
Culture and recreation	-	2,936,867	-	-	2,936,867	2,627,130
Other governmental functions	120,695	-	-	-	120,695	252,124
Debt service	553,355	-	-	3,675,923	4,229,278	3,159,424
Capital projects	-	2,697,894	-	1,707,651	4,405,545	5,273,866
Total expenditures	53,012,649	5,634,761	38,366,803	41,963,309	138,977,522	167,512,035
Revenues over (under) expenditures	9,217,749	(861,281)	(234,184)	(10,244,387)	(2,122,103)	(33,751,619)
Other financing sources (uses)						
Transfers from other funds	-	7,500	563,108	13,426,358	13,996,966	12,970,917
Transfers to other funds	(13,261,441)	-	-	(190,025)	(13,451,466)	(12,520,917)
Issuance of bonds	-	-	-	11,955,000	11,955,000	29,285,000
Premium on bonds	-	-	-	1,744,362	1,744,362	(145,726)
Payment to escrow agent	-	-	-	(13,557,781)	(13,557,781)	-
Total other financing sources (uses)	(13,261,441)	7,500	563,108	13,377,914	687,081	29,589,274
Net change in fund balances	(4,043,692)	(853,781)	328,924	3,133,527	(1,435,022)	(4,162,345)
Fund balances, beginning of year	43,336,057	4,487,970	218,030	7,613,902	55,655,959	59,818,304
Fund balances, end of year	$ 39,292,365	$ 3,634,189	$ 546,954	$ 10,747,429	$ 54,220,937	$ 55,655,959

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

COUNTY OF OTTAWA

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, 2015

Net Change in Fund Balances - Governmental Funds	$ (1,435,022)
Amounts reported for governmental activities in the statement of net position are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay	4,117,527
Depreciation expense	(4,879,804)
Net book value of disposed assets	(61,636)
Certain receivables are long-term in nature and are collectable over several years. However only the current year's receipts are reflected as revenues in the fund statements.	
Change in unavailable revenues	545,772
Bond or note proceeds provide current financial resources to governmental funds in the period issued, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond or note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Principal payments on debt	2,475,000
Bonds refunded	13,075,000
Bond issue	(11,955,000)
Bond premium	(1,744,362)
Deferred bond refunding costs	482,781
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.	
Change in landfill reclamation liability	(101,534)
Change in compensated absences payable	107,704
Change in accrued interest payable	(77,999)
Amortization of bond premium	433,660
Amortization of deferred bond refunding costs	(179,512)
Change in net pension liability	24,420,658
Change in deferred outflow for pension plan	(25,272,289)
Change in other post employment benefits asset	(5,416)
Internal service funds are used by management to charge the costs of certain services to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	
Change in net position of internal service funds	703,268
Change in Net Position of Governmental Activities	**$ 648,796**

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

COUNTY OF OTTAWA

PROPRIETARY FUNDS
STATEMENT OF NET POSITION

DECEMBER 31, 2015

	Business-type Activities Enterprise Fund	Governmental Activities
Assets	Delinquent Tax Revolving Fund	Internal Service Funds
Current assets		
Cash and pooled investments	$ 19,533,590	$ 9,268,486
Investments	-	34,967,485
Receivables		
Delinquent taxes receivable	2,286,383	-
Accrued interest and penalties on delinquent taxes	468,205	-
Accounts	2,212	63,009
Accrued interest on investments	-	121,060
Due from other funds	-	4,033,834
Prepaid expenses	-	417,618
Total current assets	22,290,390	48,871,492
Noncurrent assets		
Capital assets		
Office furniture and equipment	-	7,316,626
Copy machines	-	287,751
Telephone equipment	-	2,278,719
Vehicles	-	5,239,957
Less accumulated depreciation	-	(10,566,003)
Net capital assets	-	4,557,050
Total assets	22,290,390	53,428,542
Liabilities		
Current liabilities		
Accounts payable	7,040	8,435,798
Due to other funds	-	4,033,834
Due to other governmental units	1,665	-
Total liabilities	8,705	12,469,632
Net position		
Invested in capital assets	-	4,557,050
Restricted for land foreclosure	1,682,228	-
Unrestricted	20,599,457	36,401,860
Total net position	$ 22,281,685	$ 40,958,910

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

COUNTY OF OTTAWA

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

FOR THE YEAR ENDED DECEMBER 31, 2015

	Business-type Activities Enterprise Fund	Governmental Activities
	Delinquent Tax Revolving Fund	Internal Service Funds
Operating revenues		
Charges for services	$ 341,459	$ 19,519,808
Penalties and interest in delinquent taxes	821,350	-
Other revenue	-	141,047
Total operating revenues	1,162,809	19,660,855
Operating expenses		
Personnel services	99,746	2,388,149
Contractual services	72,584	679,290
Supplies	13,912	43,415
Depreciation	-	1,597,571
Building and equipment rental	1,818,294	638,351
Claims and legal	-	836,475
Miscellaneous	-	13,171,260
Total operating expenses	2,004,536	19,354,511
Operating income	(841,727)	306,344
Nonoperating revenues (expenses)		
Investment earnings	136,970	783,940
Net change in the fair value of investments	-	(11,200)
Gain on sale of capital assets	-	19,684
Total nonoperating revenues	136,970	792,424
Income before transfers	(704,757)	1,098,768
Transfers		
Transfers in	-	-
Transfers out	(150,000)	(395,500)
Total transfers	(150,000)	(395,500)
Change in net position	(854,757)	703,268
Total net position, beginning of year	23,136,442	40,255,642
Total net position, end of year	$ 22,281,685	$ 40,958,910

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

COUNTY OF OTTAWA

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2015

	Business-type Activities Enterprise Fund	Governmental Activities
	Delinquent Tax Revolving Fund	Internal Service Funds
Cash flows from operating activities		
Cash received from interfund services provided	$ -	$ 19,702,048
Cash receipts from customers	6,161,209	-
Cash received from penalties and interest on delinquent taxes	1,033,508	-
Cash payments to suppliers for goods and services	(1,913,127)	(14,027,641)
Cash payments for self-funded insurance claims	-	(1,949,394)
Cash payments to employees for services	(99,746)	(2,388,149)
Purchase of delinquent tax rolls	(4,936,122)	-
Net cash provided by (used for) operating activities	245,722	1,336,864
Cash flows from noncapital financing activities		
Transfers in from other funds	-	-
Transfers out to other funds	(150,000)	(395,500)
Net cash provided by (used for) noncapital financing activities	(150,000)	(395,500)
Cash flows from capital and related financing activities		
Acquisition of capital assets	-	(1,349,565)
Proceeds from sale of equipment	-	19,684
Net cash provided by (used for) capital and related financing activities	-	(1,329,881)
Cash flows from investing activities		
Purchase of investments	-	(15,734,925)
Interest on investments	136,970	830,237
Proceeds from sale of investments	-	14,112,006
Net cash provided by (used for) investing activities	136,970	(792,682)
Net increase (decrease) in cash and pooled investments	232,692	(1,181,199)
Cash and pooled investments, beginning of year	19,300,898	10,449,685
Cash and pooled investments, end of year	$ 19,533,590	$ 9,268,486

(Continued)

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

COUNTY OF OTTAWA

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2015

Reconciliation of operating income (loss) to net cash provided by (used for) operating activities		
Operating income (loss)	$ (841,727)	$ 306,344
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities		
Depreciation	-	$ 1,597,571
Change in assets and liabilities not affecting cash provided by (used for) operating activities		
(Increase) decrease in receivables	1,096,219	(55,169)
(Increase) decrease in prepaid expenses	-	247,316
Increase (decrease) in unpaid claims liability	-	369,798
Increase (decrease) in accounts payable	(8,105)	22,112
Increase (decrease) in due to other funds	-	(1,099,356)
Increase (decrease) in due to other governmental units	(665)	(51,752)
Net cash provided by (used for) operating activities	$ 245,722	$ 1,336,864

Noncash investing activities

The change in fair value of investments for the internal service funds was $11,200.

(Concluded)

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

COUNTY OF OTTAWA

FIDUCIARY FUNDS
STATEMENT OF NET POSITION/BALANCE SHEET

DECEMBER 31, 2015
(with comparative totals at December 31, 2014)

	Other Post Employment Benefit Plan		Agency Funds	
	2015	2014	2015	2014
Assets				
Cash and pooled investments	$ 1,595	$ 6,237	$ 2,463,463	$ 3,144,305
U.S. Government securities	247,952	-	-	-
U.S. Government agencies	76,717	300,632	-	-
Corporate bonds	934,504	864,387	-	-
Mutual funds				
Money market mutual funds	375,885	313,192	-	-
Fixed income	99,578	181,871	-	-
Domestic equity	2,764,424	2,815,191	-	-
International equity	299,659	339,615	-	-
Receivables				
Accounts	-	-	22,308	220,956
Due from other governmental units	-	-	1,072,356	66,429
Total assets	4,800,314	4,821,125	3,558,127	3,431,690
Liabilities				
Due to other governmental units				
Due to State of Michigan	-	-	1,364,041	1,338,501
Fines and fees due to local libraries	-	-	290,827	591,747
Agency deposits	-	-	1,903,259	1,501,442
Total liabilities	-	-	$ 3,558,127	$ 3,431,690
Net position held in trust for other postemployement benefits	$ 4,800,313	$ 4,821,124		

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

COUNTY OF OTTAWA

OTHER POST EMPLOYMENT BENEFITS PLAN
STATEMENT OF CHANGES IN NET POSITION

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	2015	2014
Additions		
Contributions		
Employer	$ 224,871	$ 229,578
Plan member	422,181	407,350
Investment income (loss)	(71,389)	257,488
Total additions	575,663	894,416
Deductions		
Administrative expense	54,348	52,508
Premiums	542,126	516,108
Total deductions	596,474	568,616
Total net increase (decrease)	(20,811)	325,800
Net position, beginning of year	4,821,124	4,495,324
Net position, end of year	$ 4,800,313	$ 4,821,124

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

COUNTY OF OTTAWA

COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION

DECEMBER 31, 2015

	Ottawa County Road Commission	Ottawa County Central Dispatch Authority	Ottawa County Public Utilities System	Ottawa County Land Bank Authority	Ottawa County Office of the Water Resources Commissioner	Total
Assets						
Current assets						
Cash and pooled investments	$ 6,068,729	$ 6,451,983	$ 6,899,118	$ 91,169	$ 1,879,015	$ 21,390,014
Investments	-	-	3,112,000	-	-	3,112,000
Receivables (net of allowance for estimated uncollectibles)						
Accounts	201,000	-	2,091,688	-	-	2,292,688
Due from other governments	5,853,518	597,320	-	-	1,516,244	7,967,082
Inventory of supplies	1,154,062	-	27,420	-		1,181,482
Prepaid items	243,276	288,522	-	-	-	531,798
Total current assets	13,520,585	7,337,825	12,130,226	91,169	3,395,259	36,475,064
Noncurrent assets						
Due from other governments	375,000	-	113,262,572	-	3,446,524	117,084,096
Capital assets not being depreciated	4,008,148	13,675,622	-	-	-	17,683,770
Capital assets being depreciated, net	194,920,671	4,789,609	-	-	32,438,003	232,148,283
Total noncurrent assets	199,303,819	18,465,231	113,262,572	-	35,884,527	366,916,149
Total assets	212,824,404	25,803,056	125,392,798	91,169	39,279,786	403,391,213
Deferred outflows of resources						
Deferred outflow for pension plan	1,746,624	78,062	2,830,671	-	-	4,655,357
Liabilities						
Current liabilities						
Accounts payable	4,839,752	107,362	1,689,745	-	374,596	7,011,455
Interest payable	-	-	1,186,713	-	18,545	1,205,258
Due to other governments	-	-	59,003	-	-	59,003
Notes payable	-	-	-	-	250,000	250,000
Current portion of long-term debt	216,248	1,710,173	5,603,000	-	647,367	8,176,788
Advances from primary government	-	-	150,000	-	175,000	325,000
Advances from other governments	749,869	-	-	-	-	749,869
Total current liabilities	5,805,869	1,817,535	8,688,461	-	1,465,508	17,777,373
Noncurrent liabilities						
Noncurrent portion of long-term obligations	2,149,840	9,967,667	118,822,905	-	2,660,654	133,601,066
Net pension liability	19,515,608	258,465	-	-	-	19,774,073
Total noncurrent liabilities	21,665,448	10,226,132	118,822,905	-	2,660,654	153,375,139
Total liabilities	27,471,317	12,043,667	127,511,366	-	4,126,162	171,152,512
Net position						
Net investment in capital assets	198,928,819	6,948,114	-	-	28,879,982	234,756,915
Restricted for						
Debt service	-	-	-	-	2,848,711	2,848,711
Capital projects	-	-	-	-	1,649,586	1,649,586
State of Michigan public act restrictions	-	55,031	-	-	-	55,031
Infrastructure maintenance	-	-	542,437	-	55,326	597,763
Unrestricted	(11,829,108)	6,834,306	169,666	91,169	1,720,019	(3,013,948)
Total net position	$ 187,099,711	$ 13,837,451	$ 712,103	$ 91,169	$ 35,153,624	$ 236,894,058

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

COUNTY OF OTTAWA

COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2015

Functions/ Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Component units					
Ottawa County Road Commission	$ 28,167,506	$ 14,781,131	$ 19,488,876	$ 5,943,090	$ 12,045,591
Ottawa County Central Dispatch Authority	4,751,260	11,664	5,230,914	-	491,318
Ottawa County Public Utilities	22,335,675	22,500,444	-	-	164,769
Ottawa County Land Bank Authority	455	24,785	-	-	24,330
Ottawa County Office of the Water Resources Commissioner	2,052,347	-	-	4,433,825	2,381,478
Total component units	57,307,243	37,318,024	24,719,790	10,376,915	15,107,486

(Continued)

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

COUNTY OF OTTAWA

COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2015

	Component Units					
	Ottawa County Road Commission	Ottawa County Central Dispatch Authority	Ottawa County Public Utilities System	Ottawa County Land Bank Authority	Ottawa County Office of the Water Resources Commissioner	Total
Changes in net position						
Net (expense) revenue	$ 12,045,591	$ 491,318	$ 164,769	$ 24,330	$ 2,381,478	$ 15,107,486
General revenues						
Property taxes, levied for general purposes	-	-	-	1,553	-	1,553
Investment earnings	13,538	47,725	9,097	-	16,001	86,361
Miscellaneous	17,157	-	-	-	-	17,157
Total general revenues	30,695	47,725	9,097	1,553	16,001	105,071
Change in net position	12,076,286	539,043	173,866	25,883	2,397,479	15,212,557
Net position, beginning of year	175,023,425	13,298,408	538,237	65,286	32,756,145	221,681,501
Net position, end of year	$187,099,711	$ 13,837,451	$ 712,103	$ 91,169	$ 35,153,624	$236,894,058

(Concluded)

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Ottawa, Michigan (the "County") was incorporated in 1837 and covers an area of approximately 565 square miles with the County seat located in the City of Grand Haven. The County operates under an elected Board of Commissioners (11 members) and provides services to its estimated 276,292 residents in many areas including law enforcement, administration of justice, community enrichment and development and human services.

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

Reporting Entity

The accompanying financial statements present the County (the primary government) and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the County's operations, so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the County.

Blended Component Units

The Building Authority is governed by a three-member board appointed by the Ottawa County Board of Commissioners. Its sole purpose is to finance and construct the County's public buildings. It is reported in the appropriate fund categories of debt service and capital projects and has a December 31 year-end. A separate report is not prepared for the Building Authority.

The Ottawa County, Michigan Insurance Authority is a separate legal entity organized for the purpose of providing insurance coverage and risk management and related services to public entities in the County of Ottawa, Michigan pursuant to State of Michigan Act No. 36 of the Public Acts of 1988. The governing board consists of one appointed and four elected officials of the County and one appointed official from each other participating public entity. The County and the Building Authority are currently the only participating entities. The Insurance Authority is reported in an internal service fund and has a December 31 year-end.

Complete financial statements for the Insurance Authority can be obtained from:

Fiscal Services Director
Ottawa County
12220 Fillmore Street, Room 331
West Olive, MI 49460

Discretely Presented Component Units

The Ottawa County Road Commission was established pursuant to the County Road Law (MCL 224.1). The governing board is appointed by the Ottawa County Board of Commissioners. The Road Commission deposits receipts with and has investments through the County. It may not issue debt or levy a tax without the approval of the County Board of Commissioners. Road Commission property taxes are levied under the taxing authority of the County, as approved by the County electors, and are included as part of the County's total tax levy. The Road Commission has a September 30 year-end.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reporting Entity (continued)

Discretely Presented Component Units (continued)

The Ottawa County Public Utilities System is governed by a board appointed by the Ottawa County Board of Commissioners. The Public Utilities System deposits receipts with and invests through the County. It is fiscally dependent upon the County because the County Board must approve debt issuances of Public Act 342 bonds. The Ottawa County Public Utilities System has a December 31 year-end.

Complete financial statements for the Road Commission and the Public Utilities System can be obtained from:

Finance Director
Ottawa County Road Commission
P.O. Box 7392
Grand Haven, MI 49417

The Ottawa County Central Dispatch Authority is governed by an eight-member board with two members appointed by the County's Board of Commissioners. It is financially accountable to the County as a result of fiscal dependency. It cannot levy taxes or issue bonded debt without approval of the County. The services provided cover all County residents and the County levies a property tax of .44 mills to finance the operations of the Dispatch Authority. The Dispatch Authority has a December 31 year-end.

Complete financial statements for the Dispatch Authority can be obtained from:

Director
Ottawa County Central Dispatch Authority
12101 Stanton Street
West Olive, MI 49460

Ottawa County Office of the Water Resources Commissioner 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 Office of the Water Resources Commissioner is considered to be a component unit of the County because the County has the ability to significantly influence operations and has accountability for fiscal matters, by formally approving the Water Resources Commissioner's budget and performing all financial management functions. The statutory drainage board of Chapter 20 drainage districts consists of the Water Resources Commissioner, the Chair of the County Board of Commissioners and one other member of the Board of Commissioners. The statutory drainage board of Chapter 6 and 21 drainage districts consists of the State Director of Agriculture and the Water Resources Commissioner of each county involved in the project. The Water Resources Commissioner has sole responsibility to administer the drainage districts established pursuant to Chapter 4 and 8 of the Drain Code. The drainage board or Water Resources Commissioner, on behalf of the drainage district, may issue debt and levy special assessments authorized by the Drain Code without the prior approval of the County Board of Commissioners. The full faith and credit of the County may be pledged for the debt of the drainage district.

Complete financial statements for the Office of the Water Resources Commissioner can be obtained from:

Fiscal Services Director
Ottawa County
12220 Fillmore Street, Room 331
West Olive, MI 49460

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reporting Entity (continued)

Discretely Presented Component Units (continued)

The Ottawa County Land Bank Authority was established pursuant to the Michigan Land Bank Fast Track Act, 2003 P.A. 258, 124.751 and the intergovernmental agreement by and between the Michigan Land Bank Fast Track Authority and the Treasurer of the County of Ottawa. The governing board consists of the Treasurer of the County of Ottawa and eight additional members appointed by the Ottawa County Board of Commissioners. The Authority has the power to contract, to sue and be sued, to hold, manage and dispose of property, etc. Although funding for the Authority is designed to come from the eventual sale of properties, the County Board has enabled the Authority to borrow up to $50,000 from the County's Delinquent Tax Revolving fund as needed, interest free. The Land Bank Authority has a December 31 year-end. A separate report is not prepared for the Ottawa County Land Bank Authority.

The Economic Development Corporation of the County of Ottawa (EDC) was established pursuant to the Economic Development Corporations Act (Act 338, Public Acts of 1974, as amended) and is a separate legal entity. The EDC's governing board is appointed by the Ottawa County Board of Commissioners. The County was required to hold a public hearing and approve the bonds issued in 2011 in compliance with the Internal Revenue Code. Neither the EDC nor the County is obligated in any way for the payment of these bonds. The EDC has a June 30 year-end. A separate report is not prepared for the Economic Development Corporation of the County of Ottawa.

Funds with Other Year Ends

The financial statements of the Friend of the Court, Health, Community Mental Health, Substance Use Disorder, Department of Health and Human Services, and Child Care, (included with Governmental Funds and reflecting total assets and revenues of 12.86% and 39.18%, respectively, of the Governmental Fund totals) and the Protected Self-Funded Insurance-Mental Health Fund (included with Internal Service Funds and reflecting total assets and revenues of 0.00% and 0.00%, respectively, of the related fund type totals) have been included in the accompanying 2015 financial statements using their fiscal year ended September 30, 2015.

The remaining funds have been included in the accompanying financial statements using their fiscal year ended December 31, 2015.

Interfund balances, due to/from account balances, indirect expense allocations, and transfers, do not agree across all funds due to the different year ends reported in these financial statements.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, exceptions to this general rule are charges between enterprise functions and other various functions of the government and interfund balances remaining due to the different year ends reported in the funds. Elimination of these charges would distort costs and program revenues for the various functions concerned. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government-wide and Fund Financial Statements (continued)

Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Indirect expenses* are charged based upon a County-wide cost allocation plan which allocates costs based upon the number of full time equivalents, number of transactions, and other pertinent information. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund statements. The fiduciary fund financial statements are reported using the *accrual basis of accounting* and the *economic resources measurement focus* (agency funds do not utilize a measurement focus). Revenues are recorded when earned and expenses are recorded when 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. After March 1 of the following year, the Delinquent Tax Revolving Fund pays the County for any real outstanding taxes as of that date. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Measurement focus, basis of accounting, and financial statement presentation

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property tax 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, landfill closure costs and compensated absences are recorded only when payment is due.

Intergovernmental revenue, charges for services, grants 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. The County considers these to be available if received within 180 days of year end. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the County.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement focus, basis of accounting, and financial statement presentation (continued)

The County reports the following major governmental funds:

General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. With the implementation of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, certain funds which had been special revenue funds have been combined with the general fund. These funds include:

Solid Waste Clean-Up Fund (2271) – This fund was established to account for monies received from settlement of a claim. The monies are mainly used for the clean-up of the Southwest Ottawa Landfill.

Infrastructure Fund (2444) – This fund was established by the County Board to provide financial assistance to local units of government for water, sewer, road and bridge projects that are especially unique, non-routine, and out-of-the ordinary.

Public Improvement Fund (2450) – This fund is used for earmarked revenues set aside for public improvements. Funding is provided from general fund appropriations and building rentals.

Stabilization Fund (2570) – This fund was established to assure the continued solid financial condition of the County in case of emergency.

DB/DC Conversion Fund (2970) – This fund was established by the County Board to set aside funds needed for startup costs associated with moving new hires to a defined contribution retirement system.

Compensated Absences Fund (2980) – This fund is used to account for future payments of accumulated sick pay of County employees under the sick days/short and long-term disability plan. This fund is also used to accrue vacation pay.

Parks and Recreation Fund (2081) – This fund was established for the development, maintenance, and operation of Ottawa County parks. Funding is provided by state grants and user charges. A millage of .33 mills to support this fund was re-approved by the County electorate during 2006 for ten years and expires in 2016.

Community Mental Health Fund (2220) – This fund is used to account for monies to provide mental health services within the County. Monies are provided by federal, state and county appropriations, contributions and charges for services.

The County reports the following major proprietary fund:

Delinquent Tax Revolving Fund (5160) – This Enterprise Fund is used to pay each local governmental unit, including the County general fund, the respective amount of delinquent taxes not collected as of March 1 of each year. Financing is provided by subsequent collection of delinquent property taxes by the County Treasurer.

Additionally, the County reports the following fund types:

Special Revenue Funds are used to account for revenue from specific revenue sources (other than fiduciary or major capital projects) and related expenditures which are restricted for specific purposes by administrative action or law.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement focus, basis of accounting, and financial statement presentation (continued)

The *Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The *Capital Projects Fund* accounts for construction projects.

The *Permanent Fund* is used to record the activity of the Cemetery Trust which provides funds for perpetual care of cemetery lots.

Internal Service Funds account for data processing, equipment purchases, and insurance coverage provided to County departments on a cost reimbursement basis.

The *OPEB Trust Fund* is used to account for the activity of the County's other post employment benefit program.

Agency Funds are used to account for assets held on behalf of outside parties, including other governments. The majority of the balances in the agency funds represent payments collected on behalf of the State of Michigan and other governmental agencies.

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 delinquent tax revolving enterprise fund are interest and penalties on delinquent taxes. The principal operating revenues of the County's internal service funds are charges to County departments for equipment amortization and insurance coverage. Operating expenses for the enterprise fund include costs associated with the collection of delinquent taxes and rent payments for certain County facilities designed to pay the debt obligations of the related bond issue. Operating expenses for the internal service funds include the cost of services (including premiums and claims), administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Assets, liabilities, and net position or equity

Cash and pooled investments

For purposes of the statement of cash flows, the County considers all assets held in the cash and investment pool to be cash equivalents because the investments are not identifiable to specific funds and the assets can be withdrawn at any time, similar to a demand deposit account. The investments of the County investment pool consist primarily of U.S. treasuries, U.S government agency securities, commercial paper, certificates of deposit, local government investment pools, and mutual funds.

Investments of the Insurance Authority and Other Post Employment Benefit Plan trust also consist of corporate debt and equity securities. All investments are recorded at fair value.

Receivables, payables, and due from other governments

During the course of operations, numerous transactions occur between individual funds and/or between the primary government and component units for goods provided or services rendered. These receivables and payables are classified as "due from other funds/component units" or "due to other funds/component units" on the balance sheet. Short-term interfund loans are classified as "interfund receivables/payables".

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets, liabilities, and net position or equity (continued)

Receivables, payables, and due from other governments (continued)

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Property taxes for general County operations are levied as of July 1 (lien date) on property values assessed as of the same date. Property taxes for Parks and Recreation, the Ottawa County Central Dispatch Authority, and the Ottawa County Road Commission are levied December 1 (lien date) on property values assessed as of the same date. The taxes levied July 1 are due on September 14 and taxes levied December 1 are due on February 14 of the following year. After the due dates, the applicable property is subject to penalties and interest.

Other accounts receivable is shown net of the allowance for estimated uncollectible. For the mental health receivables, an allowance of $28,873 has been established. For the jail and inmate housing receivable and various other receivables an allowance of $882,818 has been established.

Advances to other funds

Noncurrent portions of long-term interfund loans receivable in governmental funds are reported as advances and are offset by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

Inventories and prepaids

Inventories are valued at cost on the first-in / first-out (FIFO) method. Inventories are recorded as expenditures when consumed rather than when purchased. Payments made to vendors for services that will benefit periods beyond a fund's fiscal year-end are recorded as prepaid in both government-wide and fund financial statements. Prepaid items are recorded as expenditures when consumed rather than when purchased.

Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities column in the government-wide financial statements. For the County, infrastructure exists in the Road Commission and the Office of the Water Resources Commissioner component units. The capitalization threshold ranges from $1,000 - $25,000. Capital assets are defined by the primary government as assets with an initial, individual cost of more than $5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exists. Donated capital assets are valued at their estimated fair market value on the date received. The amount reported for infrastructure includes assets acquired or constructed since 1980. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets, liabilities, and net position or equity (continued)

Capital assets (continued)

No interest expense has been incurred or capitalized on capital assets reported in proprietary funds. Depreciation of the capital assets (including infrastructure) of the primary government, as well as the component units, is computed using the straight-line method over the estimated useful lives.

	Years
Land improvements	25
Buildings	25 - 50
Office furniture and equipment	3 - 20
Vehicles	3 - 10
Infrastructure	30

Self-insurance claims incurred but not reported

At December 31, 2015 the County has several Internal Service funds which account for various uninsured risks. The County is self-insured up to certain limits, which vary by type of risk, and purchases reinsurance to cover claims in excess of those limits. The County records estimates of self-insurance claims incurred but not reported as of December 31, and the Road Commission at September 30, based on historical trend information, claims reported subsequent to year end, actuarial valuations and/or professional judgment. Such estimates are included in accounts payable.

Compensated absences

Substantially all County employees are granted vacation and sick leave in varying amounts based on length of service. Vacation pay is fully vested when earned and accrued in the government-wide financial statements. Employees are granted varying amounts of sick days annually and may accumulate up to a maximum of 12 to 15 days. Unused sick leave accumulated under the current plan is forfeited upon termination or retirement. Therefore, no liability for unpaid accumulated sick leave is recorded. All employees except judges and elected officials are covered under short and long-term disability benefits if an illness lasts longer than 10 working days or six months, respectively.

Employees who accumulated sick days under the County's prior sick leave policy before moving into the current plan have been allowed to bank up to 120 hours of their sick days accumulated under the prior plan in a holding account at the pay rate in effect when they entered the current plan. Employees' accounts earn interest annually at the average rate earned by the County Treasurer. Employees with at least ten years of continuous service are paid for banked sick days in full upon death or retirement and at the rate of 50% of accumulated benefits upon termination for reasons other than death or retirement.

A liability for this amount is accrued and reported in the government-wide financial statements. The County estimates that the maximum liability for unpaid and unused sick leave would be approximately $118,224 at December 31, 2015 if all employees who accumulated sick leave under the prior plan retired. Only the portion of this liability that has matured is recognized as a current liability. An actuarial estimate of the long-term amount payable to employees upon retirement at December 31, 2015 is $117,993 and is funded in the General Fund with corresponding committed and assigned fund balance. On the government-wide statements, however, the liability for compensated absences is included in the non-current portion of long-term obligations.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets, liabilities, and net position or equity (continued)

Compensated absences (continued)

The County has fully funded its vacation pay liability. The vacation pay expenditure/expense was recorded in each fund, and this amount was transferred and recorded in the General Fund with corresponding committed and assigned fund balance. An adjustment was made at December 31, 2015 to reflect the change in the accumulated balance to $2,595,602.

Under the Road Commission's personnel policy and contracts negotiated with employee groups, individual employees have a vested right to receive payments for unused vacation and sick leave under formulas and conditions specified in the policy and contracts. Accumulated leave of the General Fund is recorded on the statement of net position and not on the General Fund balance sheet because it is not expected to be liquidated with expendable available financial resources.

The Central Dispatch Authority's personnel policy and employment agreements provide employees a vested right to receive payments for unused vacation leave under formulas and conditions specified in the policy and agreements. Accumulated leave of the General Fund is recorded on the statement of net position and not on the General Fund balance sheet because it is not expected to be liquidated with expendable available financial resources.

Deferred compensation plan

The County, the Road Commission and the Central Dispatch Authority offer to their employees several different deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans are available to County and Dispatch Authority employees with various options and employer contribution requirements depending on which bargaining unit the employee is a member. All plans permit employees to defer a portion of their salary until future years. Participation in the plans is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The Central Dispatch Authority employee contributions were $59,108 and Authority match was $13,779 for the current year. The County employee contributions for 2015 were $1,966,688 and the County match was $294,412.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held in trust for the exclusive benefit of participants and their beneficiaries. Investments are managed by the plans' trustees, under one of several investment options, or combination thereof. The choice of the investment option(s) is made by the participants or the investment manager at the option of the employee. As the assets of the trust are managed by the plans trustees, and the County does not have fiduciary responsibility. The plan assets are not recorded in the financial statements of the County.

Employee Retirement Plans

The County, the Road Commission and the Dispatch Authority have contributory pension plans covering various employee groups. The plans are funded through annual contributions to the Michigan Municipal Employees' Retirement System in amounts sufficient to fund the normal cost of the plans and to amortize prior service cost.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets, liabilities, and net position or equity (continued)

Employee Retirement Plans (continued)

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

Long-term obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, the long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. For new bond issuances after the implementation of GASB Statement No. 34, bond premiums and discounts, are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

Restricted Net Position

Under Act 30, Public Acts of 1978, the use of the fund balance of the Stabilization Fund (consolidated with the General Fund) in the amount of $9,255,217 is restricted to 1) cover a deficit, 2) prevent a reduction in the level of public services or number of employees in the current or next fiscal year, or 3) cover expenses arising from a natural disaster.

A portion of the fund balance of the general fund is restricted for the purposed of grants, donations, and other items. At December 31, 2015 this amounted to $2,294,259.

The fund balance of the Parks and Recreation Fund (Special Revenue Fund 2081) is comprised mainly of unused revenue from a specially designated tax levy, therefore the entire $3,616,726 is restricted.

The fund balance of the Other Governmental Grants (Special Revenue Fund 2180) in the amount of $45,425 is restricted to the purposes of the grants.

The fund balance of the Community Mental Health Fund (Special revenue fund 2220) in the amount of $443,908 is restricted.

The fund balance of the Homestead Property Tax Fund (Special Revenue Fund 2550) in the amount of $13,705 is restricted for administration of the program under Act 105, Public Acts of 2003.

The fund balance of the Register of Deeds Technology Fund (Special Revenue Fund 2560) in the amount of $662,445 is restricted for technology upgrades under Act 698, Public Acts of 2002.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets, liabilities, and net position or equity (continued)

Restricted Net Position (continued)

The fund balance of the Sheriff Grants & Contracts Fund (Special Revenue Fund 2630) in the amount of $5,900 is restricted for the purposes of the grants.

The fund balance of the Concealed Pistol Licensing (Special Revenue Fund 2631) in the amount of $28,862 is restricted for administration of the program under Act 3, Public Acts of 2015.

The fund balance of the Michigan Works Fund (Special Revenue Fund 2745) in the amount of $177,799 is restricted for the purposes of the grants.

The fund balance of the Community Action Agency Fund (Special Revenue Fund 2746) in the amount of $186,142 is restricted for the purposes of the grants.

The fund balance of the Qualified Energy Conservation Bonds Fund (Capital Projects Fund 4010) in the amount of $27,129 is restricted for the purposes of capital projects.

The fund balance of the Capital Improvement Fund (Capital improvement Fund 4020) in the amount of $6,444,815 is restricted for the purposes of capital projects.

The fund balance of the Cemetery Trust Fund (Permanent Fund 1500) in the amount of $5,770 is non-spendable and $120 is restricted for the perpetual care of certain cemetery lots.

It is the County's policy to spend restricted resources first if it meets the criteria of the restricted net position and use unrestricted resources when the restricted funds are depleted.

The discretely presented component units also have certain restrictions on net position. The Ottawa County Central Dispatch has restricted $55,031 for training. Lastly, Ottawa County Public Utilities has restricted $542,437 for operations and maintenance of utility systems. The Water Resources Commissioner has restricted $2,848,711 for debt service, $1,649,586 for capital projects and $55,326 for general drain maintenance.

Fund equity

The County implemented the provisions of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, in the 2011 financial statements. GASB 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

In the fund financial statements, governmental funds report fund balance in five categories:

1. Nonspendable fund balance cannot be spent because it is either a) not in spendable form or b) legally or contractually required to be maintained intact.

2. Restricted fund balance can only be spent for specific purposes due to a) externally imposed by grantors, creditors, and contributors, of laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets, liabilities, and net position or equity (continued)

Fund equity (continued)

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

4. Assigned fund balance is constrained by the government's intent to be used for specific purposes but has not been formally committed by Board action or restricted in any way. Through the County's fund balance policy, the Board has delegated the authority to assign fund balance to the County Administrator.

5. Unassigned fund balance is the residual classification for the General Fund. Except for funds with negative fund balance, only the General Fund has assigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the County's policy to consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the County's policy that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts.

In addition, it is the County's policy to maintain a fund balance in the General Fund of not less than 10% and not more than 15% of the most recently audited General Fund expenditures and transfers out for cash flow and flexibility purposes. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund.

Details on the County's fund balance amounts follow:

	General	Parks and Recreation	Community Mental Health	Nonmajor Governmental Funds	Total
Nonspendable:					
Inventory and prepaid expenditures	$ 119,102	$ 17,463	$ 103,046	$ 248,366	
Long-term advances to other funds	175,000				
Long-term advances to component units	150,000				
Cemetery Trust - perpetual care				5,770	
Total Nonspendable	**$ 444,102**	**$ 17,463**	**$ 103,046**	**$ 254,136**	**$ 818,747**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets, liabilities, and net position or equity (continued)

Fund equity (continued)

	General	Parks and Recreation	Community Mental Health	Nonmajor Governmental Funds	Total
Restricted:					
Jail booking fees	$ 329,934				
Marriage counseling	77,541				
Donations	184,474				
Grants	79,191				
Stabilization Fund - State restrictions	9,255,217				
Substance abuse	1,093,879				
Parks & Recreation Fund		$ 3,616,726			
Community Mental Health Fund			$ 443,908		
Capital Projects				$ 6,471,944	
Debt Service Fund				6,981	
Other Governmental Grants Fund				45,425	
Sheriff Grants & Contracts Fund				5,900	
Cemetery Trust Fund				120	
Homestead Property Tax Fund - State restrictions				13,705	
Register of Deeds Technology - State restrictions				662,445	
Concealed Pistol Licensing Fund				28,862	
Michigan Works! Fund				177,799	
Community Action Agency Fund				186,142	
Total Restricted	**$ 11,020,236**	**$ 3,616,726**	**$ 443,908**	**$ 7,599,323**	**$ 22,680,193**
Committed:					
Aerial survey	$ 703,081				
Voting machines	169,753				
Substance abuse	799,480				
Red pine timber sales	192,909				
Mental Health Programs	581,275				
Technology improvements	189,273				
New Initiatives	970,401				
Solid Waste Clean-up Fund	3,914,553				
Infrastructure Fund	1,571,131				
DB/DC Conversion Fund	3,198,532				
Compensated Absences Fund	2,713,595				
Farmland Preservation Fund				$ 393	
Brownfield Redevelopment Authority Fund				1,853	
Total Committed	**$ 15,003,983**			**$ 2,246**	**$ 15,006,229**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets, liabilities, and net position or equity (continued)

Fund equity (continued)

	General	Parks and Recreation	Community Mental Health	Nonmajor Governmental Funds	Total
Assigned					
Succeeding year's budget deficit	$ 925,940				
Consumer's Energy appeal	855,145				
Water Quality Forum	1,209				
Hope College bond issue reimbursement	23,456				
Planning Commission	151,888				
Other post employment benefits	99,908				
4 C Program	120,086				
Strategic Planning Consultant Fees	250				
Community Corrections	106,696				
Compensated Absences Fund	568,123				
Health Fund				$ 792,806	
Landfill Tipping Fees Fund				1,103,776	
Department of Health and Human Services Fund				30,671	
Child Care Fund				964,471	
Total Assigned	**$ 2,852,701**			**$ 2,891,724**	**$ 5,744,425**

Comparative data/reclassifications

Presentation of comparative total data for the prior year have been presented when available in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary information

The General, Special Revenue, Debt Service, Capital Projects, and Permanent Funds are under formal budgetary control.

Formal budgetary integration is employed as a management control device during the year for governmental funds. Formal budgetary integration is not employed for other funds; however, informational summaries are prepared and presented to the Board for consideration for proprietary fund types. The County adopts its budget in accordance with Public Act 621, the Uniform Budgeting and Accounting Act, which mandates an annual budget process and an annual appropriation act to implement the budget. Budgets, as presented for these funds in the accompanying financial statements, were prepared on the modified accrual basis of accounting.

The Fiscal Services Director presents the budget requests for the succeeding fiscal year to the County Administrator in July. The Administrator, Fiscal Services Director and Assistant Fiscal Services Director meet with all department heads and elected officials during July to review and discuss the requested revenue and expenditures levels. A proposed budget with balancing options for all funds is presented to the Finance Committee in August. A public hearing and formal budget presentation is held at the first Board Meeting in September to provide any county resident with the opportunity to discuss the budget with the Board prior to approval. The budget, and an appropriation ordinance implementing it, is approved by the Finance Committee and forwarded to the Board for approval at the second Board Meeting in September.

Budgets for the current year are continually reviewed for any required revisions of original estimates. Proposed increases or reductions in appropriations are presented to the Finance Committee and the Board for their action. The Board amends the general appropriation act as soon as it becomes apparent this action is necessary. The budgetary information as presented herein has been amended by official actions of the Finance Committee and/or County Board of Commissioners.

Transfers of any unexpended budget balance, or any portion thereof, to any other appropriation account may not be made without approval by the Finance Committee with certain exceptions. The Board has delegated authority to the Administrator and Fiscal Services Director to approve budget transfers within a fund if the amount to be transferred does not exceed $50,000.

Budgetary control over expenditures is maintained on a departmental basis with a handful of exceptions, which is the legal level of control. A separate budgetary report is prepared which demonstrates compliance at the legal level of control and is available to the public in the County Clerk's office. Expenditures may not legally exceed budgeted amounts and certain Special Revenue Funds expenditures must be in accordance with the respective agreements with Federal and State grantor agencies. All budget appropriations lapse at the end of each fiscal year unless specific Board action is taken.

Excess of expenditures over appropriations

During the year ended the County incurred no expenditures in budgetary funds which were in excess of the amounts appropriated.

3. DEPOSITS AND INVESTMENTS

Primary Government

Deposit and investment balances at year-end are as follows:

	Primary Government	Component Units	Total
Cash on hand	$16,521	$260	$16,781
Checking and savings accounts	12,463,397	15,786,924	28,250,321
Certificates of deposit	34,377,661	-	34,377,661
Investments:			
Ottawa County	38,882,021	8,714,830	47,596,851
Ottawa County Other Post Employment Benefit Plan	4,798,719	-	4,798,719
Ottawa County Insurance Authority	34,967,485	-	34,967,485
Total	$125,505,804	$24,502,014	$150,007,818
Statement of net position			
Cash and pooled investments	$83,274,542	$21,390,014	$104,664,556
Investments	34,967,485	3,112,000	38,079,485
Statement of fiduciary net position			
Cash and pooled investments	2,465,058		2,465,058
Investments	4,798,719		4,798,719
Total	$125,505,804	$24,502,014	$150,007,818

The County's investments, as well as the investments of Ottawa County Public Utilities which are handled by the County, are stated at fair value which is determined as follows:

(a) securities are priced by FTI, an on-line pricing service, as of the end of each business day, and
(b) investments that do not have established market values are reported at estimated fair value.

Michigan statutes authorize the County to invest in bonds, other direct obligations and repurchase agreements of the United States, certificates of deposit, savings accounts, deposit accounts or receipts of a bank which is a member of the FDIC, commercial paper, bankers' acceptances of United States banks, obligations of the State of Michigan and its political subdivisions, external investment pools, and certain mutual funds. The County's investment policy, last amended in January of 2014, allows for all of these types of investments.

3. DEPOSITS AND INVESTMENTS (continued)

Primary Government (continued)

The County chooses to disclose its investments by Weighted Average Maturity. As of December 31, 2015, the County had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (years)
Money Market Fund (MMF)	$1,293,715	N/A
Municipal Bonds	8,854,575	2.0245
Agency - FFCB	4,957,635	4.4210
Agency - FNMA	1,428,885	3.2640
Agency - FHLB	1,886,609	4.6088
Agency - FHLMC	4,366,693	5.0122
Treasury Note	16,093,909	4.1635
	$38,882,021	
Portfolio Weighted Average Maturity (excluding MMF)		3.9157

The majority of the County departments participate in the internal investment pool. However, the following programs/organizations also maintain separate cash and/or investments:

Ottawa County Building Authority
Ottawa County Central Dispatch Authority
Ottawa County Community Mental Health – Lakeshore Clubhouse
Ottawa County Insurance Authority
Ottawa County Other Post Employment Benefit Plan
Ottawa County Public Utilities System
Ottawa County Road Commission
Ottawa County Water Resources Commissioner Munn Drain Debt Service/Capital Projects
Ottawa County Water Resources Commissioner Nunica Drain Debt Service
Ottawa County Water Resources Commissioner Park West Drain Debt Service
Ottawa County Water Resources Commissioner Spring Lake Drain Debt Service

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that, in the event of bank failure, the County's deposits may not be returned. It is County policy to review and verify a bank's credit worthiness through a system of ratio analysis and from information provided by several third party sources. The County policy also places maximum limits on percent of portfolio, per issuer and duration. The County places concentration limits on banks based on bank size and creditworthiness analysis. As of December 31, 2015, $36,236,786 of the County's bank balance (including certificates of deposit) of $43,105,151 was uninsured and uncollateralized. Deposits of the Ottawa County Public Utilities System, Ottawa County Road Commission, and the portions of the Ottawa County Other Post Employment Benefit Plan and the Ottawa County Office of the Water Resources Commissioner that are pooled with the County's (primary government) deposits cannot be separately identified for federal depository insurance purposes.

3. DEPOSITS AND INVESTMENTS (continued)

Primary Government (continued)

Custodial Credit Risk – Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's investment policy requires that investment securities be held in third-party safekeeping by an institution designated as primary agent. To reduce custodial risk further, the County's investment policy requires that all trades of marketable securities be executed by delivery versus payment to ensure that securities are deposited in an eligible financial institution prior to the release of funds. As of December 31, 2015, the County's $37,588,306 in treasury investments, U.S. government agency securities, municipal bonds, and commercial paper were held in third-party safekeeping in the County's name.

The County also invests in money market funds that have their securities safe kept with a third party selected by the fund manager. However, the fund's securities are held in trust for the participants of the fund and are not available to the fund manager if the fund manager should happen to fail. The County believes this arrangement satisfies the County's investment policy's safekeeping requirement.

Credit Risk. State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations with a maximum maturity of 270 days. The County's investment policy further limits its investment choices by limiting the maturity to A-1 270 days. The three money market bank investment pools used by the County are rated Aaa by Moody's, Fitch Ratings or Standard & Poor's. The County's investment policy is silent on the use of rated vs. unrated money market funds. In addition, there is no rating level requirement for those money market funds that are rated.

Concentration of Credit Risk. The County's investment policy specifies a plan to diversify and set concentration limits to further manage credit risk. The policy sets maximum percentages of the pooled portfolio by investment type with additional maximums by issuer. A minimum of 15% is to be invested in U.S. Treasuries. The policy sets a maximum of 50% in U.S. agencies with a maximum of 20% in any one issuer. Certificates of deposit have a 50% maximum with concentration limits set at 5% of the issuer's net worth.

At December 31, 2015, the County's investment portfolio was comprised of the following: Certificates of Deposit (37.8%), Treasury Notes (19.4%), FFCB (6.0%), FHLB (2.3%), FNMA (1.8%), FHLMC (5.3%) and Municipal Bonds (10.5%). All investments are in compliance with County's investment policy at December 31, 2015.

Interest Rate Risk. The County does have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The policy sets the maximum maturity by specific type of security and by specific issuer with the maximum of 10 years. The average maturity of the portfolio as a whole may not exceed three years.

Foreign Currency Risk. The County's investment policy is silent regarding foreign currency risk. Management believes the County's exposure to foreign currency risk is immaterial.

3. DEPOSITS AND INVESTMENTS (continued)

Ottawa County Other Post Employment Benefit Plan (OPEB Plan)

The Ottawa County Other Post Employment Benefit Plan can utilize all investment options allowed for the County as well as equity, corporate securities, and foreign investment. The OPEB Plan held the following investments as of December 31, 2015:

		Investment Maturities (fair value by years)			
	Fair Value	Less Than 1	1-5	6-10	Over 10
Certificates of deposit					
U.S. Treasuries	$247,952	99,880	$148,072		
U.S. Agencies:					
Bonds	$76,717	$25,786	$50,931		
Corporate bonds	934,504	72,994	673,863	$151,880	$35,767
	1,259,173	$198,660	$872,866	$151,880	$35,767
Mutual funds:					
Money market	375,885				
Fixed income	99,578				
Domestic equity	2,764,424				
International equity	299,659				
Total investments held by the OPEB Plan	$4,798,719				

Custodial Credit Risk – Investments. Of the balance of investments for OPEB Plan, the County has a custodial credit risk of $0 because the assets are held and managed by Greenleaf Trust, on behalf of the County of Ottawa. They are held in third-party safekeeping in the name of Greenleaf Trust, acting as custodian and agent of the County of Ottawa and the trustee(s) of the OPEB Plan trust. Mutual funds, other than the money market fund, held in the OPEB Plan trust, are SEC-registered investment companies; shares of mutual funds are held in third-party safekeeping by Greenleaf Trust, through Matrix Settlement and Clearance Services, in the County's name. The money market fund held in the OPEB Plan trust is also an SEC-registered investment company; shares of such fund are held in third-party safekeeping by Greenleaf Trust, through Northern Trust and the custodian of the mutual fund, in the County's name.

Credit Risk. At December 31, 2015, the balance of investments of the OPEB Plan in fixed income mutual funds was $99,578 and the investments were not rated. U.S. Government Agency Securities and U.S. and Foreign corporate bonds were rated by Standard & Poors as follows:

S&P Rating	Fair Value
AAA	$247,952
AA+ to AA-	256,740
A+ to A-	566,863
BBB+ to BBB-	187,618
	$1,259,173

3. DEPOSITS AND INVESTMENTS (continued)

Ottawa County Other Post Employment Benefit Plan (OPEB Plan) (continued)

Concentration of Credit Risk. The County's investment policy for the OPEB Plan provides for no more than 50% fixed income securities, 70% equities, 20% international securities, 15% commodities and 50% cash and equivalents. Investments at year-end comply with policy

Foreign Currency Risk. The County's investment policy is silent regarding foreign currency risk. The OPEB Plan has mutual funds with a fair value of $299,659 containing international equities involving numerous currencies. Management believes the County's exposure to foreign currency risk from these equities is immaterial.

Blended Component Units

Ottawa County Insurance Authority (OCIA)

Public Act 218 of 1956 (the Insurance Code of 1956) establishes asset requirements for domestic insurers. Qualified assets as defined thereunder included investments in domestic and foreign stocks, bonds, and other indebtedness of solvent corporations as approved by the insurer's governing body entrusted with its investments, subject to certain percentage of portfolio limitations. Generally, the statute does not prohibit investments in any asset otherwise permitted to be held by any other person or corporation under Michigan laws. All of the OCIA's investments comply with State statutes.

As of December 31, 2015, the OCIA had the following investments and maturities in debt securities (none of which are callable):

			Investment Maturities (fair value by years)				
	Cost	Fair Value	No Maturity	Less Than 1	1-5	6-10	Over 10
Money market funds	$330,442	$330,442	$330,442				
Debt securities:							
U.S. Treasuries	7,717,949	7,598,571	-	$3,935,608	$1,926,086	$1,736,877	$ -
Asset-backed	729,057	726,623	-	-	726,623	-	-
Corporate bonds	5,614,109	5,557,918	-	281,868	3,035,602	2,240,448	-
	$14,391,557	$14,213,554	$330,442	$4,217,476	$5,688,311	$3,977,325	$0
Equities:							
Common stocks	7,078,393	8,839,770					
Mutual funds:							
Domestic equities	2,000,233	3,541,421					
International equities	2,784,886	3,607,461					
Total investments held by the Authority	$26,255,069	$30,202,206					

Custodial Credit Risk – Deposits. The OCIA's savings account cash in the amount of $1,202 at December 31, 2015 was FDIC insured.

3. DEPOSITS AND INVESTMENTS (continued)

Blended Component Units (continued)

Ottawa County Insurance Authority (OCIA) (continued)

Custodial Credit Risk – Investments. The OCIA's short-term investments in money market funds amounting to $330,442 at December 31, 2015 are rated AAAm by S&P and are not subject to custodial risk categorization. At December 31, 2015, the OCIA did not have any custodial credit risk on its restricted investments. Unrestricted investments (excluding money market funds) were uninsured, unregistered and held by the counterparty's trust department or agent, not in the OCIA's name.

Credit Risk. As of December 31, 2015, the OCIA's investments in U.S. Treasury notes were rated AAA by Moody's. Asset-backed securities totaling $318,099 were rated AAA and asset-backed securities totaling $408,524 were not rated. The OCIA's investments in corporate bonds were rated by Moody's as follows:

Rating	Fair Value
AAA	$49,088
AA3	113,922
AA2	234,156
AA1	92,565
A3	626,748
A2	782,688
A1	994,974
BAA3	187,087
BAA2	1,128,515
BAA1	1,301,696
BA1	12,150
Unrated	34,329
	$5,557,918

Concentration of Credit Risk. The OCIA's investment policy stipulates that investment managers may not invest more than 5% of the domestic equity, international equity or fixed income portfolio assets in the securities of one issuer at time of purchase, nor in more than 5% of the outstanding securities of one issuer. Excluding U.S. government guaranteed investments, mutual funds and pooled investments, the OCIA had no investment in a single issuer that exceeded 5% of total investments at December 31, 2015.

Interest Rate Risk. The OCIA does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Foreign Currency Risk. The OCIA's investment policy permits investing in foreign publicly held stocks, mutual funds, ETFs and other pooled investments. At December 31, 2015, the OCIA had a PNC International Equity Fund with a fair market value of $3,607,461. Management believes the County's exposure to foreign currency risk from these equities is immaterial.

3. DEPOSITS AND INVESTMENTS (continued)

Blended Component Units (continued)

Ottawa County Insurance Authority (OCIA) (continued)

Restricted Investments

In 1998, to comply with Michigan Insurance Bureau regulations, the OCIA transferred certain investments – i.e., U.S. Treasury Notes – to the Michigan Department of Treasury as security for the benefit of the OCIA's policyholders. As these investments mature, they are replaced with comparable investments to maintain a face value balance of $5.0 million. Such investments held by the State Treasurer as of December 31, 2015 and 2014, are as summarized:

Description	Maturity Date	Interest Rate	Face Value	Fair Value 2015	Fair Value 2014
U.S. Treasury Notes	09/30/15	1.250%	$ 550,000	$ -	$ 554,232
U.S. Treasury Notes	10/31/15	1.250%	435,000	-	438,568
U.S. Treasury Notes	08/15/16	4.875%	485,000	497,466	518,969
U.S. Treasury Notes	09/30/16	3.000%	435,000	442,188	453,182
U.S. Treasury Notes	08/31/17	1.875%	435,000	441,083	444,991
U.S. Treasury Notes	05/31/18	2.375%	440,000	452,513	456,087
U.S. Treasury Notes	08/31/18	1.500%	550,000	553,824	552,621
U.S. Treasury Notes	02/15/19	2.750%	440,000	458,700	462,791
U.S. Treasury Notes	10/31/19	1.250%	485,000	479,392	-
U.S. Treasury Notes	04/30/20	1.375%	500,000	493,672	-
U.S. Treasury Notes	08/15/20	2.625%	445,000	462,452	464,608
U.S. Treasury Notes	05/15/21	3.125%	445,000	473,369	477,402
U.S. Treasury Notes	11/15/21	2.000%	340,000	341,062	341,169
				$5,095,721	$5,164,620

Discretely Presented Component Units

Ottawa County Central Dispatch Authority (OCCDA)

The OCCDA reported cash and investments of $6,451,983 at December 31, 2015. The balance consisted of the following:

Deposits	$ 2,458,939
Investments	3,992,784
Petty cash	260
	$ 6,451,983

Deposits

The deposits are in financial institutions located in Michigan. State policy limits the OCCDA's investing options primarily to financial institutions in Michigan. All accounts are in the name of the OCCDA and are recorded in their records at fair value. Interest is recorded when earned.

3. DEPOSITS AND INVESTMENTS (continued)

Discretely Presented Component Units (continued)

Ottawa County Central Dispatch Authority (OCCDA) (continued)

Custodial Credit Risk – Deposits. For the OCCDA, $1,789,916 of the $2,539,809 bank balance at December 31, 2015 was exposed to custodial credit risk.

Investments

The Authority chooses to disclose its investments by specifically identifying them. As of December 31, 2015, the Authority had the following investments:

Investment	Maturity	Fair Value	Rate	Rating	Source
Money Markets	n/a	$178,585		AAAm	S&P
FNMA	3/25/2039	250,916	2.50%	unrated	
FNMA	6/25/2039	333,724	2.00%	unrated	
FNMA	3/25/2044	489,400	3.00%	unrated	
FHLMC	7/15/2031	384,750	3.00%	unrated	
FHLMC	1/15/2036	617,032	2.75%	unrated	
FHLMC	4/15/2044	437,007	3.50%	unrated	
FHLB	5/19/2023	1,001,370	1.50%	Aaa	Moody's
Michigan St Strategic Fund Ltd.	10/1/2025	145,000	0.10%	A-2	S&P
Michigan St Strategic Fund Ltd.	11/1/2031	155,000	0.12%	A-2	S&P
		$3,992,784			

Custodial Credit Risk – Investments. The OCCDA had custodial credit risk totaling $3,814,199 at December 31, 2015 because the related securities are held by the counterparty's trust department, not in the Authority's name. At December 31, 2015, the OCCDA had $178,585 invested in money market funds for which custodial credit risk exposure could not be determined because the mutual funds did not consist of specifically identifiable securities. OCCDA does not have a policy for investment custodial credit risk, nor does the State require one.

Ottawa County Public Utilities System

Cash and temporary investments and investments reported at December 31, 2015 consist of time and demand deposits with financial institutions as follows:

Cash and temporary investments	$ 6,899,118
Investments	3,112,000
	$10,011,118

Custodial Credit Risk. The above deposits are held by Ottawa County at December 31, 2015. The amount of deposit and investment risk can be determined for Ottawa County as a whole, but cannot be separately identified for the System.

3. DEPOSITS AND INVESTMENTS (continued)

Discretely Presented Component Units (continued)

Ottawa County Road Commission

The Ottawa County Road Commission's checking, savings and certificates of deposit are in financial institutions located in Michigan. All accounts are in the name of the Ottawa County Treasurer for the Commission and a specific fund or common account. They are recorded in Commission records at fair value. The cash and investment balance at September 30, 2015 consisted of the following:

Deposits	$ 6,068,729

Custodial Credit Risk – Deposits. As of September 30, 2015, the Commission's bank balance was $6,110,404. The amount of deposit and investment risk can be determined for Ottawa County as a whole, but cannot be separately identified for the System.

Ottawa County Office of the Water Resources Commissioner

The Ottawa County Office of the Water Resources Commissioner's savings accounts are in financial institutions located in Michigan. All accounts are in the name of the Ottawa County Treasurer and a specific fund or common account. They are recorded in the Commissioner's records at fair value.

Cash and investment balances of the Commissioner consist of the following balances at December 31, 2015:

Savings	$ 268,969
Ottawa County Investment Pool	1,610,046
	$ 1,879,015

Custodial Credit Risk - Deposits. As of December 31, 2015, the bank balance of the Water Resources Commissioner was $268,968. The amount of deposit and investment risk can be determined for Ottawa County as a whole, but cannot be separately identified for the Water Resources Commissioner.

Custodial Credit Risk – Investments. The above Ottawa County Investment Pool balance is held by Ottawa County at year-end. The amount of investment risks can be determined for Ottawa County as a whole, but cannot be separately identified for the Water Resources Commissioner. The Ottawa County Investment Pool is unrated. At December 31, 2015, Ottawa County's investment portfolio was comprised of Deposits and Certificates of Deposit (54.5%), Treasury Notes (19.8%), FFCB (5.0%), FHLB (3.2%), FNMA (6.1%), FHLMC (1.2%) and Municipal Bonds (10.2%). All investments are in compliance with Ottawa County's investment policy at December 31, 2015.

Ottawa County Land Bank Authority

The Ottawa County Land Bank Authority's checking accounts are in financial institutions located in Michigan. All accounts are in the name of the Ottawa County Treasurer for the Land Bank Authority and a specific fund or common account. The cash balance at December 31, 2015 consisted of the following:

Checking	$ 91,169

3. DEPOSITS AND INVESTMENTS (continued)

Discretely Presented Component Units (continued)

Ottawa Land Bank Authority (continued)

C*ustodial Credit Risk – Deposits.* As of December 31, 2015, the Land Bank Authority's bank balance was $91,169. The amount of deposit and investment risk can be determined for Ottawa County as a whole, but cannot be separately identified for the System.

4. DEFERRED INFLOWS OF RESOURCES

On the Governmental Funds Balance Sheet, the aggregate deferred inflows represent items that will be recognized as an inflow of resources (revenue) in future periods. They are as follows:

	General	Parks and Recreation	Nonmajor Governmental Funds
2015 Property Taxes:			
Primary Government	$ 754,085	$3,237,470	
Ottawa County Road Commission	5,100,900		
Ottawa County Central Dispatch Authority	4,489,062		
Delinquent Property Taxes	93,027		
Survey & Remonumentation	1,574,155		
Unavailable receivables	167,949		$ 11,155
Total	$12,179,179	$3,237,470	$ 11,155

5. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2015 was as follows:

Primary Government

	Beginning of Year	Additions	Deductions	End of Year
Capital assets, not being depreciated:				
Land	$ 48,921,584	$ -	$ -	$ 48,921,584
Construction in progress	-	-	-	-
Total capital assets, not being depreciated	48,921,584.00	-	-	48,921,584.00
Capital assets, being depreciated:				
Land improvements	23,292,204.00	2,222,686.56	(48,716.52)	25,466,174.04
Buildings and improvements	98,026,681.00	1,876,216.60	(960,979.02)	98,941,918.58
Equipment	29,223,871.00	1,405,408.17	(782,161.74)	29,847,117.43
Total assets, being depreciated	150,542,756.00	5,504,311.33	(1,791,857.28)	154,255,210.05
Less accumulated depreciation for:				
Land improvements	(10,582,806.00)	(1,008,781.42)	48,716.52	(11,542,870.90)
Buildings and improvements	(33,879,138.00)	(3,386,904.76)	910,833.95	(36,355,208.81)
Equipment	(22,180,581.00)	(2,081,688.85)	733,451.23	(23,528,818.62)
Total accumulated depreciation	(66,642,525.00)	(6,477,375.03)	1,693,001.70	(71,426,898.33)
Net capital assets, being depreciated	83,900,231.00	(973,063.70)	(98,855.58)	82,828,311.72
Net governmental activities capital assets	$ 132,821,815	$ (973,064)	$ (98,856)	$ 131,749,896

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

Governmental activities:	
Judicial	$ 5,072
General Government	3,438,214
Public Safety	242,838
Public Works	148,030
Health and Welfare	106,251
Culture and Recreation	939,399
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the net position	1,597,571
Total depreciation expense - governmental activities	$6,477,375

5. CAPITAL ASSETS (continued)

Discretely Presented Component Units

	Beginning of Year	Additions	Deductions	End of Year
Capital assets, not being depreciated:				
Land and improvements	$ 3,336,517	$ -	$ -	$ 3,336,517
Construction in progress	801,482	14,347,253	(801,482)	14,347,253
Total capital assets, not being depreciated	4,137,999	14,347,253	(801,482)	17,683,770
Capital assets, being depreciated:				
Buildings	14,964,691	11,157	-	14,975,848
Machinery and equipment	27,143,637	1,184,875	(79,992)	28,248,520
Infrastructure	354,038,774	27,594,661	-	381,633,435
Total assets, being depreciated	396,147,102	28,790,693	(79,992)	424,857,803
Less accumulated depreciation for:				
Buildings	(4,038,369)	(250,875)	-	(4,289,244)
Machinery and equipment	(23,022,398)	(1,883,239)	79,992	(24,825,645)
Infrastructure	(152,711,501)	(10,883,130)	-	(163,594,631)
Total accumulated depreciation	(179,772,268)	(13,017,244)	79,992	(192,709,520)
Net capital assets, being depreciated	216,374,834	15,773,449	-	232,148,283
Net governmental activities capital assets	$ 220,512,833	$ 30,120,702	$ (801,482)	$ 249,832,053

Commitments

The Ottawa County Road Commission and the Ottawa County Public Utilities System had construction and contract commitments of approximately $800,000 and $3.2 million at year-end, respectively.

6. INTERFUND, RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund balances as of December 31, 2015 are as follows:

Amounts Due to and from Other Funds

	Due from Other Funds	Due to Other Funds
Primary Government		
Internal Service Funds	$4,033,834	$4,033,834

Included in the Internal Service funds is $4,033,834 which represents funds from the Worker's Compensation program that are invested by the Ottawa County Insurance Authority. There are no plans to pay off this liability within the next year.

In addition, certain funds that are a part of the County's pooled cash report negative cash balances at year-end. Accordingly, an interfund payable is established in the amount of the negative cash balance, and a corresponding interfund receivable is established in the General Fund.

General Fund	$3,378,842	
Nonmajor Governmental Funds		$2,226,328
December 31 due to established after September 30 year-end		2,097,862
September 30 due to paid before December 31 year-end		(945,348)
Total	$3,378,842	$3,378,842

Long-term Advances to and from Component Units and Primary Government

Primary Government	Advances to Component Units	Advances from Primary Government
Major Governmental Funds:		
General Fund	$ 325,000	
Component Units:		
Ottawa County Public Utilities		$ 150,000
Ottawa County Office of the Water Resources Commissioner		175,000
Total	$ 325,000	$ 325,000

6. INTERFUND, RECEIVABLES, PAYABLES, AND TRANSFERS (continued)

Interfund transfers within the Primary Government

	Transfer In:			
Primary Government	Community Mental Health	Parks and Recreation	Nonmajor Governmental Funds	Total
Transfer out:				
Major Funds:				
General Fund	$ 563,108	$ 7,500	$ 12,690,833	$13,261,441
Delinquent Tax Revolving Fund			150,000	150,000
Internal Service Funds			395,500	395,500
Nonmajor Governmental Funds			190,025	190,025
Total	$ 563,108	$ 7,500	$ 13,426,358	$13,996,966

Transfers are used to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and move revenues from the fund that is required to collect them to the fund required, or allowed, to expend them.

7. LEASES

Operating Leases

The County is a lessee under various operating leases for building and office space. Lease expenditures for the year ended December 31, 2015 amounted to $240,858. Future minimum lease payments for these leases are as follows:

Year Ending	Amount
2016	$100,816
2017	78,694
2018	24,548
	$204,057

The County is also a lessor under various operating lease agreements for office space and marinas. The original cost of these assets was $7,761,449 and the accumulated depreciation totals $2,574,319 leaving a carrying value of $5,187,131. Lease revenue for the year ending December 31, 2015 was $557,494. Future lease revenues for these leases are as follows:

Year Ending	Amount
2016	$ 532,901
2017	536,396
2018	539,996
2019	475,013
2020	513,041
2021 - 2029	4,860,200
	$ 7,457,547

8. LONG-TERM DEBT

The County issues and guarantees bonds for governmental activities and component units to provide funds for the construction of water and sewage disposal systems, drains and buildings, and to refund previously issued bonds. The bonds are generally being repaid from funds received from local municipalities in the County and from drain assessments levied. Under the terms of the bond agreements with local municipalities, the local municipalities have pledged their full faith and credit to pay the amounts sufficient to make principal and interest payments on the bonds each year. The County has also pledged its full faith and credit for payment on the bonds, but has not established a reserve or sinking fund to cover defaults by property owners or local units. These bonds generally are issued as 20-year serial bonds with varying amounts of principal maturing each year.

The original issue amount of the primary government's bonds is $61,535,000.

Bonds outstanding for which the County has pledged its full faith and credit are as follows:

			Component Units		
Purpose	Interest Rate	Primary Government	Ottawa County Public Utilities System	Ottawa County Office of the Water Resources Commissioner	Total Ottawa County
Governmental activities	0.75 - 7.25%	$34,730,000	$ 75,856,501	$ 415,365	$111,001,866
Governmental activities - refunding	0.95 - 4.35%	11,955,000	43,360,000		55,315,000
Total		$46,685,000	$119,216,501	$ 415,365	$166,316,866

Interest is payable on all bond obligations semi-annually, and principal payments are made annually. The annual debt service requirements to maturity for the bonds outstanding at year-end are as follows:

Governmental Activities

Year Ending	Primary Government		Component Units	
December 31	Principal	Interest	Principal	Interest
2016	$ 3,515,000	$ 1,565,224	$ 5,633,767	$ 4,860,431
2017	3,705,000	1,468,804	6,665,767	4,658,078
2018	2,815,000	1,358,709	6,305,766	4,440,740
2019	3,145,000	1,277,446	6,275,212	4,219,304
2020	3,530,000	1,181,364	5,497,853	3,988,119
2021-2025	20,635,000	3,882,568	29,646,534	16,492,548
2026-2030	9,340,000	631,180	31,191,968	10,298,888
2031-2035			22,505,000	3,610,262
2036-2040			5,910,000	683,938
Total	$46,685,000	$11,365,293	$119,631,866	$53,252,308

8. LONG-TERM DEBT (continued)

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2015 was as follows:

Primary Government

	Beginning of Year	Additions	Reductions	End of Year	Due within One Year
General obligation bonds	$50,280,000	$11,955,000	$15,550,000	$46,685,000	$3,515,000
Landfill reclamation	3,560,400	101,534		3,661,934	325,160
Compensated absences	2,821,299	117,993	225,697	2,713,595	2,595,602
Total	$56,661,699	$12,174,527	$15,775,697	$53,060,529	$6,435,762

During fiscal year 2015, the County issued $11,955,000 of refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for debt service. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the statement of net position. This advanced refunding was undertaken to reduce total debt service payments by $1,293,265, which resulted in an economic gain of $1,155,651. As of December 31, 2015, $13,075,000 of the outstanding bonds payable are considered defeased and scheduled to be called and paid in full in 2017.

Compensates absences are liquidated by the Compensated Absences Special Revenue Fund, a sub-fund of the General Fund, and landfill reclamation is liquidated by the Solid Waste Clean-up Special Revenue Fund.

The reporting entity's legal debt margin at December 31, 2015 is $1,015,417,548.

Discretely Presented Component Units

	Beginning of Year	Additions	Reductions	End of Year	Due within One Year
Governmental activities:					
General obligation bonds	$106,520,632	$49,845,000	$36,733,766	$119,631,866	$5,633,767
Special assessment bonds		1,449,256		1,449,256	95,000
Notes payable	1,558,400	300,000	415,000	1,443,400	521,600
Claims payable	455,756	250,996	162,555	544,197	
Compensated absences	1,464,618	370,330	376,724	1,458,224	216,248
Other post-employment benefits	973,792	52,063		1,025,855	
Total	$110,973,198	$52,267,645	$37,688,045	$125,552,798	$6,466,615

During fiscal year 2015, the Public Utilities System issued $30,845,000 of refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for debt service. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the statement of net position. This advanced refunding was undertaken to reduce total debt service payments by $2,989,645, which resulted in an economic gain of $2,434,518. As of December 31, 2015, $33,901,000 of the outstanding bonds payable are considered defeased and scheduled to be called and paid in full in 2017.

8. LONG-TERM DEBT (continued)

Changes in Long-Term Liabilities (continued)

The Ottawa County Office of the Water Resources Commissioner also had the following short term-note activity during 2015:

Discretely Presented Component Units

	Beginning of Year	Additions	Reductions	End of Year	Due within One Year
Governmental activities:					
Various Drainage Districts Notes payable, principal payments ranging from $30,000 to $120,000, due in 2016, plus interest of .96%	$404,000	$250,000	$ 404,000	$250,000	$250,000

Conduit Debt

In 2011, the Economic Development Corporation of Ottawa County (EDC), a discretely presented component unit, issued $10 million in limited obligation refunding revenue bonds on behalf of Hope College. Although this debt bears the name of the EDC, the EDC has no obligation for such debt beyond the resources provided by a lease or loan with Hope College. The proceeds were used to advance refund a portion of the $16,385,000 in outstanding bond principal of the Michigan Higher Education Facilities Authority Limited Obligation Bonds, series 2002A. At December 31, 2015 $7,035,000 was still outstanding.

9. LANDFILL RECLAMATION

The County owns the Southwest Ottawa County Refuse Disposal Center ("SOCRDC") otherwise known as the Southwest Ottawa County Landfill. Waste Management operated the landfill from the early 1970's until it was closed in 1981. The landfill was closed per the terms of the "1981 closure agreement" between the County and the Department of Natural Resources (DNR). The agreement outlined a plan to cap the landfill and install a pump and carbon filtration system. Waste Management installed the cap in the mid 1980's; the pump and carbon filtration system was built by the County in 1987, as per the terms of the closure agreement. The County has been operating the pump and filter system 24 hours a day, 7 days a week since beginning operation in 1987.

The pump and filter system have not been effective in containing the plume of contaminants in the groundwater down gradient from the landfill. As a result, contaminants have escaped past the outer purge wells and are migrating southwest towards Lake Michigan. Even though the contaminated water meets drinking water standards, the County is providing municipal water to the property owners in the path of the plume, and is working with the local unit of government to place institutional controls on future users moving into the area. The County has completed negotiations with the Michigan Department of Environmental Quality (MDEQ), formerly known as the DNR, with a revised plan to clean up the contamination. The County began work in 2006 to recap the landfill. Enhancing the water filtration system started in 2006 as well, costing $4,600,973 to date. The total cost of these enhancements including water and sewer hook-ups for affected residents is projected to exceed $4.8 million. Landfill post closure cost estimates are subject to change based on inflation, deflation, technology or changes to applicable laws or regulations.

The County's estimate of annual operating and maintenance costs and capital improvements for the purge system is as follows:

Year Ending	Present Value of Estimated Cost
2016	$ 325,160
2017	533,931
2018	304,520
2019	312,912
2020	361,541
2021-2025	1,823,869
Total	$ 3,661,934

10. DEFINED BENEFIT PENSION PLAN

County of Ottawa

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.

Benefits provided

Benefits provided include plans with multipliers ranging from 1.70 to 2.50. Vesting period of 6-10 years. Normal retirement age is 60. Final average compensation is calculated based on a 3 years average.

Membership of the defined benefit plan consisted of the following at the date of the latest actuarial valuation (December 31, 2014):

Inactive employees or beneficiaries currently receiving benefits:	496
Inactive employees entitled but not yet receiving benefits:	166
Active employees:	707
Total	1,369

Contributions

The County is required to contribute at an actuarially determined rate, which for the current year was 4.64% of annual covered payroll depending on position and classification. Participating employees are required to contribute from 0.00% to 6.99% percent of gross wages to the Plan based on position and classification. The contribution requirements of the County are established and may be amended by the MERS Retirement Board. The contribution requirements of employees are established and may be amended by labor agreements.

Net Pension Liability

The employer's Net Pension Liability was measured as of December 31, 2014, and the total pension liability used to calculate the Net Pension Liability was determined by an annual actuarial valuation as of that date.

The total pension liability in the December 31, 2014 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 3%-4%

Salary Increases: 4.5% in the long-term (1%, 2% and 3% for calendar years 2014, 2015 and 2016, respectively)

Investment rate of return: 8%, net of investment expense, including inflation

Mortality rates used were based on the 1994 Group Annuity Mortality Table of a 50% Male and 50% Female blend. For disabled retirees, the regular mortality table is used with a 10-year set forward in ages to reflect the higher expected mortality rates of disabled members.

10. DEFINED BENEFIT PENSION PLAN (continued)

Net Pension Liability (continued)

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

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	57.50%	5.02%
Global Fixed Income	20.00%	2.18%
Real Assets	12.50%	4.23%
Diversifying Strategies	10.00%	6.56%

Discount rate. The discount rate used to measure the total pension liability is 8.25%. 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 the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance at 12/31/14	$219,413,166	$165,647,423	$53,765,743
Changes for the Year:			-
Service cost	4,838,448	-	4,838,448
Interest	17,895,352	-	17,895,352
Change in benefits	-	-	-
Differences between expected and actual experience	-	-	-
			-
Change in assumptions	-	-	-
Employer contributions	-	35,349,429	(35,349,429)
Employee contributions	-	1,661,254	(1,661,254)
Net investment income	-	10,532,019	(10,532,019)
Benefit payments, including refunds	(9,838,075)	(9,838,075)	-
Administrative expense	-	(388,244)	388,244
Other changes	(1)	-	(1)
Net changes	12,895,725	37,316,383	(24,420,659)
Balance at 12/31/15	$232,308,891	$202,963,806	$29,345,085

10. DEFINED BENEFIT PENSION PLAN (continued)

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 8.25%, as well as what the employer's net pension liability would be using a discount rate that is 1 percentage point lower (7.25%) or 1% higher (9.25%) than the current rate.

	1% Decrease	Current Discount rate	1% Increase
Total Pension Liability	$229,985,802	$232,308,891	$234,631,980
Fiduciary Net Position	202,963,806	202,963,806	202,963,806
Net Pension Liability	$ 27,021,996	$ 29,345,085	$ 31,668,174

Pension expense and deferred outflows and deferred inflows of resources related to pensions

For the year ended December 31, 2015 the employer recognized pension expense of $7,537,772. The employer 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	$ -	$ -
Differences in assumptions	-	-
Excess(Deficit) Investment Returns	3,390,999	-
Contributions subsequent to the Measurement date*	6,686,141	-
Total	$ 10,077,140	$ -

*The amount reported as deferred outflows of resources resulting from the contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending 2016.

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

2016	$ 847,750
2017	847,750
2018	847,750
2019	847,749
2020	-
Thereafter	-
Total	$3,390,999

10. DEFINED BENEFIT PENSION PLAN (continued)

Ottawa County Road Commission

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.

Benefits provided

Benefits provided include plans with multipliers ranging from 2.25 to 2.50. Vesting period of 6-10 years. Normal retirement age is 60. Final average compensation is calculated based on a 3 years average.

Membership of the defined benefit plan consisted of the following at the date of the latest actuarial valuation (December 31, 2014):

Inactive employees or beneficiaries currently receiving benefits	134
Inactive employees entitled but not yet receiving benefits	10
Active plan members	108
Total	252

Contributions

The City is required to contribute at an actuarially determined rate, which for the current year was from 22.13 to 56.68% of annual covered payroll depending on position and classification. Participating employees are required to contribute from 3% to 4% percent of gross wages to the Plan based on position and classification. The contribution requirements of the City are established and may be amended by the MERS Retirement Board. The contribution requirements of employees are established and may be amended by labor agreements.

Net Pension Liability

The employer's Net Pension Liability was measured as of December 31, 2014, and the total pension liability used to calculate the Net Pension Liability was determined by an annual actuarial valuation as of that date.

The total pension liability in the December 31, 2014 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 3%-4%

Salary Increases: 4.5% in the long-term (1%, 2% and 3% for calendar years 2014, 2015 and 2016, respectively)

Investment rate of return: 8.25%, net of investment expense, including inflation

Mortality rates used were based on the 1994 Group Annuity Mortality Table of a 50% Male and 50% Female blend. For disabled retirees, the regular mortality table is used with a 10-year set forward in ages to reflect the higher expected mortality rates of disabled members.

10. DEFINED BENEFIT PENSION PLAN (continued)

Ottawa County Road Commission (continued)

Net Pension Liability (continued)

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

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	57.5%	5.02%
Global Fixed Income	20.0%	2.18%
Real Assets	12.5%	4.23%
Diversifying Strategies	10.0%	6.56%

Discount rate. The discount rate used to measure the total pension liability is 8.25%. 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.

10. DEFINED BENEFIT PENSION PLAN (continued)

Ottawa County Road Commission (continued)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	**Plan Fiduciary Net Position (b)**	**Net Pension Liability (a)-(b)**
Balance at 1/1/14	$49,620,077	$31,098,010	$18,522,067
Changes for the Year:			
Service cost	612,516	-	612,516
Interest	3,975,246	-	3,975,246
Change in benefits	-	-	-
Differences between expected and actual experience	-	-	-
Change in assumptions	-	-	-
Contributions : employer	-	1,523,257	(1,523,257)
Contributions: employee	-	215,174	(215,174)
Net investment Income	-	1,926,154	(1,926,154)
Benefit payments, including refunds	(3,483,066)	(3,483,066)	-
Administrative expense	-	(70,364)	70,364
Other changes	-	-	-
Net changes	1,104,696	111,155	993,541
Balance at 12/31/14	$50,724,773	$31,209,165	$19,515,608

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 8.25%, as well as what the employer's net pension liability would be using a discount rate that is 1 percentage point lower (7.25%) or 1% higher (9.25%) than the current rate.

	1% Decrease	Current Discount rate	1% Increase
Total Pension Liability	$34,943,060	$31,640,899	$28,842,283
Fiduciary Net Position	22,074,136	22,074,136	22,074,136
Net Pension Liability	$12,868,924	$29,345,085	$ 6,768,147

10. DEFINED BENEFIT PENSION PLAN (continued)

Ottawa County Road Commission (continued)

Pension expense and deferred outflows and deferred inflows of resources related to pensions

For the year ended June 30, 2015 the employer recognized pension expense of 664,887. The employer 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	$ -	$ -
Differences in assumptions	-	-
Excess(Deficit) Investment Returns	317,391	-
Contributions subsequent to the Measurement date*	856,886	-
Total	$1,174,277	$ -

*The amount reported as deferred outflows of resources resulting from the contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending 2016.

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

2016	$ 79,348
2017	79,348
2018	79,348
2019	79,347
2020	-
Thereafter	-
Total	$317,391

11. DEFINED CONTRIBUTION PENSION PLAN

The County's defined contribution pension plans provide pension benefits for certain employee groups hired after January 1, 2012 who are eligible for MERS membership and those hired before January 1, 2012 electing participation in the defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employer and plan member contributions are recognized in the period that the contributions are due. Plan investments are excluded from this report as the fiduciary responsibility for this plan rests with MERS.

Participation in the defined contribution plan is mandatory for all eligible employees. The County contributes 3% of each participant's base salary to the plan. Employees are required to contribute a minimum of 3% of base pay to the plan. The County also matches employee contributions up to a total County contribution of 6%. Participating employees are vested 50% after 3 years of service, 75% after 4 years of service, and 100% after 5 years of service. The plan provisions and contribution amounts were established by the County Board and may be amended by the County Board. The plan is administered by MERS. The County and member contributions were $506,009 and $532,577, respectively, for the current year.

The Ottawa County Central Dispatch Authority's defined contribution pension plan provides pension benefits for employees hired after January 1, 2000 who work 30 or more hours per week and those hired before January 1, 2000 electing participation in the defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate immediately upon employment. The Authority contributes 2% of each participant's base salary to the plan. The Authority also matches employee contributions up to a total Authority contribution of 5%. Employees are required to contribute a minimum of 2% of base pay to the plan. Participating employee contributions are vested 100% upon hire. The plan provisions and contribution amounts were established by the Authority Board and may be amended by the Authority Board. The plan is administered by MERS.

The Authority and member contributions were $74,166 and $74,166, respectively, for the current year. Employer and plan member contributions are recognized in the period the contributions are due. Plan investments are excluded from this report as the fiduciary responsibility rests with MERS.

12. OTHER POST EMPLOYMENT BENEFITS

County of Ottawa

The County administers a single-employer defined benefit healthcare plan (the Retiree Health Plan). The plan provides health insurance premiums for retirees until age 65 (Medicare eligible). Benefit provisions are established through negotiations between the County and bargaining units and employee groups. For employees hired before January 1, 2008, the County offers health care benefits to retirees that they may purchase at the actuarially determined blended rate for current employees and retirees. There are currently 874 active employees and retirees in the plan. The Retiree Health Plan does not issue a publicly available financial report, but a legal trust has been established for the plan.

In addition, the County provides certain post-retirement health care benefits to unclassified employees and employees of the Police Officers Association of Michigan and the Command Officers Association of Michigan in accordance with their contracts in which the County will credit the retiree $4 - $10 for each year of service, to a maximum of $100 - $250 per month, to be applied toward health coverage through the County for the retiree and spouse until age 65. The County makes contributions to the Other Post Employment Benefit Fund based on actuarially determined rates.

Annual OPEB Cost

The County's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with parameters of GASB Statement #45. The ARC 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 of 30 years. In the January 1, 2015, actuarial valuation, the projected unit credit actuarial cost method, level dollar, open amortization method, and an amortization period of 30 years were utilized. The actuarial assumptions included a 5% return on plan net position, general inflation of 2.8%, and medication inflation rate declining from 10% in 2013 to 4.3% in 2134 with implicit subsidy provided.

For the current year the County's contribution was $224,871. Current year contributions were the actuarially determined requirements to amortize the net OPEB asset from prior years.

The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's OPEB obligation to the plan:

Annual required OPEB contribution	$ 224,871
Interest on net OPEB asset	(22,657)
Adjustment to annual retired contributions	28,073
Annual OPEB cost	230,287
Contributions made by the County	224,871
Decrease in new OPEB asset	(5,416)
Net OPEB asset, beginning of year	453,133
Net OPEB asset, end of year	$ 447,717

12. OTHER POST EMPLOYMENT BENEFITS (continued)

County of Ottawa (continued)

Three Year Trend Information:

Fiscal Year End	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Asset
12/31/2013	$ 207,666	98%	$ 458,615
12/31/2014	235,060	98%	453,133
12/31/2015	230,287	98%	447,717

Accrued Actuarial Liability

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 expectations and new estimates are made about the future.

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 the 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 calculation.

Funding Progress: As of December 31, 2015, the date of the most recent actuarial valuation date, the plan was 98.09 percent funded. The actuarial accrued liability for benefits was $5,235,560, and the actuarial value of assets (fair value) was $5,135,652, resulting in an unfunded accrued actuarial liability (UAAL) of $99,908. The covered payroll (annual payroll of active employees covered by the plan) was $38,951,452, and the ratio of the UAAL to the covered payroll was 0.26 percent. The schedule of funding progress, presented as required supplementary information immediately following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Ottawa County Road Commission

The Ottawa County Road Commission administers a single-employer defined benefit healthcare plan (the Retiree Health Plan). The plan provides health insurance premiums for retirees until age 65 (Medicare eligible). Benefit provisions are established through negotiations between the Commission, bargaining units and employee groups. The Commission makes 100% of the premium payment to the plan. The Retiree Health Plan does not issue a publicly available financial report and a legal trust has not been established for the plan.

12. OTHER POST EMPLOYMENT BENEFITS (continued)

Ottawa County Road Commission (continued)

Annual OPEB Cost

The Commission's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement #45. The ARC 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 of 30 years. The first actuarial valuation of the Retiree Health Plan was performed as of January 1, 2008 with the requirements of GASB Statement # 45 being implemented prospectively.

The Commission's contribution is based on pay-as-you-go financing requirements. For the current year, the annual required contribution (ARC) was $263,181 while actual contributions were $139,720.

The following table shows the components of the Commissions annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Commission OPEB obligation to the plan.

Annual required OPEB contribution	$ 263,181
Interest on net OPEB asset	38,952
Adjustment to annual retired contributions	(110,350)
Annual OPEB cost	191,783
Contributions made	139,720
Decrease in new OPEB asset	52,063
Net OPEB asset, beginning of year	973,792
Net OPEB asset, end of year	$1,025,855

Three Year Trend Information:

Fiscal Year End	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Asset
9/30/2013	$ 229,894	55%	$ 910,934
9/30/2014	230,590	73%	973,972
9/30/2015	191,783	73%	1,025,855

Accrued Actuarial Liability

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 expectations and new estimates are made about the future. The Commission is currently funding the plan on a pay as you go basis.

12. OTHER POST EMPLOYMENT BENEFITS (continued)

Ottawa County Road Commission (continued)

Accrued Actuarial Liability (continued)

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 the 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 calculation.

In the October 1, 2014 actuarial valuation, the projected unit credit actuarial cost method, level dollar, closed amortization method, and an amortization period of 10 years were utilized. The remaining amortization period at October 1, 2014, was 10 years. The actuarial assumptions included a 0% return on plan net position as the plan is not funded, a discount rate of 4%, and 8% inflation in 2015 graded to 5% in 2021, with implicit subsidy provided.

Funding Progress: As of October 1, 2014, the date of the most recent actuarial valuation date, the plan was completely unfunded because the Commission's financing is on a pay-as-you-go basis. The actuarial accrued liability for benefits was $1,632,020, and the actuarial value of assets was $0, resulting in an unfunded accrued actuarial liability (UAAL) of $1,632,020. The covered payroll (annual payroll of active employees covered by the plan) was $0, and the ratio of the UAAL to the covered payroll was 0%. The schedule of funding progress, presented as required supplementary information immediately following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

13. SELF-INSURANCE

The County is self-funded for liability, worker's compensation, and unemployment insurance. The claims liabilities reported at December 31, 2015 are based on the requirements of Statement No. 10 of the Governmental Accounting Standards Board, which requires that a liability for claims be reported if it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated.

The Ottawa County, Michigan Insurance Authority (the "OCIA") blended component unit accounts for the self-insurance program for municipal excess liability, law enforcement liability, professional liability, and property liability. The OCIA's participating members include the County of Ottawa and the Ottawa County Building Authority blended component unit.

The OCIA records unpaid claims liabilities based on estimates of the ultimate cost of claims, including future claim adjustment expenses, that have been reported but not settled, and of claims that have been incurred but not reported. Because actual claims depend on such complex factors as inflation, damage awards and changes in legal liability doctrines, the process used in computing claims liabilities does not necessarily result in an exact amount, particularly for coverages such as general liability. Claims liabilities are (or will be) recomputed periodically using a variety of claims frequency and other economic and societal factors. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

The OCIA purchases municipal excess liability, auto liability, professional liability and property coverage. Property coverage carries a $50,000 deductible and the liability coverages attach above a $1 million self-insured retention for all other coverages. The liability policy provides coverage of up to $5 million for liability protection. In addition, the OCIA provides coverage above the $5 million for total aggregate coverage of $20 million. The property coverage is $138,600,000, which is $1,850,000 more than the prior year. Coverage was adjusted to reflect updated property values.

The revenues for this fund's operation are reimbursements from various funds. The funds are charged based on the number of full time equivalents, number of vehicles and other pertinent information. Losses, damages and administrative expenses are all paid from this fund. Administrative expenses are first paid from Internal Service fund 6770, Protected Self-Funded Insurance Programs and then invoiced to the Authority. The claim liability for known claims and incurred but not reported claims are determined by an actuary. No annuity contracts have been purchased to satisfy claim liabilities. Settled claims have not exceeded insurance coverage in the history of the self-insurance program.

The changes in the claims liability for the years ended December 31, 2015 and 2014 as recorded in the OCIA are as follows:

	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Year Liability
2015	$ 7,288,502	$ 836,475	$ 466,677	$ 7,658,300
2014	7,075,958	673,795	461,251	7,288,502

13. SELF-INSURANCE (continued)

The County's self-insured worker's compensation program provides Michigan statutorily required coverage for worker's compensation claims. It also provides employer's liability coverage of $5 million excess above the $750,000 self-insured retention. An independent third party administrator administers the program for an annual fee. The claim liability for known claims and incurred but not reported claims are determined by an actuary. The changes in worker's compensation liability for the years ended December 31, 2015 and 2014 are as follows:

	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Year Liability
2015	$ 158,167	$ 55,274	$ 72,583	$ 140,858
2014	122,501	309,767	274,101	158,167

Beginning January 1, 2011, the County purchased commercial insurance for health, dental and optical coverage for employees. Premiums and associated costs are recorded in the Employee Benefits internal service fund (6771). This fund allocates the cost of the insurance program to departments based on full time equivalents. The County has had no settled claims resulting from these risks that exceeded their commercial coverage in any of the past three fiscal years.

The self-insurance program for unemployment is accounted for in the Protected Self-Funded Unemployment fund (Internal Service fund 6772). Unemployment claims are reimbursed to the Michigan Employment Security Commission based on actual claims annually and were $101,719 and $51,752 in 2015 and 2014, respectively.

Discretely Presented Component Units

The Ottawa County Central Dispatch Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carried commercial insurance to cover risks of losses. Settled claims have not exceeded insurance coverage for the last three fiscal years.

Ottawa County Public Utilities System is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees and natural disasters. In order to minimize its exposure to these risks, Ottawa County Public Utility System participates in the Michigan County Road Commission Self-Insurance Pool. Settled claims relating to participation in Michigan County Road Commission Self-Insurance Pool have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The Ottawa County Road Commission is exposed to lawsuits and claims made by individuals. In response to this exposure, the Ottawa County Road Commission participates in the Michigan County Road Commission Self-Insurance Pool (MCRCSIP). Participation in the MCRCSIP requires payment of premiums to the pool. The pool purchases commercial reinsurance on behalf of its members. Due to the Road Commission's participation in this pool, the liability of the Ottawa County Road Commission relative to claims covered by the pool is limited to $25,000 per occurrence.

The Road Commission's self-funded workers' compensation program contains stop-loss and coverage of $300,000 per incident. This limits the Commissions' responsibility for payment to $300,000 per workers' compensation claim.

13. SELF-INSURANCE (continued)

Discretely Presented Component Units (continued)

The Road Commission's self-funded insurance claims that have been incurred through September 30, 2015 include both those claims that have been reported as well as those that have not been reported. These estimates are recorded in the government-wide statements as they are not expected to be liquidated with available financial resources. The Commission is exposed to various risks of loss related to torts, destruction of assets and errors and omissions for which it obtains coverage from commercial insurance companies. The Commission had no settled claims resulting from these risks that exceeded commercial coverage in any of the past three years.

The changes in the claims liability for the years ended September 30, 2015 and 2014 are as follows:

	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Year Liability
MCRCSIP Liability Plan				
2015	$ 434,487	$ (434,487)	$ -	$ -
2014	29,919	489,999	85,431	434,487
Workers' Compensation Plan				
2015	$ 21,269	$ 83,926	$ 62,463	$ 42,732
2014	31,446	53,354	63,531	21,269

14. LITIGATION

In the normal course of its activities, the County is a party to various legal actions and subject to certain asserted and unasserted claims and assessments. Although some actions have been brought, the County has not experienced significant losses or costs. The County administration is of the opinion that the outcome of any pending actions will not have a material effect on the County's financial position or results of operations.

15. RELATED PARTY TRANSACTIONS

At December 31, 2015, the County's financial statements included taxes receivable of $4,273,022 and unavailable revenue of $4,489,062 on behalf of the Ottawa County Central Dispatch Authority (OCCDA) relating to a special millage for central dispatch services, which was levied for use in 2016. In addition, during the year ended December 31, 2015, Ottawa County provided OCCDA operating grants of $4,498,844 from the 2015 levy.

At December 31, 2015, the County's financial statements included taxes receivable of $4,857,037 and unavailable revenue of $5,100,900 on behalf of the Ottawa County Road Commission relating to a special millage for roads, which was levied for use in 2016.

The Office of the Water Resources Commissioner assesses the Ottawa County Road Commission (a component unit of Ottawa County) and Ottawa County (the primary government of which the Water Resources Commissioner is a component unit) for drain projects. During 2015, the County paid assessments to the Water Resources Commissioner of $34,772, which remained outstanding at December 31, 2015. The County pays for the wages and administrative costs on behalf of the Water Resources Commissioner.

Ottawa County Public Utilities System (the System) incurred expenses of $670,000 for wages and equipment provided by the Ottawa County Road Commission, which also provides fiscal and managerial services to the System. At year-end, the System owed the Ottawa County Road Commission $59,003 for these goods and services.

16. PRIOR PERIOD ADJUSTMENT

County of Ottawa

Beginning net position of the County was decreased by $30,768,837 to record the net pension asset write-off in accordance with the implementation of Governmental Accounting Standards Board Statement No. 68.

Beginning net position of the County was decreased by $53,765,743 to record the net pension liability in accordance with the implementation of Governmental Accounting Standards Board Statement No. 68.

Beginning net position of the County was increased by $35,349,429 to record deferred outflows in accordance with the implementation of Governmental Accounting Standards Board Statement No. 71.

Ottawa County Road Commission

Beginning net position of the Commission was decreased by $18,522,067 to record the net pension liability in accordance with the implementation of Governmental Accounting Standards Board Statement No. 68.

Beginning net position of the Commission was increased by $1,151,990 to record deferred outflows in accordance with the implementation of Governmental Accounting Standards Board Statement No. 71.

Ottawa County Central Dispatch Authority

Beginning net position of the Authority was decreased by $218,156 to record the net pension liability in accordance with the implementation of Governmental Accounting Standards Board Statement No. 68.

Beginning net position of the Authority was increased by $36,012 to record deferred outflows in accordance with the implementation of Governmental Accounting Standards Board Statement No. 71.

COUNTY OF OTTAWA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ 40,799,014	$ 40,624,268	$ 40,643,909	$ 19,641	$ 39,185,499
Intergovernmental revenues	9,321,533	9,532,154	8,583,708	(948,446)	8,745,471
Charges for services	9,036,566	9,306,330	9,289,113	(17,217)	8,484,073
Fines and forfeits	79,400	79,400	69,428	(9,972)	74,400
Investment earnings (loss)	48,360	14,500	132,390	117,890	380,176
Licenses and permits	383,400	347,826	379,902	32,076	399,935
Rental income	2,866,747	2,461,600	2,239,377	(222,223)	2,917,198
Other	691,271	750,864	795,979	45,115	747,884
Total revenues	63,226,291	63,116,941	62,133,806	(983,135)	60,934,636
Expenditures					
Current operations					
Legislative	464,823	464,823	465,069	(246)	443,624
Judicial	12,664,327	12,718,250	12,257,326	460,924	11,932,740
General government	13,448,495	13,581,265	12,382,008	1,199,257	12,551,632
Public safety	25,656,789	25,625,926	24,824,427	801,499	24,941,856
Public works	90,000	112,450	76,753	35,697	491,245
Health and welfare	1,237,077	1,344,753	1,086,102	258,651	681,890
Community and economic development	906,589	1,207,786	826,226	381,560	744,756
Other governmental functions	719,005	216,989	120,695	96,294	112,850
Debt service	553,355	553,355	553,355	-	576,505
Capital projects	-	-	-	-	160,489
Total expenditures	55,740,460	55,825,597	52,591,961	3,233,636	52,637,587
Revenues over (under) expenditures	7,485,831	7,291,344	9,541,845	2,250,501	8,297,049
Other financing sources (uses)					
Transfers from other funds	1,125,000	1,140,717	15,718	(1,124,999)	84,853
Transfers to other funds	(9,636,893)	(13,883,536)	(12,132,023)	1,751,513	(8,731,643)
Total other financing sources (uses)	(8,511,893)	(12,742,819)	(12,116,305)	626,514	(8,646,790)
Net change in fund balance	(1,026,062)	(5,451,475)	(2,574,460)	2,877,015	(349,741)
Fund balance, beginning of year	20,645,675	20,645,675	20,645,675	-	20,995,416
Fund balance, end of year	$ 19,619,613	$ 15,194,200	$ 18,071,215	$ 2,877,015	$ 20,645,675

COUNTY OF OTTAWA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

1) Budgets and budgetary accounting

The County adopts an annual budget for the general, special revenue, debt service and capital projects funds following the GAAP basis of accounting. Unexpended appropriations lapse at year-end.

2) Reconciliation between the general fund schedule of revenues, expenditures and changes in fund balance - budget and actual and the statement of revenues, expenditures and changes in fund balance

The adjustments necessary to reconcile actual revenues and expenditures reported on a budgetary basis to actual revenues and expenditures reported in accordance with generally accepted accounting principals are as follows:

	Revenues and other sources	Expenditures and other uses	Net change in fund balance
General fund:			
Schedule of revenues, expenditures and changes in fund balance - budget and actual	$ 62,149,524	$ 64,723,984	$ (2,574,460)
Funds classified with the general fund for purposes of GASB Statement No. 54			
Solid Waste Clean-up (2271)	29,258	245,117	(215,859)
Infrastructure (2444)	13,570	125,000	(111,430)
Public Improvement (2450)	-	371,888	(371,888)
Stabilization (2570)	298,460	-	298,460
BD/DC Conversion (2970)	29,200	946,708	(917,508)
Compensated Absences (2980)	24,564	175,571	(151,007)
Eliminations	(314,178)	(314,178)	-
Statement of revenues, expenditures and changes in fund balance	$ 62,230,398	$ 66,274,090	$ (4,043,692)

COUNTY OF OTTAWA

PARKS AND RECREATION (2081)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ 3,081,000	$ 3,081,000	$ 3,085,811	$ 4,811	$ 2,991,779
Intergovernmental revenues	152,600	319,934	108,372	(211,562)	438,139
Charges for services	468,500	569,790	641,845	72,055	560,804
Fines and forfeits	-	-	-	-	-
Investment earnings (loss)	40,850	40,850	50,426	9,576	74,825
Licenses and permits	-	-	-	-	-
Rental income	15,750	15,750	15,500	(250)	36,062
Other	224,400	899,416	871,526	(27,890)	664,671
Total revenues	3,983,100	4,926,740	4,773,480	(153,260)	4,766,280
Expenditures					
Current operations					
Personnel services	2,067,448	2,023,055	1,941,111	81,944	1,834,266
Supplies	258,390	284,495	246,634	37,861	236,304
Other services and charges	655,080	779,930	749,122	30,808	556,560
Debt service	-	-	-	-	-
Capital outlay	575,500	3,436,553	2,697,894	738,659	2,315,298
Total expenditures	3,556,418	6,524,033	5,634,761	889,272	4,942,428
Revenues over (under) expenditures	426,682	(1,597,293)	(861,281)	736,012	(176,148)
Other financing sources (uses)					
Transfers from other funds	-	7,500	7,500	-	-
Total other financing sources (uses)	-	7,500	7,500	-	-
Net change in fund balance	426,682	(1,589,793)	(853,781)	736,012	(176,148)
Fund balance, beginning of year	4,487,970	4,487,970	4,487,970	-	4,664,118
Fund balance, end of year	$ 4,914,652	$ 2,898,177	$ 3,634,189	$ 736,012	$ 4,487,970

COUNTY OF OTTAWA

COMMUNITY MENTAL HEALTH (2220)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2015
(with comparative totals for the year ended September 30, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	36,950,903	36,403,166	36,662,981	259,815	37,511,990
Charges for services	916,746	1,078,227	982,450	(95,777)	595,455
Fines and forfeits	-	-	-	-	-
Investment earnings (loss)	1,000	1,000	(4,951)	(5,951)	(2,343)
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	235,733	421,700	492,139	70,439	739,995
Total revenues	38,104,382	37,904,093	38,132,619	228,526	38,845,097
Expenditures					
Current operations					
Personnel services	12,984,002	12,211,648	11,942,880	268,768	12,737,817
Supplies	350,749	418,669	420,964	(2,295)	487,831
Other services and charges	25,332,739	25,836,884	26,002,959	(166,075)	26,264,063
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	57,974
Total expenditures	38,667,490	38,467,201	38,366,803	100,398	39,547,685
Revenues over (under) expenditures	(563,108)	(563,108)	(234,184)	328,924	(702,588)
Other financing sources (uses)					
Transfers from other funds	563,108	563,108	563,108	-	563,108
Total other financing sources (uses)	563,108	563,108	563,108	-	563,108
Net change in fund balance	-	-	328,924	328,924	(139,480)
Fund balance, beginning of year	218,030	218,030	218,030	-	357,510
Fund balance, end of year	$ 218,030	$ 218,030	$ 546,954	$ 328,924	$ 218,030

COUNTY OF OTTAWA

DEFINED BENEFIT PENSION PLAN
SCHEDULE OF CHANGES IN EMPLOYERS NET PENSION LIABILTY AND RELATED RATIOS

FOR THE YEAR ENDED DECEMBER 31, 2015

	2015
Total pension liability	
Service cost	$ 4,838,448
Interest	17,895,352
Changes in benefit terms	-
Difference between expected and actual experience	-
Changes in assumptions	-
Benefit payments including employee refunds	(9,838,075)
Other	-
Net change in total pension liability	12,895,725
Total pension liability, beginning of year	219,413,166
Total pension liability, ending of year	$ 232,308,891
Plan Fiduciary Net Position	
Contributions-employer	$ 35,349,429
Contributions-employee	1,661,254
Net Investment income	10,532,019
Benefit payments including employee refunds	(9,838,075)
Administrative expense	(388,244)
Net change in plan fiduciary net position	37,316,383
Plan fiduciary net position, beginning of year	165,647,423
Plan fiduciary net position, ending of year	$ 202,963,806
Employer net pension liability	$ 29,345,085
Plan fiduciary net position as a percentage of the total pension liability	87%
Covered employee payroll	$ 39,033,659
Employer's net pension liability as a percentage of covered employee payroll	75%

Notes to schedule:
Above amounts are based on a 12/31/14 measurement date.

COUNTY OF OTTAWA

DEFINED BENEFIT PENSION PLAN
SCHEDULE OF EMPLOYER CONTRIBUTIONS

FOR THE YEAR ENDED DECEMBER 31, 2015

	2015
Actuarial determined contributions	$ 4,956,672
Contributions in relation to the actuarially determined contribution	4,956,672
Contribution deficiency (excess)	$ -
Covered employee payroll	$ 39,033,659
Contributions as a percentage of covered employee payroll	13%

Notes to schedule

Actuarial cost method	Entry Age
Amortization method	Declining by 2 years, closed
Remaining amortization period	20-24 years
Asset valuation method	10 year smoothed
Inflation	3-4%
Salary increases	4.50%
Investment rate of return	8.00%
Retirement age	Varies depending on plan adoption
Mortality	50% female/ 50% male 1994 group annuity mortality table

COUNTY OF OTTAWA

REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFIT PLANS
FOR THE YEAR ENDED DECEMBER 31, 2015

COUNTY PLAN - SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	Percentage of Covered Payroll
12/31/2013	$ 4,490,991	$ 4,987,215	$ 496,224	90.05%	$ 42,294,193	1.17%
12/31/2014	4,821,784	5,418,623	596,839	88.99%	40,981,474	1.46%
12/31/2015	5,135,652	5,235,560	99,908	98.09%	39,033,659	0.26%

COUNTY PLAN - SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended December 31	Annual Required Contribution	Actual Contribution	Percent Contributed
2013	$ 202,931	$ 202,931	100%
2014	229,578	229,578	100%
2015	224,871	224,871	100%

ROAD COMMISSION PLAN - SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	Percentage of Covered Payroll
1/1/2008	$ -	$ 1,835,591	$ 1,835,591	0.00%	not available	not available
10/1/2011	-	1,931,708	1,931,708	0.00%	not available	not available
10/1/2014	-	1,632,020	1,632,020	0.00%	not available	not available

ROAD COMMISSION PLAN - SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended September 30	Annual Required Contribution	Actual Contribution	Percent Contributed
2013	$ 229,894	$ 126,442	55%
2014	230,590	167,732	73%
2015	191,783	139,720	73%

COUNTY OF OTTAWA

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2015

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenue from specific revenue sources (other than major capital projects) and related expenditures which are restricted for specific purposes by administrative action or law.

Friend of the Court Fund (2160) - This Fund accounts for the operations of the Friend of the Court including the Co-op Reimbursement Grant, the Medical Support Enforcement Grant, and the 3% Friend of the Court incentive payments established under Act 297 of 1982, Section 2530.

Other Governmental Grants (2180) - This fund was opened in 2012 and accounts for various grants, primarily judicial grants, previously reported in funds 2170, 2320 and 2941.

Health Fund (2210) - This fund is used to account for monies received from Federal, State, and local grants and County appropriations. These monies are utilized in providing a variety of health related services to County residents.

Landfill Tipping Fees Fund (2272) - This Fund was established to account for the County's share of the tipping fee surcharge of Ottawa County Farms landfill starting in 1991 in accordance with an agreement between Ottawa County, Sunset Waste System, Inc., and the Township of Polkton. The monies are to be used for implementation of the Solid Waste Management Plan.

Farmland Preservation (2340) - This fund is used to account for cash purchases and/or installment purchases of development rights voluntarily offered by landowners. Once purchased, an agricultural conservation easement is placed on the property which restricts future development.

Brownfield Redevelopment Authority (2430) - This fund was established by the County Board for the purpose of revitalizing certain environmentally distressed or functionally obsolete and/or blighted areas in the County.

Homestead Property Tax (2550) - This fund was established as a result of the passage of Public Act 105 of 2003 which provides for the denial of homestead status by local governments, counties and/or State of Michigan. The County's share of interest on tax revenue collected under this statute is to be used solely for the administration of this program, and any unused funds remaining after a period of three years may be transferred to the county general fund (MCL 211.7cc, as amended).

Register of Deeds Technology Fund (2560) - This Fund was established under Public Act 698 of 2002 to account for newly authorized additional recording fees effective March 31, 2003. The revenue collected is to be spent on technology upgrades.

Sheriff Grants & Contracts (2630) - These funds account for various public safety grants and contracts for policing services with County municipalities.

Concealed Pistol Licensing (2631) – This Fund was established under Public Act 3 of 2015 to account for the deposit of fees, and expense of costs, of administering the act.

Michigan Works (2745) and Community Action Agency (2746) - These funds account for various labor related grants (including Workforce Investment Act grants) received by the Michigan Works agency and Community Action Agency. The funds were opened in 2012 to record grants previously reported in other Workforce Investment Act Funds, the Emergency Feeding Fund (2800), the Federal Emergency Management Agency fund (2810), the Community Action Agency fund (2870) and the Weatherization fund (2890).

COUNTY OF OTTAWA

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2015

SPECIAL REVENUE FUNDS (continued)

Department of Human Services (2901) - This Fund is used primarily to account for monies from State and local funding sources and to assist with the welfare program which offers aid to disadvantaged individuals of Ottawa County.

Child Care Funds (2920) - This Fund is used to account for foster child care in the County. This encompasses the Ottawa County Detention Center, which is a facility that houses juveniles on a short-term basis. The primary funding comes from the State and a County appropriation which is used to aid children who require placement outside of their home.

DEBT SERVICE FUND

Building Authority Funds (3515 – 3517; 3600) – These Funds were established to account for the accumulation of resources for payment of principal and interest on bonds issued to finance building projects for the County of Ottawa. Financing is provided by cash rental payments pursuant to lease agreements with the County of Ottawa.

CAPITAL PROJECTS FUND

Qualified Energy Conservation Bond (4010) - This Fund was established to account for the receipt of the Qualified Energy Conservation bond issues and the associated expenditures.

Capital Projects (4020) - This Fund was established to account for the receipt of funds Under Act 136, Public Acts of 1956 (Sections 141.261-141.263, Compiled Laws of 1979), which are restricted for statutory Public Improvement.

PERMANENT FUND

Cemetery Trust Fund (1500) - This Fund was established under State statute to care for cemetery plots of specific individuals who have willed monies in trust to the County for perpetual care of their gravesites.

INTERNAL SERVICE FUNDS

Internal Service Funds are established to account for the financing of goods or services provided by one department to other departments of the governmental unit on a cost-reimbursement basis.

Information Technology Fund (6360) - The Information Technology Fund is used to account for revenues collected from user departments for service charges to cover the costs incurred in the operation of the department including computer processing time and programming time.

Duplicating Fund (6450) - The Duplicating Fund is used to account for revenues received from user departments and expenses incurred in providing copier services.

Telecommunications Fund (6550) - The Telecommunications Fund is used to account for revenues received from user departments and expenses incurred in providing telephone service.

Equipment Pool Fund (6641) - The Equipment Pool Fund is used to account for revenues collected from user departments for the equipment rental charges to cover the costs incurred to administer the equipment pool fund and depreciation of the equipment.

INTERNAL SERVICE FUNDS (continued)

Protected Self-Funded Insurance Programs Fund (6770) - The Protected Self-Funded Insurance Programs Fund is used to account for the administrative costs associated with managing the self-insured portion of the vehicle protection program, the workers' compensation program, the liability protection program and the property and fire protection program.

Employee Benefits Fund (6771) - The Protected Self-Funded Employee Insurance Fund is used to account for revenues collected from user departments for the payment of costs incurred to administer the employee insurance programs, third party administrative expenses and actual premiums paid.

Protected Self-Funded Unemployment Fund (6772) - The protected Self-Funded Unemployment Fund is used to account for revenues collected from user departments for the payment of costs incurred to administer the self-funded unemployment insurance program, third party administrative expenses and actual unemployment claims paid.

Long-Term Disability Insurance Fund (6775) - The Long-term Disability Insurance Fund is used to account for revenues collected from user departments for the payment of costs incurred to administer the long-term disability insurance program and insurance premiums paid.

Ottawa County, Michigan Insurance Authority Fund (6780) - The Ottawa County, Michigan Insurance Authority Fund is used to account for insurance coverage and risk management related services to participating public entities pursuant to State of Michigan Act No. 36 of the Public Acts of 1988.

Protected Self-Funded Insurance - Mental Health Fund (6782) - The Protected Self-Funded Insurance - Mental Health Fund is used to account for funds covering risk exposure under the Managed Care Specialty Services Program.

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

AGENCY FUNDS

Trust and Agency Fund (7010) - This Fund was established to account for monies received by the County for later distribution to other agencies or persons. Primarily the fund accounts for revenue received and later remitted to the State of Michigan.

Library Penal Fine Fund (7210) - This Fund was established under Act 236, Section 4351 to account for monies received from District Court fines which are allocated annually for operations of libraries in the County.

Imprest Payroll Fund (7040) - This Fund was established to account for the salaries and fringes of the County employees payroll. Money is disbursed from the Imprest Payroll Fund after being reimbursed by the benefiting funds.

Inland Lake Improvement (8725) – The Drain Commissioner serves on various inland lake boards that do not meet the requirements of a component unit. The Drain Commissioner also serves as the treasurer for these boards, so the financial activity is recorded on the County's general ledger. Accordingly, the County is recording this activity in an agency fund.

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COUNTY OF OTTAWA

GENERAL FUND - SUBFUNDS
COMBINING BALANCE SHEET SCHEDULE

DECEMBER 31, 2015

	General Fund (1010)	Solid Waste Clean-Up (2271)	Infrastructure (2444)	Public Improvement (2450)
Assets				
Cash and pooled investments	$ 14,996,898	$ 3,938,889	$ 1,571,130	$ -
Receivables (net of allowance for estimated uncollectibles)				
Taxes	10,495,468	-	-	-
Accounts	457,493	-	-	-
Accrued interest on investments	159,440	-	-	-
Interfund receivable	3,378,842	-	-	-
Advances to component units	325,000	-	-	-
Due from other governmental units	2,099,827	-	-	-
Inventory of supplies	6,076	-	-	-
Prepaid expenditures	113,026	-	-	-
Total assets	32,032,070	3,938,889	1,571,130	-
Liabilities, deferred inflows of resources and fund balances				
Liabilities				
Accounts payable	1,699,719	24,336	-	-
Due to other governmental units	42,080	-	-	-
Unearned revenue	39,877	-	-	-
Total liabilities	1,781,676	24,336	-	-
Deferred inflows of resources				
Aggregate deferred inflows	12,179,179	-	-	-
Fund balances				
Nonspendable	444,102	-	-	-
Restricted	1,765,019	-	-	-
Committed	3,606,172	3,914,553	1,571,130	-
Assigned	2,284,578	-	-	-
Unassigned	9,971,344	-	-	-
Total fund balances	18,071,215	3,914,553	1,571,130	-
Total liabilities, deferred inflows of resources and fund balances	$ 32,032,070	$ 3,938,889	$ 1,571,130	$ -

COUNTY OF OTTAWA

GENERAL FUND - SUBFUNDS
COMBINING BALANCE SHEET SCHEDULE

DECEMBER 31, 2015

	Stabilization (2570)	DB/DC Conversion (2970)	Compensated Absences (2980)	Eliminations	Total
Assets					
Cash and pooled investments	$ 9,255,217	$ 3,296,959	$ 3,281,718	$ -	$ 36,340,811
Receivables (net of allowance for estimated uncollectibles)					
Taxes	-	-	-	-	10,495,468
Accounts	-	-	-	-	457,493
Accrued interest on investments	-	-	-	-	159,440
Interfund receivable	-	-	-	-	3,378,842
Advances to component units	-	-	-	-	325,000
Due from other governmental units	-	-	-	-	2,099,827
Inventory of supplies	-	-	-	-	6,076
Prepaid expenditures	-	-	-	-	113,026
Total assets	9,255,217	3,296,959	3,281,718	-	53,375,983
Liabilities, deferred inflows of resources and fund balances					
Liabilities					
Accounts payable	-	98,427	-	-	1,822,482
Due to other governmental units	-	-	-	-	42,080
Unearned revenue	-	-	-	-	39,877
Total liabilities	-	98,427	-	-	1,904,439
Deferred inflows of resources					
Aggregate deferred inflows	-	-	-	-	12,179,179
Fund balances					
Nonspendable	-	-	-	-	444,102
Restricted	9,255,217	-	-	-	11,020,236
Committed	-	3,198,532	2,713,595	-	15,003,982
Assigned	-	-	568,123	-	2,852,701
Unassigned	-	-	-	-	9,971,344
Total fund balances	9,255,217	3,198,532	3,281,718	-	39,292,365
Total liabilities, deferred inflows of resources and fund balances	$ 9,255,217	$ 3,296,959	$ 3,281,718	$ -	$ 53,375,983

COUNTY OF OTTAWA

GENERAL FUND - SUBFUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED DECEMBER 31, 2015

	General Fund (1010)	Solid Waste Clean-Up (2271)	Infrastructure (2444)	Public Improvement (2450)
Revenues				
Taxes	$ 40,643,909	$ -	$ -	$ -
Intergovernmental revenues	8,583,708	-	-	-
Charges for services	9,289,113	-	-	-
Fines and forfeits	69,428	-	-	-
Investment earnings	132,390	29,258	13,570	-
Licenses and permits	379,902	-	-	-
Rental income	2,239,377	-	-	-
Other	795,979	-	-	-
Total revenues	62,133,806	29,258	13,570	-
Expenditures				
Current operations				
Legislative	465,069	-	-	-
Judicial	12,257,326	-	-	-
General government	12,382,008	-	-	-
Public safety	24,824,427	-	-	-
Public works	76,753	245,117	-	-
Health and welfare	1,086,102	-	-	-
Community and economic development	826,226	-	-	-
Culture and recreation	-	-	-	-
Other government functions	120,695	-	-	-
Debt service	553,355	-	-	-
Capital outlay	-	-	-	-
Total expenditures	52,591,961	245,117	-	-
Revenues over (under) expenditures	9,541,845	(215,859)	13,570	-
Other financing sources (uses)				
Transfers from other funds	15,718	-	-	-
Transfers to other funds	(12,132,023)	-	(125,000)	(371,888)
Total other financing sources (uses)	(12,116,305)	-	(125,000)	(371,888)
Net change in fund balances	(2,574,460)	(215,859)	(111,430)	(371,888)
Fund balances, beginning of year	20,645,675	4,130,412	1,682,560	371,888
Fund balances, end of year	$ 18,071,215	$ 3,914,553	$ 1,571,130	$ -

COUNTY OF OTTAWA

GENERAL FUND - SUBFUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED DECEMBER 31, 2015

	Stabilization (2570)	DB/DC Conversion (2970)	Compensated Absences (2980)	Eliminations	Total
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ 40,643,909
Intergovernmental revenues	-	-	-	-	8,583,708
Charges for services	-	-	-	-	9,289,113
Fines and forfeits	-	-	-	-	69,428
Investment earnings	-	29,181	24,564	-	228,963
Licenses and permits	-	-	-	-	379,902
Rental income	-	-	-	-	2,239,377
Other	-	19	-	-	795,998
Total revenues	-	29,200	24,564	-	62,230,398
Expenditures					
Current operations					
Legislative	-	-	-	-	465,069
Judicial	-	-	-	-	12,257,326
General government	-	-	175,571	-	12,557,579
Public safety	-	-	-	-	24,824,427
Public works	-	-	-	-	321,870
Health and welfare	-	-	-	-	1,086,102
Community and economic development	-	-	-	-	826,226
Culture and recreation	-	-	-	-	-
Other government functions	-	-	-	-	120,695
Debt service	-	-	-	-	553,355
Capital outlay	-	-	-	-	-
Total expenditures	-	-	175,571	-	53,012,649
Revenues over (under) expenditures	-	29,200	(151,007)	-	9,217,749
Other financing sources (uses)					
Transfers from other funds	298,460	-	-	(314,178)	-
Transfers to other funds	-	(946,708)	-	314,178	(13,261,441)
Total other financing sources (uses)	298,460	(946,708)	-	-	(13,261,441)
Net change in fund balances	298,460	(917,508)	(151,007)	-	(4,043,692)
Fund balances, beginning of year	8,956,757	4,116,040	3,432,725	-	43,336,057
Fund balances, end of year	$ 9,255,217	$ 3,198,532	$ 3,281,718	$ -	$ 39,292,365

COUNTY OF OTTAWA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

DECEMBER 31, 2015

	Special Revenue					
	Friend of the Court (2160)	Other Governmental Grants (2180)	Health (2210)	Substance Use Disorder (2225)	Landfill Tipping Fees (2272)	Farmland Preservation (2340)
Assets						
Cash and pooled investments	$ 5,250	$ -	$ 982,462	$ 1,417,553	$ 1,098,562	$ 393
Receivables (net of allowance for estimated uncollectibles)						
Accounts	-	16,721	150,380	-	29,505	-
Accrued interest on investments	-	-	-	-	-	-
Due from other governmental units	967,917	795,278	141,538	131,360	-	-
Inventory of supplies	-	17,624	200,002	-	-	-
Prepaid expenditures	-	3,150	8,140	-	-	-
Total assets	973,167	832,773	1,482,522	1,548,913	1,128,067	393
Liabilities, deferred inflows of resources and fund balances						
Liabilities						
Accounts payable	158,056	100,932	385,546	236,807	24,291	-
Due to other governmental units	-	-	56,378	1,312,106	-	-
Interfund payable	815,111	661,720	-	-	-	-
governmental units	-	-	-	-	-	-
Unearned revenue	-	3,922	28,495	-	-	-
Total liabilities	973,167	766,574	470,419	1,548,913	24,291	-
Deferred inflows of resources						
Aggregate deferred inflows	-	-	11,155	-	-	-
Fund balances						
Nonspendable	-	20,774	208,142	-	-	-
Restricted	-	45,425	-	-	-	-
Committed	-	-	-	-	-	393
Assigned	-	-	792,806	-	1,103,776	-
Unassigned	-	-	-	-	-	-
Total fund balances	-	66,199	1,000,948	-	1,103,776	393
Total liabilities, deferred inflows of resources and fund balances	$ 973,167	$ 832,773	$ 1,482,522	$ 1,548,913	$ 1,128,067	$ 393

(continued)

COUNTY OF OTTAWA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

DECEMBER 31, 2015

	Special Revenue				
	Brownfield Redevelop-ment Authority (2430)	Homestead Property Tax (2550)	Register of Deeds Technology (2560)	Sheriff Grants & Contracts (2630)	Concealed Pistol Licensing (2631)
Assets					
Cash and pooled investments	$ -	$ 13,705	$ 663,069	$ -	$ 29,915
Receivables (net of allowance for estimated uncollectibles)					
Accounts	-	-	-	-	-
Accrued interest on investments	-	-	-	-	-
Due from other governmental units	254,865	-	-	1,107,843	-
Inventory of supplies	-	-	-	-	-
Prepaid expenditures	-	-	19,450	-	-
Total assets	254,865	13,705	682,519	1,107,843	29,915
Liabilities, deferred inflows of resources and fund balances					
Liabilities					
Accounts payable	14,607	-	624	242,682	1,053
Due to other governmental units	-	-	-	-	-
Interfund payable	238,405	-	-	380,855	-
governmental units	-	-	-	478,406	-
Unearned revenue	-	-	-	-	-
Total liabilities	253,012	-	624	1,101,943	1,053
Deferred inflows of resources					
Aggregate deferred inflows	-	-	-	-	-
Fund balances					
Nonspendable	-	-	19,450	-	-
Restricted	-	13,705	662,445	5,900	28,862
Committed	1,853	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	1,853	13,705	681,895	5,900	28,862
Total liabilities, deferred inflows of resources and fund balances	$ 254,865	$ 13,705	$ 682,519	$ 1,107,843	$ 29,915

(continued)

COUNTY OF OTTAWA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

DECEMBER 31, 2015

	Special Revenue				Debt Service	Capital Projects
	Michigan Works (2745)	Community Action Agency (2746)	Department of Health and Human Services (2901)	Child Care (2920)	Debt Service (3515-3517)	Qualified Energy Conservation Bonds (4010)
Assets						
Cash and pooled investments	$ 134,158	$ 218,740	$ 33,463	$ 350	$ 6,981	$ 27,129
Receivables (net of allowance for estimated uncollectibles)						
Accounts	-	-	-	7,985	-	-
Accrued interest on investments	-	-	-	-	-	-
Due from other governmental units	53,931	-	-	1,489,607	-	-
Inventory of supplies	-	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-	-
Total assets	188,089	218,740	33,463	1,497,942	6,981	27,129
Liabilities, deferred inflows of resources and fund balances						
Liabilities						
Accounts payable	-	32,598	2,792	373,516	-	-
Due to other governmental units	10,290	-	-	29,718	-	-
Interfund payable	-	-	-	130,237	-	-
governmental units	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	10,290	32,598	2,792	533,471	-	-
Deferred inflows of resources						
Aggregate deferred inflows	-	-	-	-	-	-
Fund balances						
Nonspendable	-	-	-	-	-	-
Restricted	177,799	186,142	-	-	6,981	27,129
Committed	-	-	-	-	-	-
Assigned	-	-	30,671	964,471	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	177,799	186,142	30,671	964,471	6,981	27,129
Total liabilities, deferred inflows of resources and fund balances	$ 188,089	$ 218,740	$ 33,463	$ 1,497,942	$ 6,981	$ 27,129

(continued)

COUNTY OF OTTAWA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

DECEMBER 31, 2015

	Capital Projects	Permanent	Total Nonmajor Governmental Funds	
	Capital Improvement (4020)	Cemetery Trust (1500)	2015	2014
Assets				
Cash and pooled investments	$ 6,661,043	$ 5,890	$ 11,298,663	$ 6,687,646
Receivables (net of allowance for estimated uncollectibles)				
Accounts	-	-	204,591	204,763
Accrued interest on investments	-	-	-	3,693
Due from other governmental units	-	-	4,942,339	5,257,363
Inventory of supplies	-	-	217,626	226,533
Prepaid expenditures	-	-	30,740	49,893
Total assets	6,661,043	5,890	16,693,959	12,429,891
Liabilities, deferred inflows of resources and fund balances				
Liabilities				
Accounts payable	216,228	-	1,789,732	2,605,565
Due to other governmental units	-	-	1,408,492	69,794
Interfund payable	-	-	2,226,328	1,505,032
governmental units	-	-	478,406	478,406
Unearned revenue	-	-	32,417	108,639
Total liabilities	216,228	-	5,935,375	4,767,436
Deferred inflows of resources				
Aggregate deferred inflows	-	-	11,155	48,553
Fund balances				
Nonspendable	-	5,770	254,136	282,196
Restricted	6,444,815	120	7,599,323	4,860,409
Committed	-	-	2,246	415
Assigned	-	-	2,891,724	2,470,882
Unassigned	-	-	-	-
Total fund balances	6,444,815	5,890	10,747,429	7,613,902
Total liabilities, deferred inflows of resources and fund balances	$ 6,661,043	$ 5,890	$ 16,693,959	$ 12,429,891

(concluded)

COUNTY OF OTTAWA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2015

	Special Revenue					
	Friend of the Court (2160)	Other Governmental Grants (2180)	Health (2210)	Substance Use Disorder (2225)	Landfill Tipping Fees (2272)	Farmland Preservation (2340)
Revenues						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	2,523,428	1,388,166	4,801,365	1,827,018	16,548	-
Charges for services	257,434	62,801	918,093	-	352,616	-
Investment earnings	-	-	-	-	-	-
Licenses and permits	-	-	850,503	-	-	-
Rental income	-	-	-	-	-	-
Other	-	18,669	111,055	-	30,984	4,408
Total revenues	2,780,862	1,469,636	6,681,016	1,827,018	400,148	4,408
Expenditures						
Current operations						
Judicial	3,828,551	795,592	-	-	-	-
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	118,176	-	-	421,803	-
Health and welfare	-	522,972	9,095,569	1,827,018	-	-
Community and economic development	-	-	-	-	-	4,109
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	3,828,551	1,436,740	9,095,569	1,827,018	421,803	4,109
Revenues over (under) expenditures	(1,047,689)	32,896	(2,414,553)	-	(21,655)	299
Other financing sources (uses)						
Issuance of bonds	-	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	-
Transfers from other funds	1,047,689	1,751	2,837,174	-	-	-
Transfers to other funds	-	-	-	-	-	-
Total other financing sources (uses)	1,047,689	1,751	2,837,174	-	-	-
Net changes in fund balances	-	34,647	422,621	-	(21,655)	299
Fund balances, beginning of year	-	31,552	578,327	-	1,125,431	94
Fund balances, end of year	$ -	$ 66,199	$ 1,000,948	$ -	$ 1,103,776	$ 393

(continued)

COUNTY OF OTTAWA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2015

	Special Revenue					
	Brownfield Redevelop-ment Authority (2430)	Homestead Property Tax (2550)	Register of Deeds Technology (2560)	Sheriff Grants & Contracts (2630)	Concealed Pistol Licensing (2631)	Michigan Works (2745)
Revenues						
Taxes	$ 635	$ 6,259	$ -	$ -	$ -	$ -
Intergovernmental revenues	257,496	-	-	6,868,921	-	3,243,843
Charges for services	-	-	245,106	11,200	-	-
Investment earnings	-	72	4,496	-	-	-
Licenses and permits	-	-	-	-	40,753	-
Rental income	-	-	-	-	-	-
Other	1,501	-	-	1,943	-	13,935
Total revenues	259,632	6,331	249,602	6,882,064	40,753	3,257,778
Expenditures						
Current operations						
Judicial	-	-	-	-	-	-
General government	-	1,445	142,791	-	11,891	-
Public safety	-	-	-	7,267,689	-	-
Public works	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	3,202,548
Community and economic development	258,100	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	33,634	-	-	-
Total expenditures	258,100	1,445	176,425	7,267,689	11,891	3,202,548
Revenues over (under) expenditures	1,532	4,886	73,177	(385,625)	28,862	55,230
Other financing sources (uses)						
Issuance of bonds	-	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	-
Transfers from other funds	-	-	-	385,844	-	-
Transfers to other funds	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	385,844	-	-
Net changes in fund balances	1,532	4,886	73,177	219	28,862	55,230
Fund balances, beginning of year	321	8,819	608,718	5,681	-	122,569
Fund balances, end of year	$ 1,853	$ 13,705	$ 681,895	$ 5,900	$ 28,862	$ 177,799

(continued)

COUNTY OF OTTAWA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2015

	Special Revenue			Debt Service	Capital Projects
	Community Action Agency (2746)	Department of Health and Human Services (2901)	Child Care (2920)	Debt Service (3515-3517)	Qualified Energy Conservation Bonds (4010)
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	1,122,383	-	3,560,204	-	-
Charges for services	50	-	-	-	-
Investment earnings	-	-	-	-	8,718
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	1,818,294	-
Other	91,001	-	641,926	11,296	-
Total revenues	1,213,434	-	4,202,130	1,829,590	8,718
Expenditures					
Current operations					
Judicial	-	-	-	-	-
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Health and welfare	1,157,392	44,459	7,879,630	-	-
Community and economic development	-	-	-	-	-
Debt service	-	-	-	3,675,923	-
Capital outlay	-	-	-	-	451,067
Total expenditures	1,157,392	44,459	7,879,630	3,675,923	451,067
Revenues over (under) expenditures	56,042	(44,459)	(3,677,500)	(1,846,333)	(442,349)
Other financing sources (uses)					
Issuance of bonds	-	-	-	11,955,000	-
Premium on bonds issued	-	-	-	1,744,362	-
Payment to refunding bond escrow agent	-	-	-	(13,557,781)	-
Transfers from other funds	-	44,547	3,677,501	1,711,733	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	44,547	3,677,501	1,853,314	-
Net changes in fund balances	56,042	88	1	6,981	(442,349)
Fund balances, beginning of year	130,100	30,583	964,470	-	469,478
Fund balances, end of year	$ 186,142	$ 30,671	$ 964,471	$ 6,981	$ 27,129

(continued)

COUNTY OF OTTAWA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2015

	Capital Projects	Permanent	Total Nonmajor Governmental Funds	
	Capital Improvement (4020)	Cemetery Trust (1500)	2015	2014
Revenues				
Taxes	$ -	$ -	$ 6,894	$ 8,124
Intergovernmental revenues	-	-	25,609,372	23,198,652
Charges for services	376,459	-	2,223,759	1,740,271
Investment earnings	30,384	30	43,700	78,334
Licenses and permits	-	-	891,256	779,766
Rental income	198,929	-	2,017,223	1,821,294
Other	-	-	926,718	1,087,375
Total revenues	605,772	30	31,718,922	28,713,816
Expenditures				
Current operations				
Judicial	-	-	4,624,143	4,239,583
General government	-	-	156,127	194,342
Public safety	-	-	7,267,689	6,987,054
Public works	-	-	539,979	538,871
Health and welfare	-	-	23,729,588	22,991,123
Community and economic development	-	-	262,209	68,762
Debt service	-	-	3,675,923	2,582,919
Capital outlay	1,222,950	-	1,707,651	2,740,105
Total expenditures	1,222,950	-	41,963,309	40,342,759
Revenues over (under) expenditures	(617,178)	30	(10,244,387)	(11,628,943)
Other financing sources (uses)				
Issuance of bonds	-	-	11,955,000	-
Premium on bonds issued	-	-	1,744,362	-
Payment to refunding bond escrow agent	-	-	(13,557,781)	-
Transfers from other funds	3,720,119	-	13,426,358	12,407,809
Transfers to other funds	(190,025)	-	(190,025)	-
Total other financing sources (uses)	3,530,094	-	13,377,914	12,407,809
Net changes in fund balances	2,912,916	30	3,133,527	778,866
Fund balances, beginning of year	3,531,899	5,860	7,613,902	6,835,036
Fund balances, end of year	$ 6,444,815	$ 5,890	$ 10,747,429	$ 7,613,902

(concluded)

COUNTY OF OTTAWA

FRIEND OF THE COURT (2160)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2015
(with comparative totals for the year ended September 30, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	2,646,351	2,772,108	2,523,428	(248,680)	2,285,021
Charges for services	225,450	225,450	257,434	31,984	245,811
Fines and forfeits	-	-	-	-	-
Investment earnings	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	2,871,801	2,997,558	2,780,862	(216,696)	2,530,832
Expenditures					
Current operations					
Personnel services	2,992,549	3,146,884	3,082,357	64,527	2,805,873
Supplies	62,083	75,436	66,340	9,096	69,083
Other services and charges	702,260	687,235	679,854	7,381	652,111
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
					-
Total expenditures	3,756,892	3,909,555	3,828,551	81,004	3,527,067
Revenues over (under) expenditures	(885,091)	(911,997)	(1,047,689)	(135,692)	(996,235)
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	885,091	1,111,997	1,047,689	(64,308)	996,235
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	885,091	1,111,997	1,047,689	(64,308)	996,235
Net change in fund balance	-	200,000	-	(200,000)	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	$ -	$ 200,000	$ -	$ (200,000)	$ -

COUNTY OF OTTAWA

OTHER GOVERNMENTAL GRANTS (2180)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	536,632	2,270,065	1,388,166	(881,899)	885,551
Charges for services	50,000	50,000	62,801	12,801	59,822
Fines and forfeits	-	-	-	-	-
Investment earnings	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	16,049	18,669	2,620	8,960
Total revenues	586,632	2,336,114	1,469,636	(866,478)	954,333
Expenditures					
Current operations					
Judicial					
Personnel services	361,438	297,121	292,301	4,820	350,490
Supplies	11,498	89,564	35,682	53,882	29,819
Other services and charges	36,332	826,468	467,609	358,859	332,207
Public works					
Other services and charges	157,569	157,569	118,176	39,393	157,570
Health					
Personnel services	-	324,971	157,999	166,972	-
Supplies	-	123,728	145,289	(21,561)	-
Other services and charges	80,000	558,648	219,684	338,964	76,453
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	20,000	-	20,000	-
Total expenditures	646,837	2,398,069	1,436,740	961,329	946,539
Revenues over (under) expenditures	(60,205)	(61,955)	32,896	94,851	7,794
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	60,205	61,955	1,751	(60,204)	500
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	60,205	61,955	1,751	(60,204)	500
Net change in fund balance	-	-	34,647	34,647	8,294
Fund balance, beginning of year	31,552	31,552	31,552	-	23,258
Fund balance, end of year	$ 31,552	$ 31,552	$ 66,199	$ 34,647	$ 31,552

COUNTY OF OTTAWA

HEALTH (2210)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2015
(with comparative totals for the year ended September 30, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	4,056,077	4,222,023	4,801,365	579,342	3,991,504
Charges for services	902,580	904,610	918,093	13,483	826,927
Fines and forfeits	-	-	-	-	-
Investment earnings	-	-	-	-	-
Licenses and permits	751,023	751,023	850,503	99,480	779,766
Rental income	-	-	-	-	-
Other	124,399	192,498	111,055	(81,443)	217,256
Total revenues	5,834,079	6,070,154	6,681,016	610,862	5,815,453
Expenditures					
Current operations					
Personnel services	6,657,328	6,606,483	6,275,885	330,598	6,099,821
Supplies	950,892	1,027,778	863,992	163,786	887,349
Other services and charges	1,808,578	2,051,070	1,955,692	95,378	1,847,066
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	9,416,798	9,685,331	9,095,569	589,762	8,834,236
Revenues over (under) expenditures	(3,582,719)	(3,615,177)	(2,414,553)	(1,200,624)	(3,018,783)
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	3,382,719	4,020,301	2,837,174	(1,183,127)	3,018,782
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	3,382,719	4,020,301	2,837,174	(1,183,127)	3,018,782
Net change in fund balance	(200,000)	405,124	422,621	(2,383,751)	(1)
Fund balance, beginning of year	578,327	578,327	578,327	-	578,328
Fund balance, end of year	$ 378,327	$ 983,451	$ 1,000,948	$(2,383,751)	$ 578,327

COUNTY OF OTTAWA

SUBSTANCE USE DISORDER (2225)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2015
(with comparative totals for the year ended September 30, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	1,141,857	1,141,857	1,827,018	685,161	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Investment earnings	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	1,141,857	1,141,857	1,827,018	685,161	-
Expenditures					
Current operations					
Personnel services	245,489	245,489	258,488	(12,999)	-
Supplies	2,218	2,218	212	2,006	-
Other services and charges	894,150	894,150	1,568,318	(674,168)	-
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	1,141,857	1,141,857	1,827,018	(685,161)	-
Revenues over (under) expenditures	-	-	-	-	-
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -	$ -

COUNTY OF OTTAWA

LANDFILL TIPPING FEES (2272)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	28,000	28,000	16,548	(11,452)	24,655
Charges for services	320,000	320,000	352,616	32,616	353,859
Fines and forfeits	-	-	-	-	-
Investment earnings	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	30,350	30,350	30,984	634	36,125
Total revenues	378,350	378,350	400,148	21,798	414,639
Expenditures					
Current operations					
Personnel services	256,420	251,140	255,029	(3,889)	213,636
Supplies	15,295	15,295	10,220	5,075	8,314
Other services and charges	186,053	190,583	156,554	34,029	159,351
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	457,768	457,018	421,803	35,215	381,301
Revenues over (under) expenditures	(79,418)	(78,668)	(21,655)	57,013	33,338
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	(79,418)	(78,668)	(21,655)	57,013	33,338
Fund balance, beginning of year	1,125,431	1,125,431	1,125,431	-	1,092,093
Fund balance, end of year	$ 1,046,013	$ 1,046,763	$ 1,103,776	$ 57,013	$ 1,125,431

COUNTY OF OTTAWA

FARMLAND PRESERVATION (2340)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Investment earnings	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	51,408	4,408	(47,000)	-
Total revenues	-	51,408	4,408	(47,000)	-
Expenditures					
Current operations					
Personnel services	-	-	-	-	-
Supplies	200	1,300	1,001	299	510
Other services and charges	-	50,108	3,108	47,000	-
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	200	51,408	4,109	47,299	510
Revenues over (under) expenditures	(200)	-	299	299	(510)
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	(200)	-	299	299	(510)
Fund balance, beginning of year	94	94	94	-	604
Fund balance, end of year	$ (106)	$ 94	$ 393	$ 299	$ 94

COUNTY OF OTTAWA

BROWNFIELD REDEVELOPMENT AUTHORITY (2430)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ 762	$ 762	$ 635	$ (127)	$ 560
Intergovernmental revenues	133,333	332,279	257,496	(74,783)	67,720
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Investment earnings	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	1,500	1,501	1	-
Total revenues	134,095	334,541	259,632	(74,909)	68,280
Expenditures					
Current operations					
Personnel services	-	-	-	-	-
Supplies	500	1,149	-	1,149	10
Other services and charges	133,618	333,415	258,100	75,315	68,242
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	134,118	334,564	258,100	76,464	68,252
Revenues over (under) expenditures	(23)	(23)	1,532	1,555	28
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	(23)	(23)	1,532	1,555	28
Fund balance, beginning of year	321	321	321	-	293
Fund balance, end of year	$ 298	$ 298	$ 1,853	$ 1,555	$ 321

COUNTY OF OTTAWA

HOMESTEAD PROPERTY TAX (2550)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ 2,000	$ 5,000	$ 6,259	$ 1,259	$ 7,564
Intergovernmental revenues	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Investment earnings	(50)	79	72	(7)	78
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	1,950	5,079	6,331	1,252	7,642
Expenditures					
Current operations					
Personnel services	-	-	-	-	-
Supplies	100	100	-	100	-
Other services and charges	1,451	1,445	1,445	-	1,422
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	1,551	1,545	1,445	100	1,422
Revenues over (under) expenditures	399	3,534	4,886	1,352	6,220
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	399	3,534	4,886	1,352	6,220
Fund balance, beginning of year	8,819	8,819	8,819	-	2,599
Fund balance, end of year	$ 9,218	$ 12,353	$ 13,705	$ 1,352	$ 8,819

COUNTY OF OTTAWA

REGISTER OF DEEDS TECHNOLOGY (2560)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	-	-	-	-	-
Charges for services	250,000	250,000	245,106	(4,894)	225,602
Fines and forfeits	-	-	-	-	-
Investment earnings	745	745	4,496	3,751	8,394
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	250,745	250,745	249,602	(1,143)	233,996
Expenditures					
Current operations					
Personnel services	24,090	24,090	23,818	272	22,636
Supplies	7,880	7,880	4,149	3,731	31,866
Other services and charges	135,731	141,086	114,824	26,262	138,418
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	32,000	26,645	33,634	(6,989)	6,550
Total expenditures	199,701	199,701	176,425	23,276	199,470
Revenues over (under) expenditures	51,044	51,044	73,177	22,133	34,526
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	51,044	51,044	73,177	22,133	34,526
Fund balance, beginning of year	608,718	608,718	608,718	-	574,192
Fund balance, end of year	$ 659,762	$ 659,762	$ 681,895	$ 22,133	$ 608,718

COUNTY OF OTTAWA

SHERIFF GRANTS & CONTRACTS (2630)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	7,606,277	7,622,601	6,868,921	(753,680)	6,514,125
Charges for services	-	-	11,200	11,200	27,950
Fines and forfeits	-	-	-	-	-
Investment earnings	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	98,380	98,380	1,943	(96,437)	7,800
Total revenues	7,704,657	7,720,981	6,882,064	(838,917)	6,549,875
Expenditures					
Current operations					
Personnel services	7,197,564	7,163,856	6,484,697	679,159	6,116,106
Supplies	173,759	198,549	110,196	88,353	177,787
Other services and charges	892,488	917,730	672,796	244,934	693,161
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	-	-	-	24,578
Total expenditures	8,263,811	8,280,135	7,267,689	1,012,446	7,011,632
Revenues over (under) expenditures	(559,154)	(559,154)	(385,625)	173,529	(461,757)
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	559,154	559,154	385,844	(173,310)	462,418
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	559,154	559,154	385,844	(173,310)	462,418
Net change in fund balance	-	-	219	219	661
Fund balance, beginning of year	5,681	5,681	5,681	-	5,020
Fund balance, end of year	$ 5,681	$ 5,681	$ 5,900	$ 219	$ 5,681

COUNTY OF OTTAWA

CONCEALED PISTOL LICENSING (2631)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Investment earnings	-	-	-	-	-
Licenses and permits	-	36,000	40,753	4,753	-
Rental income	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	-	36,000	40,753	4,753	-
Expenditures					
Current operations					
Personnel services	-	23,242	11,698	11,544	-
Supplies	-	-	186	(186)	-
Other services and charges	-	-	7	(7)	-
Debt service					-
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	-	23,242	11,891	11,351	-
Revenues over (under) expenditures	-	12,758	28,862	16,104	-
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	-	12,758	28,862	16,104	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	$ -	$ 12,758	$ 28,862	$ 16,104	$ -

COUNTY OF OTTAWA

MICHIGAN WORKS (2745)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	-	8,677,159	3,243,843	(5,433,316)	4,504,963
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Investment earnings	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	121,319	13,935	(107,384)	18,897
Total revenues	-	8,798,478	3,257,778	(5,540,700)	4,523,860
Expenditures					
Current operations					
Personnel services	-	2,716,448	1,314,658	1,401,790	1,835,619
Supplies	-	132,701	51,683	81,018	47,446
Other services and charges	-	5,976,143	1,836,207	4,139,936	2,613,897
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	-	8,825,292	3,202,548	5,622,744	4,496,962
Revenues over (under) expenditures	-	(26,814)	55,230	82,044	26,898
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	-	(26,814)	55,230	82,044	26,898
Fund balance, beginning of year	122,569	122,569	122,569	-	95,671
Fund balance, end of year	$ 122,569	$ 95,755	$ 177,799	$ 82,044	$ 122,569

COUNTY OF OTTAWA

COMMUNITY ACTION AGENCY (2746)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	-	1,944,999	1,122,383	(822,616)	1,303,456
Charges for services	-	325	50	(275)	300
Fines and forfeits	-	-	-	-	-
Investment earnings	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	84,949	91,001	6,052	81,057
Total revenues	-	2,030,272	1,213,434	(816,838)	1,384,813
Expenditures					
Current operations					
Personnel services	-	698,102	382,804	315,298	445,626
Supplies	-	67,011	187,218	(120,207)	341,920
Other services and charges	-	1,205,179	587,370	617,809	568,439
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	-	1,970,292	1,157,392	812,900	1,355,985
Revenues over (under) expenditures	-	59,981	56,042	(3,939)	28,828
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	-	59,981	56,042	(3,939)	28,828
Fund balance, beginning of year	130,100	130,100	130,100	-	101,272
Fund balance, end of year	$ 130,100	$ 190,081	$ 186,142	$ (3,939)	$ 130,100

COUNTY OF OTTAWA

DEPARTMENT OF HEALTH AND HUMAN SERVICES (2901)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2015
(with comparative totals for the year ended September 30, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	-	-	-	-	(28)
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Investment earnings	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	-	-	-	-	(28)
Expenditures					
Current operations					
Personnel services	-	-	-	-	-
Supplies	593	593	-	593	454
Other services and charges	43,954	43,954	44,459	(505)	42,014
Debt service		-	-	-	-
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	44,547	44,547	44,459	88	42,468
Revenues over (under) expenditures	(44,547)	(44,547)	(44,459)	88	(42,496)
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	44,547	44,547	44,547	-	44,547
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	44,547	44,547	44,547	-	44,547
Net change in fund balance	-	-	88	88	2,051
Fund balance, beginning of year	30,583	30,583	30,583	-	28,532
Fund balance, end of year	$ 30,583	$ 30,583	$ 30,671	$ 88	$ 30,583

COUNTY OF OTTAWA

CHILD CARE (2920)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2015
(with comparative totals for the year ended September 30, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	4,129,569	4,234,024	3,560,204	(673,820)	3,621,685
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Investment earnings	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	621,000	621,000	641,926	20,926	717,280
Total revenues	4,750,569	4,855,024	4,202,130	(652,894)	4,338,965
Expenditures					
Current operations					
Personnel services	4,445,964	4,654,875	4,387,291	267,584	4,158,431
Supplies	221,719	221,719	142,843	78,876	153,211
Other services and charges	4,212,955	4,169,612	3,349,496	820,116	3,873,377
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	8,880,638	9,046,206	7,879,630	1,166,576	8,185,019
Revenues over (under) expenditures	(4,130,069)	(4,191,182)	(3,677,500)	513,682	(3,846,054)
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	4,130,069	4,234,525	3,677,501	(557,024)	3,646,053
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	4,130,069	4,234,525	3,677,501	(557,024)	3,646,053
Net change in fund balance	-	43,343	1	(43,342)	(200,001)
Fund balance, beginning of year	964,470	964,470	964,470	-	1,164,471
Fund balance, end of year	$ 964,470	$ 1,007,813	$ 964,471	$ (43,342)	$ 964,470

COUNTY OF OTTAWA

DEBT SERVICE FUNDS (3515-3517; 3600)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Investment earnings	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Rental income	1,818,944	1,818,944	1,818,294	(650)	1,821,294
Other	-	4,315	11,296	6,981	-
Total revenues	1,818,944	1,823,259	1,829,590	6,331	1,821,294
Expenditures					
Current operations					
Personnel services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service					
Principal retirement	1,860,000	2,110,000	2,110,000	-	1,775,000
Interest and fiscal charges	724,269	1,425,293	1,565,923	(140,630)	807,919
Capital outlay	-	-	-	-	-
Total expenditures	2,584,269	3,535,293	3,675,923	(140,630)	2,582,919
Revenues over (under) expenditures	(765,325)	(1,712,034)	(1,846,333)	(134,299)	(761,625)
Other financing sources (uses)					
Issuance of bonds	-	-	11,955,000	11,955,000	-
Premium on bonds issued	-	-	1,744,362	1,744,362	-
Transfers from other funds	765,325	1,712,034	1,711,733	(301)	761,625
Transfers to other funds	-	-	-	-	-
Payment to refunding bond escrow agent	-	-	(13,557,781)	(13,557,781)	-
Total other financing sources (uses)	765,325	1,712,034	1,853,314	141,280	761,625
Net change in fund balance	-	-	6,981	6,981	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	$ -	$ -	$ 6,981	$ 6,981	$ -

COUNTY OF OTTAWA

QUALIFIED ENERGY CONSERVATION BOND (4010)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Investment earnings	262	262	8,718	8,456	15,589
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	262	262	8,718	8,456	15,589
Expenditures					
Current operations					
Personnel services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	498,716	451,067	451,067	-	2,708,977
Total expenditures	498,716	451,067	451,067	-	2,708,977
Revenues over (under) expenditures	(498,454)	(450,805)	(442,349)	8,456	(2,693,388)
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	(498,454)	(450,805)	(442,349)	8,456	(2,693,388)
Fund balance, beginning of year	469,478	469,478	469,478	-	3,162,866
Fund balance, end of year	$ (28,976)	$ 18,673	$ 27,129	$ 8,456	$ 469,478

COUNTY OF OTTAWA

CAPITAL IMPROVEMENT (4020)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	515,613	515,613	-	(515,613)	-
Charges for services	-	101,900	376,459	274,559	-
Fines and forfeits	-	-	-	-	-
Investment earnings	10,000	10,000	30,384	20,384	54,250
Licenses and permits	-	-	-	-	-
Rental income	-	3,404	198,929	195,525	-
Other	-	-	-	-	-
Total revenues	525,613	630,917	605,772	(25,145)	54,250
Expenditures					
Current operations					
Personnel services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	2,359,183	3,995,117	1,222,950	2,772,167	-
Total expenditures	2,359,183	3,995,117	1,222,950	2,772,167	-
Revenues over (under) expenditures	(1,833,570)	(3,364,200)	(617,178)	2,747,022	54,250
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	-	3,721,119	3,720,119	(1,000)	3,477,649
Transfers to other funds	(190,325)	(190,325)	(190,025)	300	-
Total other financing sources (uses)	(190,325)	3,530,794	3,530,094	(700)	3,477,649
Net change in fund balance	(1,833,570)	166,594	2,912,916	2,746,322	3,531,899
Fund balance, beginning of year	3,531,899	3,531,899	3,531,899	-	-
Fund balance, end of year	$ 1,698,329	$ 3,698,493	$ 6,444,815	$ 2,746,322	$ 3,531,899

COUNTY OF OTTAWA

CEMETERY TRUST (1500)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Budget Amounts		Actual	Variance Positive	2014
	Original	Final	Amount	(Negative)	Actual
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenues	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Investment earnings	23	23	30	7	23
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	23	23	30	7	23
Expenditures					
Current operations					
Personnel services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	-	-	-	-	-
Revenues over (under) expenditures	23	23	30	7	23
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	23	23	30	7	23
Fund balance, beginning of year	5,860	5,860	5,860	-	5,837
Fund balance, end of year	$ 5,883	$ 5,883	$ 5,890	$ 7	$ 5,860

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COUNTY OF OTTAWA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION

DECEMBER 31, 2015
(with comparative totals at December 31, 2014)

	Innovation and Technology (6360)	Duplicating (6450)	Telecom-munications (6550)	Equipment Pool (6641)	Protected Self-Funded Insurance Programs (6770)	Employee Benefits (6771)
Assets						
Current assets						
Cash and pooled investments	$ 2,302,677	$ 576,390	$ 2,153,326	$ 1,019,573	$ 13,631	$ 2,045,055
Investments	-	-	-	-	-	-
Accounts receivable	217	-	-	-	-	62,792
Accrued interest on investments	-	-	-	-	-	-
Due from other funds	-	-	-	-	4,033,834	-
Prepaid expenses	247,103	-	21,491	-	37,000	2,901
Total current assets	2,549,997	576,390	2,174,817	1,019,573	4,084,465	2,110,748
Noncurrent assets						
Capital assets						
Office furniture and equipment	-	-	-	7,316,626	-	-
Copy machines	-	287,751	-	-	-	-
Telephone equipment	-	-	2,278,719	-	-	-
Vehicles	-	-	-	5,239,957	-	-
Less accumulated depreciation	-	(167,976)	(1,893,018)	(8,505,009)	-	-
Net capital assets	-	119,775	385,701	4,051,574	-	-
Total assets	2,549,997	696,165	2,560,518	5,071,147	4,084,465	2,110,748
Liabilities						
Current liabilities						
Accounts payable	123,790	1,607	23,404	12,438	444,725	17,433
Due to other funds	-	-	-	-	-	-
Due to other governmental units	-	-	-	-	-	-
Total liabilities	123,790	1,607	23,404	12,438	444,725	17,433
Net position						
Invested in capital assets	-	119,775	385,701	4,051,574	-	-
Restricted for managed care						
Unrestricted	2,426,207	574,783	2,151,413	1,007,135	3,639,740	2,093,315
Total net position	$ 2,426,207	$ 694,558	$ 2,537,114	$ 5,058,709	$ 3,639,740	$ 2,093,315

(continued)

COUNTY OF OTTAWA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION

DECEMBER 31, 2015
(with comparative totals at December 31, 2014)

	Protected Self-Funded Unemployment (6772)	Long-Term Disability Insurance (6775)	Ottawa County, Michigan Insurance Authority (6780)	Protected Self-Funded Insurance - Mental Health (6782)	Totals 2015	Totals 2014
Assets						
Current assets						
Cash and pooled investments	$ 555,391	$ 270,799	$ 331,644	$ -	$ 9,268,486	$ 10,449,685
Investments	-	-	34,967,485	-	34,967,485	33,355,766
Accounts receivable	-	-	-	-	63,009	7,840
Accrued interest on investments	-	-	121,060	-	121,060	109,841
Due from other funds	-	-	-	-	4,033,834	4,091,350
Prepaid expenses	-	-	109,123	-	417,618	664,934
Total current assets	555,391	270,799	35,529,312	-	48,871,492	48,679,416
Noncurrent assets						
Capital assets						
Office furniture and equipment	-	-	-	-	7,316,626	6,607,165
Copy machines	-	-	-	-	287,751	287,751
Telephone equipment	-	-	-	-	2,278,719	2,278,719
Vehicles	-	-	-	-	5,239,957	5,256,377
Less accumulated depreciation	-	-	-	-	(10,566,003)	(9,624,956)
Net capital assets	-	-	-	-	4,557,050	4,805,056
Total assets	555,391	270,799	35,529,312	-	53,428,542	53,484,472
Liabilities						
Current liabilities						
Accounts payable	149,885	4,216	7,658,300	-	8,435,798	8,043,888
Due to other funds	-	-	4,033,834	-	4,033,834	5,133,190
Due to other governmental units	-	-	-	-	-	51,752
Total liabilities	149,885	4,216	11,692,134	-	12,469,632	13,228,830
Net position						
Invested in capital assets	-	-	-	-	4,557,050	4,805,056
Restricted for managed care						
Unrestricted	405,506	266,583	23,837,178	-	36,401,860	35,450,586
Total net position	$ 405,506	$ 266,583	$ 23,837,178	$ -	$ 40,958,910	$ 40,255,642

(concluded)

COUNTY OF OTTAWA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Innovation and Technology (6360)	Duplicating (6450)	Telecom-munications (6550)	Equipment Pool (6641)	Protected Self-Funded Insurance Programs (6770)	Employee Benefits (6771)
Operating revenues						
Charges for services	$ 4,070,624	$ 82,088	$ 588,933	$ 1,667,198	$ 197,312	$ 10,834,638
Other revenue	-	-	-	122,070	-	-
Total operating revenues	4,070,624	82,088	588,933	1,789,268	197,312	10,834,638
Operating expenses						
Personnel services	1,758,744	8,116	135,006	33,107	175,194	208,060
Contractual services	-	-	-	-	-	-
Supplies	37,451	1,879	3,863	-	76	146
Depreciation	-	54,368	198,518	1,344,685	-	-
Building and equipment rental	638,351	-	-	-	-	-
Claims and legal	-	-	-	-	-	-
Miscellaneous	1,804,602	2,263	269,366	2,504	131,904	10,619,579
Total operating expenses	4,239,148	66,626	606,753	1,380,296	307,174	10,827,785
Operating income (loss)	(168,524)	15,462	(17,820)	408,972	(109,862)	6,853
Nonoperating revenues (expenses)						
Investment earnings (loss)	15,927	3,873	15,380	4,488	97,896	14,153
Net change in the fair value of investments	-	-	-	-	-	-
Gain (loss) on retirement of capital assets	-	-	-	19,684	-	-
Total nonoperating revenues	15,927	3,873	15,380	24,172	97,896	14,153
Income (loss) before transfers	(152,597)	19,335	(2,440)	433,144	(11,966)	21,006
Transfers						
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	(150,000)	-	-	-
Total transfers	-	-	(150,000)	-	-	-
Change in net position	(152,597)	19,335	(152,440)	433,144	(11,966)	21,006
Total net position, beginning of year	2,578,804	675,223	2,689,554	4,625,565	3,651,706	2,072,309
Total net position, end of year	$ 2,426,207	$ 694,558	$ 2,537,114	$ 5,058,709	$ 3,639,740	$ 2,093,315

(continued)

COUNTY OF OTTAWA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Protected Self-Funded Unemployment (6772)	Long-Term Disability Insurance (6775)	Ottawa County, Michigan Insurance Authority (6780)	Protected Self-Funded Insurance - Mental Health (6782)	Totals 2015	Totals 2014
Operating revenues						
Charges for services	$ 267,207	$ 128,880	$ 1,682,928	$ -	$ 19,519,808	$ 18,969,423
Other revenue	-	-	18,977	-	141,047	190,722
Total operating revenues	267,207	128,880	1,701,905	-	19,660,855	19,160,145
Operating expenses						
Personnel services	58,617	11,305	-	-	2,388,149	2,322,559
Contractual services	-	-	679,290	-	679,290	637,871
Supplies	-	-	-	-	43,415	50,292
Depreciation	-	-	-	-	1,597,571	1,322,455
Building and equipment rental	-	-	-	-	638,351	193,317
Claims and legal	-	-	836,475	-	836,475	2,756,090
Miscellaneous	291,945	49,097	-	-	13,171,260	13,386,925
Total operating expenses	350,562	60,402	1,515,765	-	19,354,511	20,669,509
Operating income (loss)	(83,355)	68,478	186,140	-	306,344	(1,509,364)
Nonoperating revenues (expenses)						
Investment earnings (loss)	3,811	1,707	626,705	-	783,940	772,864
Net change in the fair value of investments	-	-	(11,200)	-	(11,200)	1,223,184
Gain (loss) on retirement of capital assets	-	-	-	-	19,684	10,264
Total nonoperating revenues	3,811	1,707	615,505	-	792,424	2,006,312
Income (loss) before transfers	(79,544)	70,185	801,645	-	1,098,768	496,948
Transfers						
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	(245,500)	-	(395,500)	(300,000)
Total transfers	-	-	(245,500)	-	(395,500)	(300,000)
Change in net position	(79,544)	70,185	556,145	-	703,268	196,948
Total net position, beginning of year	485,050	196,398	23,281,033	-	40,255,642	40,058,694
Total net position, end of year	$ 405,506	$ 266,583	$ 23,837,178	$ -	$ 40,958,910	$ 40,255,642

(concluded)

COUNTY OF OTTAWA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Innovation and Technology (6360)	Duplicating (6450)	Telecom-munications (6550)	Equipment Pool (6641)	Protected Self-Funded Insurance Programs (6770)	Employee Benefits (6771)
Cash flow from operating activities						
Cash received from interfund services provided	$ 4,070,460	$ 82,088	$ 588,933	$ 1,789,268	$ 197,312	$ 10,779,633
Cash payments to suppliers for goods and services	(2,219,886)	(14,724)	(254,244)	(26,229)	(196,086)	(10,637,847)
Cash payments for self-funded insurance claims	-	-	-	-	-	-
Cash payments to employees for services	(1,758,744)	(8,116)	(135,006)	(33,107)	(175,194)	(208,060)
Net cash provided by (used for) operating activities	91,830	59,248	199,683	1,729,932	(173,968)	(66,274)
Cash flow from noncapital financing activities						
Transfers out to other funds	-	-	(150,000)	-	-	-
Net cash provided by (used for) noncapital financing activities	-	-	(150,000)	-	-	-
Cash flow from capital and related financing activities						
Acquisition of capital assets	-	-	-	(1,349,565)	-	-
Proceeds from sale of equipment	-	-	-	19,684	-	-
Net cash provided by (used for) capital and related financing activities	-	-	-	(1,329,881)	-	-
Cash flow from investing activities						
Purchase of investments	-	-	-	-	-	-
Interest on investments	15,927	3,873	15,380	4,488	155,412	14,153
Proceeds from sale of investments	-	-	-	-	-	-
Net cash provided by (used for) investing activities	15,927	3,873	15,380	4,488	155,412	14,153
Net increase (decrease) in cash and pooled investments	107,757	63,121	65,063	404,539	(18,556)	(52,121)
Cash and pooled investments, beginning of year	2,194,920	513,269	2,088,263	615,034	32,187	2,097,176
Cash and pooled investments, end of year	$ 2,302,677	$ 576,390	$ 2,153,326	$ 1,019,573	$ 13,631	$ 2,045,055
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities						
Operating income (loss)	$ (168,524)	$ 15,462	$ (17,820)	$ 408,972	$ (109,862)	$ 6,853
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities						
Depreciation	-	54,368	198,518	1,344,685	-	-
provided by (used for) operating activities						
(Increase) decrease in receivables	(164)	-	-	-	-	(55,005)
(Increase) decrease in prepaid expenses	253,069	-	8,256	-	-	(401)
Increase (decrease) in unpaid claims liability	-	-	-	-	-	-
Increase (decrease) in accounts payable	7,449	(10,582)	10,729	(23,725)	(64,106)	(17,721)
Increase (decrease) in due to other funds	-	-	-	-	-	-
Increase (decrease) in due to other governmental units	-	-	-	-	-	-
Net cash provided by (used for) operating activities	$ 91,830	$ 59,248	$ 199,683	$ 1,729,932	$ (173,968)	$ (66,274)

(continued)

COUNTY OF OTTAWA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative totals for the year ended December 31, 2014)

	Protected Self-Funded Unemployment (6772)	Long-Term Disability Insurance (6775)	Ottawa County, Michigan Insurance Authority (6780)	Protected Self-Funded Insurance - Mental Health (6782)	Totals 2015	Totals 2014
Cash flow from operating activities						
Cash received from interfund services provided	$ 267,207	$ 128,880	$ 1,798,267	$ -	$ 19,702,048	$ 19,276,828
Cash payments to suppliers for goods and services	(167,682)	(53,292)	(457,651)	-	(14,027,641)	(14,354,635)
Cash payments for self-funded insurance claims	(51,752)	-	(855,802)	(1,041,840)	(1,949,394)	(2,292,141)
Cash payments to employees for services	(58,617)	(11,305)	-	-	(2,388,149)	(2,347,110)
Net cash provided by (used for) operating activities	(10,844)	64,283	484,814	(1,041,840)	1,336,864	282,942
Cash flow from noncapital financing activities						
Transfers out to other funds	-	-	(245,500)	-	(395,500)	(863,020)
Net cash provided by (used for) noncapital financing activities	-	-	(245,500)	-	(395,500)	(863,020)
Cash flow from capital and related financing activities						
Acquisition of capital assets	-	-	-	-	(1,349,565)	(3,100,592)
Proceeds from sale of equipment	-	-	-	-	19,684	41,556
Net cash provided by (used for) capital and related financing activities	-	-	-	-	(1,329,881)	(3,059,036)
Cash flow from investing activities						
Purchase of investments	-	-	(15,734,925)	-	(15,734,925)	(9,053,483)
Interest on investments	3,811	1,707	615,486	-	830,237	1,460,604
Proceeds from sale of investments	-	-	14,112,006	-	14,112,006	9,271,033
Net cash provided by (used for) investing activities	3,811	1,707	(1,007,433)	-	(792,682)	1,678,154
Net increase (decrease) in cash and pooled investments	(7,033)	65,990	(768,119)	(1,041,840)	(1,181,199)	(1,960,960)
Cash and pooled investments, beginning of year	562,424	204,809	1,099,763	1,041,840	10,449,685	12,410,645
Cash and pooled investments, end of year	$ 555,391	$ 270,799	$ 331,644	$ -	$ 9,268,486	$ 10,449,685
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities						
Operating income (loss)	$ (83,355)	$ 68,478	$ 186,140	$ -	$ 306,344	$ (1,509,364)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities						
Depreciation	-	-	-	-	1,597,571	1,322,455
provided by (used for) operating activities						
(Increase) decrease in receivables	-	-	-	-	(55,169)	51,317
(Increase) decrease in prepaid expenses	-	-	(13,608)	-	247,316	(223,875)
Increase (decrease) in unpaid claims liability	-	-	369,798	-	369,798	212,544
Increase (decrease) in accounts payable	124,263	(4,195)	-	-	22,112	147,853
Increase (decrease) in due to other funds	-	-	(57,516)	(1,041,840)	(1,099,356)	(679,341)
Increase (decrease) in due to other governmental units	(51,752)	-	-	-	(51,752)	961,353
Net cash provided by (used for) operating activities	$ (10,844)	$ 64,283	$ 484,814	$ (1,041,840)	$ 1,336,864	$ 282,942

Noncash investing activities

The change in fair value of investments for the internal service funds was $11,200.

(concluded)

COUNTY OF OTTAWA

AGENCY FUNDS
COMBINING BALANCE SHEET

DECEMBER 31, 2015
(with comparative totals at December 31, 2014)

	Trust and Agency 7010	Library Penal Fine 7210	Imprest Payroll 7040	Inland Lake Improvement 8725	Totals 2015	Totals 2014
Assets						
Cash and pooled investments	$ 1,049,568	$ 290,827	$ 893,685	$ 229,383	$ 2,463,463	$ 3,144,305
Accounts receivable	22,308	-	-	-	22,308	220,956
Due from other governmental units	1,072,356	-	-	-	1,072,356	66,429
Total assets	2,144,232	290,827	893,685	229,383	3,558,127	3,431,690
Liabilities						
Due to other governmental units:						
Due to State of Michigan	1,233,463	-	130,578	-	1,364,041	1,338,501
Fines and fees due to local libraries	-	290,827	-	-	290,827	591,747
Agency deposits	910,769	-	763,107	229,383	1,903,259	1,501,442
Total liabilities	$ 2,144,232	$ 290,827	$ 893,685	$ 229,383	$ 3,558,127	$ 3,431,690

COUNTY OF OTTAWA

AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

FOR THE YEAR ENDED DECEMBER 31, 2015

Trust and agency fund (7010)

	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
Assets				
Cash and pooled investments	$ 1,573,480	$ 142,267,448	$ 142,791,360	$ 1,049,568
Accounts receivable	220,956	1,182,001	1,380,649	22,308
Due from other governmental units	66,429	5,054,453	4,048,526	1,072,356
Total assets	$ 1,860,865	$ 148,503,902	$ 148,220,535	$ 2,144,232
Liabilities				
Due to other governmental units				
Due to State of Michigan	$ 1,203,300	$ 73,323,958	$ 73,293,795	$ 1,233,463
Agency deposits	657,565	151,418,279	151,165,075	910,769
Total liabilities	$ 1,860,865	$ 224,742,237	$ 224,458,870	$ 2,144,232

Library penal fine fund (7210)

Assets				
Cash and pooled investments	$ 591,747	$ 839,702	$ 1,140,622	$ 290,827
Total assets	$ 591,747	$ 839,702	$ 1,140,622	$ 290,827
Liabilities				
Due to other governmental units				
Fines and fees due to local libraries	$ 591,747	$ 1,152,506	$ 1,453,426	$ 290,827
Agency deposits	-	1,131,197	1,131,197	-
Total liabilities	$ 591,747	$ 2,283,703	$ 2,584,623	$ 290,827

Imprest payroll fund (7040)

Assets				
Cash and pooled investments	$ 777,716	$ 11,938,486	$ 11,822,517	$ 893,685
Total assets	$ 777,716	$ 11,938,486	$ 11,822,517	$ 893,685
Liabilities				
Due to other governmental units				
Due to State of Michigan	$ 135,201	$ 8,207,351	$ 8,211,974	$ 130,578
Agency deposits	642,515	20,267,654	20,147,062	763,107
Total liabilities	$ 777,716	$ 28,475,005	$ 28,359,036	$ 893,685

(continued)

COUNTY OF OTTAWA

AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

FOR THE YEAR ENDED DECEMBER 31, 2015

Inland lake improvement (8725)

	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
Assets				
Cash and pooled investments	$ 201,362	$ 518,888	$ 490,867	$ 229,383
Total assets	$ 201,362	$ 518,888	$ 490,867	$ 229,383
Liabilities				
Agency deposits	$ 201,362	$ 227,083	$ 199,062	$ 229,383
Total liabilities	$ 201,362	$ 227,083	$ 199,062	$ 229,383

Total agency funds

Assets				
Cash and pooled investments	$ 3,144,305	$ 155,564,524	$ 156,245,366	$ 2,463,463
Accounts receivable	220,956	1,182,001	1,380,649	22,308
Due from other governmental units	66,429	5,054,453	4,048,526	1,072,356
Total assets	$ 3,431,690	$ 161,800,978	$ 161,674,541	$ 3,558,127
Liabilities				
Due to other governmental units				
Due to State of Michigan	$ 1,338,501	$ 81,531,309	$ 81,505,769	$ 1,364,041
Fines and fees due to local libraries	591,747	1,152,506	1,453,426	290,827
Agency deposits	1,501,442	173,044,213	172,642,396	1,903,259
Total liabilities	$ 3,431,690	$ 255,728,028	$ 255,601,591	$ 3,558,127

(concluded)

COUNTY OF OTTAWA
STATISTICAL SECTION

This part of the County of Ottawa's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents **Page**

Financial Trends
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. 132

Revenue Capacity
These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax. 138

Debt Capacity
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. 142

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place. 145

Operating Information
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs. 147

Source: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

COUNTY OF OTTAWA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	Fiscal Year									
	2015 (1)	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental Activities										
Net investment in capital assets	$ 112,970,569	$ 112,174,398	$ 104,330,730	$ 113,151,478	$ 112,014,491	$ 109,387,852	$ 110,087,094	$ 96,135,351	$ 81,991,023	$ 78,519,838
Restricted	22,685,963	20,170,121	20,227,256	19,273,135	17,801,312	19,421,942	23,416,355	33,748,813	38,510,706	40,108,692
Unrestricted	16,048,186	67,896,554	77,718,270	68,670,542	64,920,525	59,447,035	54,493,996	60,985,302	68,819,561	60,800,956
Total Governmental Activities Net Position	151,704,718	200,241,073	202,276,256	201,095,155	194,736,328	188,256,829	187,997,445	190,869,466	189,321,290	179,429,486
Business-Type Activities										
Net investment in capital assets								2,025	3,037	4,049
Restricted	1,682,228	1,489,576	1,170,787	530,943	447,167	222,198	232,381			
Unrestricted	20,599,457	21,646,866	22,579,168	23,478,259	23,576,310	24,049,598	24,494,919	24,560,157	24,403,583	24,232,390
Total Business-Type Activities Net Position	22,281,685	23,136,442	23,749,955	24,009,202	24,023,477	24,271,796	24,727,300	24,562,182	24,406,620	24,236,439
Primary Government										
Net investment in capital assets	112,970,569	112,174,398	104,330,730	113,151,478	112,014,491	109,387,852	110,087,094	96,137,376	81,994,060	78,523,887
Restricted	24,368,191	21,659,697	21,398,043	19,804,078	18,248,479	19,644,140	23,648,736	33,748,813	38,510,706	40,108,692
Unrestricted	36,647,643	89,543,420	100,297,438	92,148,801	88,496,835	83,496,633	78,988,915	85,545,459	93,223,144	85,033,346
Total Primary Government Net Position	$ 173,986,403	$ 223,377,515	$ 226,026,211	$ 225,104,357	$ 218,759,805	$ 212,528,625	$ 212,724,745	$ 215,431,648	$ 213,727,910	$ 203,665,925

(1) GASB Statement No. 68 and No. 71 (pension accounting) were implemented for Fiscal Year 2015.

COUNTY OF OTTAWA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses										
Governmental Activities:										
Legislative	$ 467,155	$ 441,294	$ 399,151	$ 459,777	$ 428,578	$ 476,002	$ 547,466	$ 548,719	$ 627,625	$ 520,618
Judicial	16,995,782	16,209,766	15,693,406	15,783,718	14,502,573	13,855,839	14,519,351	14,215,044	13,317,030	12,605,344
General government	14,214,900	14,509,005	14,013,699	13,580,523	15,447,894	16,425,170	17,110,266	15,345,245	13,401,945	15,175,102
Public safety	32,905,190	33,036,226	31,265,666	30,932,957	28,476,232	28,915,634	29,113,616	27,231,508	25,226,290	24,441,981
Public works	1,113,013	1,717,110	956,091	300,235	2,446,691	1,625,519	2,153,528	(739,191)	1,264,883	(1,437,838)
Health and welfare	64,251,760	66,399,041	63,709,147	67,599,332	63,874,693	63,386,274	60,438,578	58,762,909	57,160,468	54,270,351
Community and economic development	1,090,188	807,476	710,324	742,845	621,591	572,601	638,164	624,254	601,758	605,805
Culture and recreation	5,059,018	3,559,748	3,502,223	3,103,891	3,218,940	2,979,627	2,810,712	2,263,151	1,868,818	1,994,991
Interest on long-term debt	1,578,129	1,163,255	942,708	959,132	1,039,869	1,120,937	1,215,945	1,308,463	1,018,189	741,070
Total Governmental Activities Expenses	137,675,135	137,842,921	131,192,415	133,462,410	130,057,061	129,357,603	128,547,626	119,560,102	114,487,006	108,917,424
Business-Type Activities:										
Delinquent tax collection	2,004,536	2,025,379	2,110,897	2,088,653	2,565,380	2,619,364	2,637,015	2,602,228	2,541,550	2,243,439
Total Business-Type Activities Expenses	2,004,536	2,025,379	2,110,897	2,088,653	2,565,380	2,619,364	2,637,015	2,602,228	2,541,550	2,243,439
Total Primary Government Expenses	139,679,671	139,868,300	133,303,312	135,551,063	132,622,441	131,976,967	131,184,641	122,162,330	117,028,556	111,160,863
Program Revenues										
Governmental Activities:										
Charges for services:										
Judicial	4,258,011	4,131,540	4,298,591	4,428,208	4,321,400	4,264,283	3,664,644	3,802,269	3,737,197	3,799,831
General government	7,531,480	7,755,264	8,261,854	7,936,150	7,212,417	6,889,492	6,742,345	7,281,714	7,937,129	7,828,177
Public safety	7,549,221	7,310,998	6,726,691	7,833,957	6,012,143	6,394,977	6,191,172	6,032,691	5,047,927	5,048,970
Public works	376,166	378,009	337,849	363,870	389,376	349,904	344,926	405,175	403,922	446,501
Health and welfare	3,421,008	2,994,799	2,810,393	2,910,475	2,882,631	2,453,458	2,534,330	2,784,887	2,575,152	2,717,256
Community and economic development	225,426	52,968	35,830	2,873	22,095	18,552	441	10,901	10,605	23,770
Culture and recreation	716,220	600,025	788,511	460,470	470,163	474,325	522,197	522,973	560,488	289,658
Interest on long-term debt	2,044,122	1,821,294	1,815,585	1,822,460	2,382,030	2,388,298	2,779,913	2,774,563	2,769,438	2,439,503
Operating grants and contributions	61,175,917	60,350,883	58,200,664	62,917,831	61,739,527	59,359,989	53,071,822	51,809,963	51,516,123	46,999,986
Capital grants and contributions	-	-	92,595	2,293,472	1,653,505	446,900	2,213,859	613,507	1,513,884	850,262
Total Governmental Activities Program Revenues	87,297,571	85,395,780	83,368,563	90,969,766	87,085,287	83,040,178	78,065,649	76,038,643	76,071,865	70,443,914
Business-Type Activities:										
Charges for services:										
Delinquent tax collection	1,162,809	1,300,687	2,015,105	2,064,177	2,307,223	2,113,782	2,795,750	2,201,594	1,711,915	1,291,853
Total Business-Type Activities Program Revenues	1,162,809	1,300,687	2,015,105	2,064,177	2,307,223	2,113,782	2,795,750	2,201,594	1,711,915	1,291,853
Total Primary Government Program Revenues	88,460,380	86,696,467	85,383,668	93,033,943	89,392,510	85,153,960	80,861,399	78,240,237	77,783,780	71,735,767

COUNTY OF OTTAWA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Net (Expense)/Revenue										
Governmental activities	$ (50,377,564)	$ (52,447,141)	$ (47,823,852)	$ (42,492,644)	$ (42,971,774)	$ (46,317,425)	$ (50,481,977)	$ (43,521,459)	$ (38,415,141)	$ (38,473,510)
Business-type activities	(841,727)	(724,692)	(95,792)	(24,476)	(258,157)	(505,582)	158,735	(400,634)	(829,635)	(951,586)
Total Primary Government Net Expense	(51,219,291)	(53,171,833)	(47,919,644)	(42,517,120)	(43,229,931)	(46,823,007)	(50,323,242)	(43,922,093)	(39,244,776)	(39,425,096)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property taxes	44,583,727	42,185,402	41,102,695	40,693,219	41,220,281	42,348,687	43,680,112	43,141,153	41,740,361	49,182,314
Unrestricted grants and contributions	4,729,722	4,124,536	3,180,245	3,659,304	6,003,393	51,346	52,393	29,044	21,545	24,657
Investment earnings	1,090,878	2,717,490	3,509,045	3,233,155	1,362,564	3,206,795	3,305,967	1,342,489	6,740,703	5,007,679
Miscellaneous	472,033	1,234,530	1,448,322	1,113,633	701,587	780,973	368,669	379,989	524,250	261,156
Transfers	150,000	150,000	152,440	152,160	163,448	189,008	202,815	176,960	24,224	7,738
Total Governmental Activities	51,026,360	50,411,958	49,392,747	48,851,471	49,451,273	46,576,809	47,609,956	45,069,635	49,051,083	54,483,544
Business-Type Activities:										
Unrestricted grants	-	-	89	-	-	-	-	3,577	-	-
Investment earnings	136,970	261,179	(13,544)	160,201	159,838	200,078	157,817	702,619	999,816	844,786
Miscellaneous	-	-	-	-	-	-	(1,434)	-	-	-
Transfers	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	-	-
Total Business-Type Activities	(13,030)	111,179	(163,455)	10,201	9,838	50,078	6,383	556,196	999,816	844,786
Total Primary Government	51,013,330	50,523,137	49,229,292	48,861,672	49,461,111	46,626,887	47,616,339	45,625,831	50,050,899	55,328,330
Changes in Net Position										
Governmental activities	648,796	(2,035,183)	1,568,895	6,358,827	6,479,499	259,384	(2,872,021)	1,548,176	10,635,942	16,010,034
Business-type activities	(854,757)	(613,513)	(259,247)	(14,275)	(248,319)	(455,504)	165,118	155,562	170,181	(106,800)
Total Primary Government	$ (205,961)	$ (2,648,696)	$ 1,309,648	$ 6,344,552	$ 6,231,180	$ (196,120)	$ (2,706,903)	$ 1,703,738	$ 10,806,123	$ 15,903,234

COUNTY OF OTTAWA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Fund										
Reserved							$ 2,463,646	$ 2,399,141	$ 2,383,291	$ 2,359,739
Unreserved							14,249,311	19,685,285	19,763,187	17,503,887
Nonspendable	$ 444,102	$ 642,649	$ 816,756	$ 952,893	$ 1,063,101	$ 1,211,907				
Restricted	11,020,236	11,019,013	14,172,606	13,484,895	3,895,553	3,621,836				
Committed	15,003,982	16,602,224	20,196,920	18,143,143	24,208,298	21,236,492				
Assigned	2,852,701	1,821,126	2,857,105	3,102,893	2,892,842	2,124,534				
Unassigned	9,971,344	13,251,045	9,918,253	12,055,123	13,705,990	10,596,307				
Total General Fund	$ 39,292,365	$ 43,336,057	$ 47,961,640	$ 47,738,947	$ 45,765,784	$ 38,791,076	$ 16,712,957	$ 22,084,426	$ 22,146,478	$ 19,863,626
All Other Governmental Funds										
Reserved							$ 9,311,357	$ 17,787,698	$ 22,544,510	$ 24,704,233
Unreserved, reported in:										
Special revenue funds							27,151,539	30,712,913	36,148,248	34,129,511
Capital projects funds									4,766,982	253,715
Permanent funds							581	484	266	
Debt service funds								10,488	10,801	10,381
Nonspendable	$ 374,645	$ 509,221	$ 468,989	$ 675,596	$ 480,256	$ 234,865				
Restricted	11,659,957	9,339,384	8,747,803	4,650,108	4,585,792	6,653,473				
Committed	2,246	415	897	1,871	1,500	1,000				
Assigned	2,891,724	2,470,882	2,638,975	2,954,171	2,986,441	4,230,262				
	$ 14,928,572	$ 12,319,902	$ 11,856,664	$ 8,281,746	$ 8,053,989	$ 11,119,600	$ 36,463,477	$ 48,511,583	$ 63,470,807	$ 59,097,840

Effective 2011, the County implemented GASB 54, "Fund Balance Reporting and Governmental Fund Type Definitions". Restated figures prior to 2010 are not available.

COUNTY OF OTTAWA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year				
	2015	2014	2013	2012	2011
Revenues					
Taxes	$ 43,736,614	$ 42,185,402	$ 41,102,695	$ 40,693,219	$ 41,220,280
Intergovernmental	70,964,433	69,894,252	67,009,472	75,638,236	73,502,034
Charges for services	13,137,167	11,504,844	11,581,189	11,158,863	9,416,373
Fines and forfeits	69,428	74,400	60,548	79,085	1,094,561
Investment earnings (loss)	318,138	721,442	(77,480)	540,901	565,297
Licenses and permits	1,271,158	1,179,701	1,193,107	1,043,694	923,264
Rental Income	4,272,100	4,958,509	5,273,139	5,260,790	5,776,717
Other revenues	3,086,381	3,241,866	2,832,192	2,643,273	3,059,623
Total Revenues	136,855,419	133,760,416	128,974,862	137,058,061	135,558,149
Expenditures					
Legislative	465,069	443,624	395,482	453,693	424,362
Judicial	16,881,469	16,172,323	15,698,396	15,743,611	14,520,814
General government	12,713,706	42,393,192	10,978,892	10,404,481	11,807,932
Public safety	32,092,116	31,928,910	30,990,804	31,023,756	28,472,398
Public works	861,849	1,285,200	916,331	1,220,024	1,131,288
Health and welfare	63,182,493	63,162,724	63,281,014	67,406,382	64,304,327
Community and economic development	1,088,435	813,518	704,966	737,947	619,453
Culture and recreation	2,936,867	2,627,130	3,076,797	2,394,183	2,517,148
Other governmental functions	120,695	252,124	130,386	129,846	176,388
Capital outlay	4,405,545	5,273,866	2,293,633	3,106,519	5,485,160
Debt service					
Interest and fiscal charges	634,278	1,019,424	927,990	950,360	1,034,730
Principal	3,595,000	2,140,000	1,690,000	1,738,499	2,110,000
Total Expenditures	138,977,522	167,512,035	131,084,691	135,309,301	132,604,000
Excess of Revenues Over (Under) Expenditures	(2,122,103)	(33,751,619)	(2,109,829)	1,748,760	2,954,149
Other Financing Sources (Uses)					
Transfers from other funds	13,996,966	12,970,917	10,149,065	10,200,577	9,016,885
Transfers to other funds	(13,451,466)	(12,520,917)	(9,736,625)	(9,748,417)	(8,153,437)
Proceeds from capital lease	-	-	-	-	-
Issuance of land contract	-	-	-	-	91,500
Issuance of bonds	11,955,000	29,285,000	5,495,000	-	-
Refunding bonds issued	-	-	-	-	-
Premium(Discount) on bonds issued	1,744,362	(145,726)	-	-	-
Payment to refunding bond escrow agent	(13,557,781)	-	-	-	-
Total Other Financing Sources (Uses)	687,081	29,589,274	5,907,440	452,160	954,948
Net Change in Fund Balances	$ (1,435,022)	$ (4,162,345)	$ 3,797,611	$ 2,200,920	$ 3,909,097
Debt Service as a Percentage of Noncapital Expenditures (1)	3.14%	1.95%	2.03%	2.03%	2.47%

(1) Capital expenditures within the functional expenditure categories have been deducted.

(Continued)

COUNTY OF OTTAWA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year				
	2010	2009	2008	2007	2006
Revenues					
Taxes	$ 42,348,687	$ 43,680,112	$ 43,141,153	$ 41,740,361	$ 49,182,314
Intergovernmental	64,864,135	60,128,208	56,434,209	56,197,074	50,708,309
Charges for services	9,182,235	8,512,541	9,964,645	9,767,081	9,646,695
Fines and forfeits	1,059,777	1,008,906	943,444	1,019,126	1,054,192
Investment earnings (loss)	686,816	598,424	3,470,029	4,362,275	3,184,509
Licenses and permits	682,162	652,886	639,978	624,236	674,810
Rental Income	5,888,783	6,372,474	6,272,068	6,442,950	5,998,857
Other revenues	1,872,377	1,514,342	1,665,938	1,764,038	1,832,591
Total Revenues	126,584,972	122,467,893	122,531,464	121,917,141	122,282,277
Expenditures					
Legislative	486,009	540,483	559,364	625,263	524,438
Judicial	14,069,261	14,357,862	14,485,029	13,576,215	12,723,585
General government	13,293,991	13,303,007	13,068,576	12,752,949	12,749,953
Public safety	28,961,133	28,255,423	27,511,087	25,809,803	24,539,124
Public works	1,267,255	1,137,666	807,457	863,260	668,915
Health and welfare	63,515,125	59,250,617	58,809,002	57,774,307	54,607,601
Community and economic development	579,516	634,793	633,980	600,570	605,318
Culture and recreation	2,234,518	2,123,869	1,774,863	1,498,687	1,641,099
Other governmental functions	225,829	149,627	272,874	147,251	163,642
Capital outlay	2,556,903	17,165,013	20,669,867	8,856,079	5,140,660
Debt service					
Interest and fiscal charges	1,115,198	1,207,113	1,302,601	1,059,013	733,395
Principal	2,035,000	2,335,000	2,235,000	1,830,000	1,720,000
Total Expenditures	130,339,738	140,460,473	142,129,700	125,393,397	115,817,730
Excess of Revenues Over (Under) Expenditures	(3,754,766)	(17,992,580)	(19,598,236)	(3,476,256)	6,464,547
Other Financing Sources (Uses)					
Transfers from other funds	15,888,171	26,901,059	28,937,698	18,396,869	17,593,905
Transfers to other funds	(15,435,158)	(26,398,244)	(24,360,738)	(18,343,645)	(18,030,738)
Proceeds from capital lease	35,995	70,190	-	-	-
Issuance of land contract	-	-	-	-	-
Issuance of bonds	-	-	-	10,000,000	-
Refunding bonds issued	-	-	-	-	-
Premium on bonds issued	-	-	-	78,851	-
Payment to refunding bond escrow agent	-	-	-	-	-
Total Other Financing Sources (Uses)	489,008	573,005	4,576,960	10,132,075	(436,833)
Net Change in Fund Balances	$ (3,265,758)	$ (17,419,575)	$ (15,021,276)	$ 6,655,819	$ 6,027,714
Debt Service as a Percentage of Noncapital Expenditures (1)	2.47%	2.87%	2.91%	2.48%	2.22%

(1) Capital expenditures within the functional expenditure categories have been deducted.

COUNTY OF OTTAWA
ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended Dec 31,	Residential Property (1)	Commercial Property (1)	Industrial Property (1)	Other Property (1)	Total Assessed Value (2)	Total Direct Tax Rate	Total Taxable Value (3)	Total Estimated Actual Value	Percentage of Assessed to Estimated Values
2006	$ 7,856,224,166	$ 1,443,751,850	$ 1,043,810,103	$ 684,435,873	$ 11,028,221,992	4.2579	$ 9,027,094,310	$ 22,170,339,035	49.74%
2007	8,322,378,855	1,525,255,251	1,138,353,787	733,806,001	11,719,793,894	4.3572	9,585,665,481	23,594,493,916	49.67%
2008	8,454,588,788	1,592,147,608	1,183,541,453	767,449,246	11,997,727,095	4.3572	9,898,685,191	24,198,304,107	49.58%
2009	8,170,901,810	1,554,014,430	1,193,763,947	787,679,437	11,706,359,624	4.3572	10,018,437,711	23,614,026,941	49.57%
2010	7,618,003,419	1,493,136,163	1,105,242,878	774,492,392	10,990,874,852	4.3565	9,612,697,661	22,131,690,729	49.66%
2011	7,348,848,650	1,358,447,695	1,050,128,006	734,285,453	10,491,709,804	4.3565	9,405,987,828	21,107,443,588	49.71%
2012	7,139,399,451	1,315,140,102	1,080,595,641	725,875,775	10,261,010,969	4.3565	9,316,153,677	20,639,625,256	49.72%
2013	7,273,964,717	1,288,721,092	1,086,596,997	736,291,306	10,385,574,112	4.3565	9,450,229,465	20,882,404,189	49.73%
2014	7,694,150,150	1,317,239,300	1,181,977,000	758,937,100	10,952,303,550	4.3565	9,752,001,895	21,997,982,694	49.79%
2015	8,248,944,347	1,375,588,000	1,399,501,800	787,998,600	11,812,032,747	4.8565	10,297,569,794	23,745,651,821	49.74%

Source: Ottawa County Equalization Department

(1) Real and personal properties have been combined into the categories above.

(2) County assesses property at approximately 50% of the actual value.

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

COUNTY OF OTTAWA
DIRECT AND OVERLAPPING PROPERTY TAX RATES (PER $1,000 OF TAXABLE VALUE)
LAST TEN CALENDAR YEARS

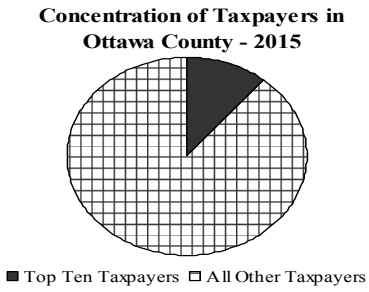
	Calendar Year									
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
County Direct Rates										
Operating	4.6666	4.7666	3.6000	3.6000	3.6000	3.6000	3.6000	3.6000	3.6000	3.6000
Parks	0.3168	0.3165	0.3165	0.3165	0.3165	0.3165	0.3165	0.3165	0.3165	0.3165
E-911	0.4411	0.4407	0.4407	0.4407	0.4400	0.4400	0.4400	0.4400	0.4400	0.4400
Roads										0.5000
Total Direct Rate (1)	5.4245	5.5238	4.3572	4.3572	4.3565	4.3565	4.3565	4.3565	4.3565	4.8565
City and Village Rates										
Coopersville	14.7991	14.9025	15.1987	14.4594	14.4928	14.5294	14.4403	14.4432	14.3554	14.2923
Ferrysburg	11.9788	11.5828	11.5027	10.3377	10.2377	10.1377	10.5377	10.4518	10.9518	10.9474
Grand Haven	13.0859	13.1853	14.3642	14.3609	14.6124	15.3612	15.3565	15.3609	15.3613	15.1810
Holland	15.4996	15.6497	15.9894	15.9904	16.3913	16.3350	17.3658	17.3639	17.5051	17.4522
Hudsonville	11.2226	11.2050	11.2623	11.2639	11.2848	11.2779	11.2785	11.2719	11.2729	11.2876
Zeeland	11.3854	11.3854	11.4854	11.2354	11.2354	11.2354	11.2354	11.2354	11.2354	11.2354
Spring Lake Village	11.9619	11.8619	11.8619	11.6619	11.6619	11.6619	11.6619	11.6619	11.6619	10.3600
Township Rates	1.35-8.12	1.35-8.12	1.35-7.97	1.35-7.97	1.45-7.97	1.45-7.91	1.45-8.07	1.38-8.07	1.38-8.21	1.45-8.17
School Rates										
Homestead	3.00 - 9.25	3.00 - 9.25	2.8 - 9.25	3.0 - 9.25	2.97 - 9.25	2.97 - 9.25	2.97 - 9.25	3.00 - 10.59	3.00 - 10.87	3.00 - 10.94
Non-Homestead	21.00 - 26.78	21.00 - 26.78	20.80 - 27.25	21.00 - 27.25	20.97 - 27.25	20.97 - 27.25	20.97 - 27.25	21.00 - 28.59	21.00 - 28.49	21.00 - 28.94

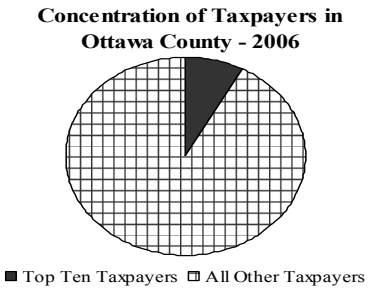
(1) In October of 2004, the State of Michigan suspended State Revenue Sharing payments to counties. To assist counties in preventing the loss of key services, the county property tax levy was gradually moved up from December to July over three years. Effective December 2004 through 2006 tax collection, one third of the levy was placed into a County managed Revenue Sharing Reserve Fund (RSRF), and the County withdrew an amount equal to what we would have received in 2004, plus an annual increase equal to CPI (Consumer Price Index).

COUNTY OF OTTAWA
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

		2015			2006		
Taxpayer	Type of Business	Taxable Assessed Valuation	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage of Total County Taxable Assessed Value
Consumers Energy	Utility	$ 649,680,218	1	6.31%	$ 330,011,825	1	3.66%
Gentex Corporation	Automotive Components	150,217,510	2	1.46%	69,353,636	3	0.77%
Fairlife, LLC	Food Products	81,239,600	3	0.79%			
Mead Johnson and Co.	Food Products	64,633,303	4	0.63%			
Shape Corp.	Metal Extrusion	39,046,009	5	0.38%	41,536,685	4	0.46%
Herman Miller Inc.	Office Furniture	32,069,151	6	0.31%	76,468,285	2	0.85%
Hoover Universal		31,661,036	7	0.31%			
ARC Holland Real Estate Holdings	Real Estate Holdings	31,354,800	8	0.30%			
Michigan Electric Transmission	Utility	30,584,000	9	0.30%			
Leprino Foods Inc.	Cheese Production	29,541,188	10	0.29%			
Delphi Automotive	Automotive Components				34,007,700	5	0.38%
Johnson Controls Interiors	Automotive Components				32,923,864	6	0.36%
Magna Donnelly Corp.	Automotive Components				32,022,793	7	0.35%
Meijer	Retail Store				28,843,884	8	0.32%
Royal Plastics	Plastic Manufacturing				25,519,660	9	0.28%
Geenen DeKock Properties	Rentals/Land Development				22,955,878	10	0.25%
		$ 1,140,026,815		11.07%	$ 693,644,210		7.68%

Source: Ottawa County Equalization Department. The 2015 and 2006 total Taxable Values were $10,297,569,794 and $9,027,094,310.





COUNTY OF OTTAWA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended Dec 31,		Taxes Levied in the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2006		38,982,510	37,412,013	95.97%	1,431,298	38,843,311	99.64%
2007		41,867,866	40,269,739	96.18%	1,519,725	41,789,464	99.81%
2008		43,144,926	41,437,107	96.04%	1,611,711	43,048,818	99.78%
2009		43,598,505	42,093,132	96.55%	1,323,082	43,416,214	99.58%
2010		41,800,971	40,617,242	97.17%	605,193	41,222,435	98.62%
2011		40,967,095	39,933,281	97.48%	665,147	40,598,428	99.10%
2012		40,575,521	39,739,895	97.94%	531,503	40,271,398	99.25%
2013		41,141,033	40,348,866	98.07%	519,299	40,868,165	99.34%
2014		41,589,916	40,864,866	98.26%	499,450	41,364,316	99.46%
2015	(1)	49,551,111	48,826,061	98.54%		48,826,061	98.54%

(1) The County levied a new roads millage in 2015, on behalf of the Ottawa County Road Commission.

COUNTY OF OTTAWA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Parks & Recreation Land Contract	Capital Leases	Total (1)	Percent of Personal Income	Personal Income (2)	(rounded) Per Capita Personal Income (2)	Population (2)	Direct Per Capita Debt	Assessed Value (3)	Bonds Percent of Assessed Value
2006	$ 21,510,000	$ 101,232	N/A	$ 21,611,232	0.26%	$ 8,411,071	$ 32,601	258,003	84	$ 11,028,221,992	0.20%
2007	29,680,000	28,840	$ 106,239	29,815,079	0.35%	8,568,204	32,950	260,037	115	11,719,793,894	0.25%
2008	27,445,000	N/A	70,826	27,515,826	0.31%	8,839,900	33,752	261,906	105	11,997,727,095	0.23%
2009	25,110,000	N/A	79,204	25,189,204	0.30%	8,505,525	32,355	262,879	96	11,706,359,624	0.21%
2010	23,075,000	N/A	47,391	23,122,391	0.26%	8,777,522	33,233	263,801	88	10,990,874,852	0.21%
2011	20,965,000	91,500	11,999	21,068,499	0.22%	9,537,798	35,833	266,122	79	10,491,709,804	0.20%
2012	19,330,000	N/A	N/A	19,330,000	0.20%	9,865,865	36,663	269,329	72	10,261,010,969	0.19%
2013	23,135,000	N/A	N/A	23,135,000	0.22%	10,342,908	37,928	272,701	85	10,385,574,112	0.22%
2014	50,280,000	N/A	N/A	50,280,000	0.46%	10,866,601	39,330	276,292	182	10,952,303,550	0.46%
2015	46,685,000	N/A	N/A	46,685,000	N/A	N/A	N/A	279,955	167	11,812,032,747	0.40%

(1) Does not include the landfill reclamation and compensated absences.
Does not include Component Units, certain debt issued by Component Units is guaranteed by the County.

(2) Bureau of Economic Analysis, U.S. Department of Commerce - Personal Income (Thousands of Dollars) adjusted annually.

(3) County assesses property at approximately 50% of the actual value.

COUNTY OF OTTAWA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
DECEMBER 31, 2015

	Net Debt Outstanding	Percentage Applicable To County of Ottawa	Amount Applicable To County of Ottawa (2)
Direct:			
County at large	$46,685,000	100.0%	$46,685,000
Total Direct	46,685,000		46,685,000
Overlapping:			
Townships Debt Guaranteed by County (1)	102,605,187	100.0%	102,605,187
School districts	897,484,170	79.9%	716,870,846
Cities and villages (1)	109,382,781	76.5%	83,640,356
Grand Rapids Community College	51,385,000	1.4%	739,944
Library	7,680,000	100.0%	7,680,000
Holland Area Swimming Pool	2,760,000	64.7%	1,785,996
Total Overlapping	1,171,297,138		913,322,329
Grand Total	$1,217,982,138		$960,007,329

Source: Municipal Advisory Council of Michigan

(1) Includes bonds issued through Ottawa County Public Utilities System and paid by local municipalities

(2) Overlapping debt is calculated for an entity based upon assessed values received from the State of Michigan which determines the issuer's proportionate share of the debt of other local governmental units that either overlap it (the issuer is located either wholly are partly within the geographic limits of other units) or underlie it (the other units are located within the geographic limits of the issuer). The debt is apportioned based upon relative assessed values.

COUNTY OF OTTAWA
RATIO OF NET GENERAL OBLIGATION DEBT OUTSTANDING AND LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Assessed Value of Property	$ 11,812,032,747	$ 10,952,303,550	$ 10,385,574,112	$ 10,261,010,969	$ 10,491,709,804	$ 10,990,874,852	$ 11,706,359,624	$ 11,997,727,095	$ 11,719,793,894	$ 11,028,221,992
Debt Limit 10% of Assessed Value	1,181,203,275	1,095,230,355	1,038,557,411	1,026,101,097	1,049,170,980	1,099,087,485	1,170,635,962	1,199,772,710	1,171,979,389	1,102,822,199
Amount of Debt Applicable to Limit										
General Obligation Bond Debt:										
Primary Government	46,685,000	50,280,000	23,135,000	19,330,000	20,965,000	23,075,000	25,110,000	27,445,000	29,680,000	21,510,000
Component Units Guaranteed by County (1)	119,591,501	106,474,501	113,574,060	115,904,572	121,358,501	121,659,501	107,590,501	95,398,501	101,703,236	68,255,533
Other Debt				-	103,499	-	-	-	28,840	101,232
Less: Resources Restricted to Paying Principal	(490,774)	(530,837)	(451,878)	(611,843)	(636,892)	(684,327)	(225,925)	(147,515)	(167,828)	(1,448,703)
Total Net debt applicable to Limit	165,785,727	156,223,664	136,257,182	134,622,729	141,790,108	144,050,174	132,474,576	122,695,986	131,244,248	88,418,062
Legal Debt Margin	$ 1,015,417,548	$ 939,006,691	$ 902,300,229	$ 891,478,368	$ 907,380,872	$ 955,037,311	$ 1,038,161,386	$ 1,077,076,724	$ 1,040,735,141	$ 1,014,404,137
Total Net Debt applicable to the Limit as a percentage of Debt Limit	14.04%	14.26%	13.12%	13.12%	13.51%	13.11%	11.32%	10.23%	11.20%	8.02%
Ratio of Net General Obligation Debt to Assessed Value of Property	1.404%	1.426%	1.312%	1.312%	1.351%	1.311%	1.132%	1.023%	1.120%	0.802%
Debt Per Capita of Total Net General Obligation Debt	$592.19	$564.80	$498.96	$499.31	$532.19	$546.06	$503.94	$468.47	$504.71	$342.70
Primary Government Net Debt applicable to the Limit as a percentage of Debt Limit	3.95%	4.59%	2.23%	1.88%	2.00%	2.10%	2.14%	2.29%	2.53%	1.95%
Ratio of Primary Government Net General Obligation Bond Debt to Estimated Actual Value of Property (2)	0.20%	0.23%	0.11%	0.09%	0.10%	0.10%	0.11%	0.11%	0.13%	0.10%
Primary Government Debt Per Capita of Net General Obligation Bond Debt (3)	$166.76	$181.78	$84.72	$71.69	$78.69	$87.47	$95.52	$104.79	$114.14	$83.37

(1) The County guarantees the Bonded Debt of Public Utilities as well as the Munn Drain which is included in 2010, they do not guarantee the Bonded Debt of the Nunica Drain bond of the Water Resources Commissioner. Consequently, these amounts are not included in the above total for General Obligation Bonded Debt.

(2) See Assessed Value and Estimated Value of Taxable Property Statistics.

(3) See Demographic and Economic Statistics for Population.

Note: Under State of Michigan law, the County's outstanding debt should not exceed 10% of state equalized value less amounts available for repaying the applicable bonds.

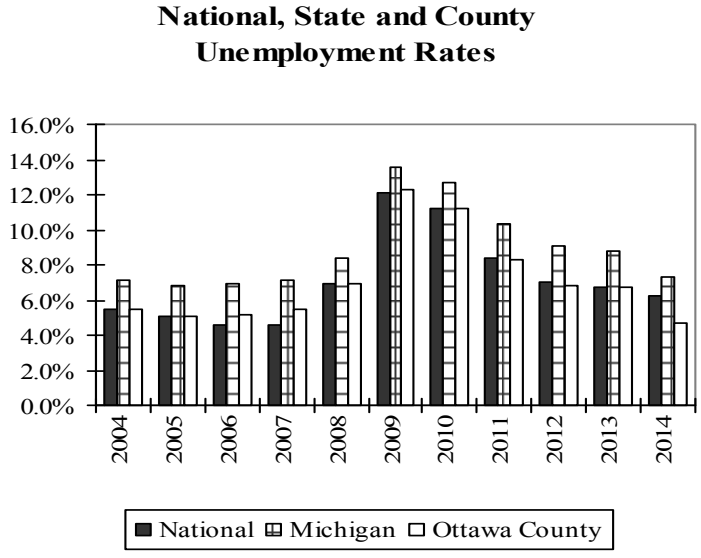
COUNTY OF OTTAWA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Personal Income *(thousands of dollars)* (1)	Per Capita Income (1)	Median Age (2)	School Enrollment (3)	Unemployment Rate (4)
2006	258,003	$ 8,411,071	$ 32,852	33.7	46,903	5.3%
2007	260,037	8,568,204	33,065	33.5	46,688	5.6%
2008	261,906	8,839,900	33,845	33.8	46,485	6.9%
2009	262,879	8,505,525	32,204	34.6	47,521	12.1%
2010	263,801	8,777,502	33,589	34.7	47,913	11.2%
2011	266,429	9,547,640	35,853	34.9	48,548	8.4%
2012	269,616	10,003,942	37,127	35.4	48,422	7.0%
2013	273,080	10,287,208	37,699	34.7	48,657	6.7%
2014	276,598	10,866,601	39,330	34.7	48,799	4.7%
2015	279,955	n/a	n/a	n/a	48,744	3.5%

n/a: Information is unavailable.

Sources:

(1) U.S. Department of Commerce, Bureau of Economic Analysis, updated with most recent census figures
(2) U.S. Census Bureau, updated with most recent census figures
(3) Michigan Student Data System, based upon data collected on legislated count day
(4) U.S. Department of Labor, Bureau of Labor Statistics, updated with most recent census figures



COUNTY OF OTTAWA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

		2015			2006		
Employer	**Type of Business**	**Employees (1)**	**Rank**	**Percentage of Total County Employment**	**Employees**	**Rank**	**Percentage of Total County Employment**
Gentex Corporation	Automotive Mirrors	4,905	1	4.2%	2,154	4	1.9%
Herman Miller	Office Furniture	3,694	2	3.1%	4,499	1	3.9%
Grand Valley State University (3)	Higher Education	3,374	3	2.9%	2,703	3	2.4%
Shape Corporation	Metal Roll Forming	2,547	4	2.2%	1,375	9	1.2%
Holland Hospital	Health Care	2,032	5	1.7%	1,637	6	1.4%
Haworth, Inc. (2)	Office Furniture	1,996	6	1.7%	1,850	5	1.6%
Magna Mirrors (2)	Automotive Mirrors	1,805	7	1.6%			
YanFeng	Automotive Interiors	1,564	8	1.3%			
Meijer	Retailer	1,355	9	1.2%	1,400	8	1.2%
Grand Haven Public Schools	Education	1,205	10	1.0%			
Johnson Controls (2)	Automotive Interiors				3,250	2	2.8%
Magna Donnelly	Automotive Windows & Mirrors				1,470	7	1.3%
County of Ottawa	Government				1,188	10	1.0%
		24,477		21.0%	21,526		18.8%

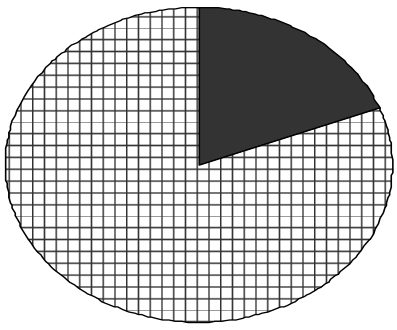
Source: Lakeshore Advantage. Total employment in 2015 was 117,599 and in 2006 was 114,448

(1) Excludes temporary employment agencies

(2) Facilities located within Ottawa County and/or the City of Holland portion of Allegan County

(3) Total of all facilities (Ottawa, Kent & Muskegon Counties)

Concentration of Employers in Ottawa County



COUNTY OF OTTAWA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Function/Program										
Legislative	11.000	11.000	11.000	11.000	11.000	11.000	11.000	11.000	11.000	11.000
Judicial	136.020	128.570	126.081	127.060	128.185	125.025	132.075	126.775	125.775	127.900
General Government	170.950	168.090	165.780	166.000	164.482	166.075	180.500	179.650	180.150	181.150
Public Safety	235.200	224.200	219.200	219.200	219.870	219.893	222.200	218.950	217.200	211.200
Public Works	4.250	4.300	3.800	3.400	3.720	4.420	4.720	4.720	4.720	4.600
Health and welfare	344.320	376.460	377.089	344.863	350.175	342.755	366.954	375.455	382.455	393.160
Community and economic deveopment	7.900	6.400	5.900	5.953	5.850	5.950	6.950	6.950	6.950	6.950
Culture and recreation	17.750	17.250	17.250	15.750	16.000	15.000	15.000	13.000	13.000	12.000
Total	927.390	936.270	926.100	893.226	899.282	890.118	939.399	936.500	941.250	947.960

Source: Ottawa County Payroll

Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

COUNTY OF OTTAWA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Function/Program										
Judicial										
Circuit Court										
Total Civil Filings	328	411	363	443	423	524	572	595	554	493
Total Criminal Filings	930	922	884	928	918	1,007	1,040	1,087	1,182	1,116
Total Appeals Filings	56	70	60	58	53	49	47	43	51	63
Domestic Relations Filings	1,593	1,468	1,587	1,556	1,524	1,473	1,539	1,566	1,524	1,603
Personal Protection Filings	550	580	598	747	783	706	803	648	620	629
Juvenile Code Filings	1,055	1,023	1,209	1,337	1,413	1,479	1,560	1,578	2,396	2,350
Adoption Filings	118	112	139	120	142	147	149	163	170	191
Misc. Family Filings	81	71	76	71	67	72	50	65	67	66
District Court										
Felony Cases	1,385	1,390	1,281	1,411	1,378	1,420	1,419	1,542	1,584	1,477
Misdemeanor Cases	7,216	8,136	8,669	9,087	8,630	9,314	9,646	10,301	10,606	10,317
General Civil Cases	4,633	4,210	4,806	6,225	5,672	6,292	6,367	7,067	6,532	4,918
Probate Court										
Estates, Trusts Filings	417	425	371	404	373	372	704	371	389	322
Civil, Other Filings	16	23	11	15	10	13	26	17	9	19
Guardianships,Conservators et al	611	612	545	516	548	519	1,020	501	562	502
Public Safety										
Jail:										
Subjects Admitted	5,899	6,776	7,015	7,453	7,136	7,622	7,864	8,079	8,473	9,002
Average daily population	301.0	317.0	338.0	352.0	327.8	330.7	352.0	366.6	395.0	368.0
Police:										
Calls for Service	69,830	67,334	65,179	66,683	65,596	64,773	67,754	72,665	76,171	73,523
Criminal Arrests	6,403	6,893	6,307	6,943	6,989	7,748	8,616	9,177	9,755	10,122
Traffic Violations	19,630	19,984	21,494	22,867	21,423	21,321	24,886	24,170	26,283	28,011
Health and welfare										
Public Health										
# of Fixed Food Service Inspections	1,188	1,201	1,183	968	1,047	1,065	1,022	1,124	1,123	1,122
% of new entrants enrolled in school immunized	96%	99%	99%	99%	99%	99%	99%	99%	98%	N/A
Maternal/Infant Health Services # of Visits	2,026	2,587	3,065	2,804	3,216	3,146	3,645	4,155	4,720	4,847
# of Dental Services with Miles of Smiles and Sealant Program	8,989	8,776	10,163	10,476	9,630	8,981	8,498	8,940	7,748	8,245
Mental Health										
# of Persons Served	2,848	2,798	2,784	3,513	3,276	3,205	3,203	3,064	3,076	2,964

COUNTY OF OTTAWA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Function/Program										
Culture and recreation										
Parks:										
# of Operating Days	103	96	98	97	101	98	101	99	100	101
Daily Permits	41,214	32,693	33,004	36,511	33,267	38,576	30,670	31,524	30,450	30,663
Annual Permits	6,934	7,017	5,981	6,516	5,845	6,420	5,431	5,115	5,925	5,638
General Government										
Register of Deeds:										
# of Deeds Recorded	11,707	11,099	11,898	11,210	9,559	9,633	8,933	9,428	10,173	10,156
County Clerk:										
# of Certified Copies (Births, Deaths, etc.)	20,173	21,206	20,173	20,076	17,757	19,382	19,016	21,096	21,182	19,294
County Treasurer:										
# of Receipts Written - General	n/a	n/a	n/a	n/a	19,581	16,729	18,357	14,239	15,172	15,477
# of Receipts Written - Tax Collections (including online)	5,575	6,302	6,525	7,295	7,738	8,946	9,620	8,141	8,071	7,449
Real Properties Returned Delinquent	3,991	4,092	4,772	5,396	5,891	6,800	7,493	7,179	7,043	6,349
Fiscal Services:										
# of A/P Checks/ACH Processed	21,471	21,403	23,006	25,074	27,529	24,330	24,399	25,278	25,678	26,517
# of Invoices Issued	9,921	9,227	9,392	12,031	10,526	11,087	10,839	15,200	11,929	11,002
Facilities Maintenance:										
# of Work Orders Processed	5,843	9,890	27,886	39,818	40,540	39,223	45,054	44,211	41,775	38,016

Source: Ottawa County Departments

COUNTY OF OTTAWA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	Fiscal Year									
Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Public Safety:										
Vehicular Patrol Units	139	139	135	134	133	133	136	137	134	133
Sheriff's Substations	10	10	8	8	8	8	8	8	8	8
Health and welfare										
Number of Clinics	3	3	3	3	3	3	3	4	4	4
Culture and recreation										
Total Park Acres (1)	3,542	3,542	3,542	3,542	3,542	3,542	3,429	3,560	3,360	3,351
General Government										
Total Square Footage of Buildings	637,810	644,220	644,220	642,020	642,020	647,104	647,104	728,033	582,161	582,161
Number of IT Servers	124	124	88	77	62	57	49	33	28	28

Source: Ottawa County Departments

(1) Does not include Park Open Space

COUNTY OF OTTAWA
LABOR FORCE STATISTICS
CURRENT FISCAL YEAR

The County has approximately 850 full-time equivalent employees, approximately 346 of whom are members of the seven unions. The details of membership and states of their agreements are as follows:

	Fiscal Year 2015	
	Number of Employees	Expiration Date of Contract
Police Officers Labor Counsel (POLC 312) (P.A. 312 Eligible) Road Patrol/Detectives	116	12/31/2017
Police Officers Association of Michigan (POAM Non-312) (P.A. 312 Non-Eligible)	80	12/31/2017
Police Officers Labor Counsel (POLC 312) (P.A. 312 Eligible)	19	12/31/2017
Police Officers Labor Counsel (POLC Non-312) (P.A. 312 Non-Eligible)	6	12/31/2017
O.C. Employees Association (District Court)	51	12/31/2017
Friend of the Court Employees Association	33	12/31/2017
O.C. Juvenile Court Employees Association	41	12/31/2017
Non-union County employees	504	n/a
Total	850	

There are no labor issues at the present time and the County anticipates no strikes or work stoppages.

Source: Ottawa County Human Resources Department

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INDEPENDENT AUDITORS' 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*

June 27, 2016

Board of County Commissioners
County of Ottawa
West Olive, 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 Ottawa, Michigan (the County) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 27, 2016. Our report includes a reference to other auditors who audited the financial statements of the Community Mental Health Special Revenue Fund as described in our report on the County's financial statements. This report does not include the results of 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'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's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 results of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

June 27, 2016

Board of County Commissioners
County of Ottawa
West Olive, Michigan

Report on Compliance for Each Major Federal Program

We have audited the County of Ottawa, Michigan's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2015. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Crowe Horwath LLP

COUNTY OF OTTAWA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2015

Federal Grantor/Pass-through Grantor/Program or Cluster Title	CFDA Number	Pass-through Number	Expenditures
Executive Office of the President:			
Passed through West Michigan Enforcement Team:			
High Intensity Trafficking Areas Program HIDTA	95.001		19,233
U.S. Department of Agriculture:			
Passed through Michigan Department of Education:			
Commodity Supplemental Food Program - FY15	10.565	160930	21,280
Commodity Supplemental Food Program - FY16	10.565	160930	11,848
Commodity Supplemental Food Program - Commodities	10.565	160930	85,838
Emergency Food Assistance Program - FY15	10.568	160990	34,289
Emergency Food Assistance Program - FY16	10.568	160990	10,020
School Breakfast Program	10.553	151970	16,983
National School Lunch Program	10.555	151960	26,292
National School Lunch Program	10.555	151980	6,454
Total passed through Michigan Department of Education			213,004
U.S. Department of Energy:			
Passed through Michigan Department of Health and Human Services:			
Weatherization Assistance for Low-Income Persons - FY15	81.042	LIHEAP13-70025-2	109,239
Weatherization Assistance for Low-Income Persons - FY16	81.042	LIHEAP13-70025-2	7,550
Weatherization Assistance for Low-Income Persons - FY15	81.042	DOE-13-70025-2	208,758
Weatherization Assistance for Low-Income Persons - FY16	81.042	DOE-13-70025-3	97,110
Total passed through Michigan Department of Health and Human Services			422,657
U.S. Department of Health and Human Services:			
Direct:			
Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243		270,580
Passed through Kalamazoo Community Mental Health & Substance Abuse Services:			
Block Grants for Community Mental Health Services	93.958		14,583
Passed through Lakeshore Regional Partners:			
Block Grants for Community Mental Health Services	93.958		12,325
Block Grant for Prevention and Treatment of Substance Abuse	93.959	13 B1 MI SAPT	673,096
Block Grant for Prevention and Treatment of Substance Abuse	93.959	13 B1 MI SAPT	66,175
Total passed through Lakeshore Regional Partners			751,596
Passed through Michigan Department of Community Health:			
Public Health Emergency Preparedness - 10/1/14 through 6/30/15	93.069	U90TP000528	116,084
Public Health Emergency Preparedness - 7/1/15 through 9/30/15	93.069	U90TP000528	34,936
Project Grants and Cooperative Afreements for Tuberculosis Control Programs	93.116	U52 CCU500499	3,606
Family Planning_Services	93.217	GFPHPA050173 41	99,357
Immunization Cooperative Agreements - Federal Vaccines	93.268		418,821
Immunization Cooperative Agreements - Vaccine Program	93.268	H23 CCH522556	134,822
Immunization Cooperative Agreements - Local PH Billing	93.268	1H23IP000940-01	14,156
Immunization Cooperative Agreements - Fixed Fees	93.268	H23 CCH522556	7,700
PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance	93.539	H23 IP000752	10,858
Medical Assistance Program - OBRA	93.778		74,810
Medical Assistance Program - Medicaid Outreach	93.778	U05M15ADM	119,529
Medical Assistance Program - CSHCS Medicaid Outreach	93.778	05 UM05M15ADM	63,509
Medical Assistance Program - CSHCS Outreach & Advocacy	93.778	05 UM05M15ADM	86,000
Block Grants for Community Mental Health Services	93.958		43,265
Maternal and Child Health Services Block Grant to the States - Family Planning	93.994	B1MIMCHS	52,030
Maternal and Child Health Services Block Grant to the States - FP	93.994	B1MIMCHS	25,133
Maternal and Child Health Services Block Grant to the States - MIHP	93.994	B1MIMCHS	12,500
Maternal and Child Health Services Block Grant to the States - MIHP MCH	93.994	B1MIMCHS	43,581
Maternal and Child Health Services Block Grant to the States - SEAL	93.994	B1MIMCHS	24,557
Total passed through Michigan Department of Community Health			1,385,254
Passed through Michigan Department of Education			
Cooperative Agreements to Promote Adolexcent Health through School-Based HIV/STD Prevention and School-Based Surveillance	93.079	PS13-1308	7,324

COUNTY OF OTTAWA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2015

Federal Grantor/Pass-through Grantor/Program or Cluster Title	CFDA Number	Pass-through Number	Expenditures
Passed through Michigan Department of Health and Human Services:			
Child Support Enforcement - PA	93.563	CSPA13-70002	101,924
Child Support Enforcement - FOC	93.563	CSFOC13-70001	1,862,899
Child Support Enforcement - FOC Incentives	93.563	CSFOC13-70001	386,762
Community Service Block Grant - FY15	93.569	CSBGD14-70025	46,807
Community Service Block Grant - FY16	93.569	CSBGD14-70025	1,842
Community Service Block Grant - FY15	93.569	CSBG14-70025	169,704
Community Service Block Grant - FY16	93.569	CSBG14-70025	68,185
Preventive Health and Health Services Block Grant	93.991	2B01OT009028	12,908
Preventive Health and Health Services Block Grant	93.991	B01OT009028	95,947
Total passed through Michigan Department of Health and Human Services			2,746,978
Passed through Michigan Strategic Fund:			
Temporary Assistance for Needy Families - SS FY14	93.558		11,813
Temporary Assistance for Needy Families - FY15	93.558	1502MITANF	284,486
Total passed through Michigan Strategic Fund			296,299
Passed through Michigan Supreme Court:			
Grants to States for Access and Visitation Programs	93.597		4,350
Total U.S. Department of Health and Human Services			5,476,964
U.S. Department of Homeland Security:			
Passed through Michigan Department of Natural Resources:			
Emergency Food and Shelter National Board Program	97.024	456100-005	4,000
Passed through Michigan Department of Natural Resources:			
Boating Safety Financial Assistance	97.012		14,700
Passed through Michigan Department of State Police:			
Emergency Management Performance Grant - FY15	97.042	EMW2015-EP-00029-S01	34,520
Emergency Management Performance Grant - Supplemental	97.042		2,715
Emergency Management Performance Grant - FY16	97.042		11,186
Total passed through Michigan Department of State Police			48,421
Passed through West Michigan Shoreline Regional Development Commission, Region 6 HLSRGB:			
Homeland Security Grant Program - FY13	97.067	EMW-2014-SS-00059	71,685
Homeland Security Grant Program - FY14	97.067	EMW-2015-SS-00033	21,512
Total passed through West Michigan Shoreline Regional Development Commission, Region 6 HLSRGB			93,197
Total U.S. Department of Homeland Security			160,318
U.S. Department of Housing and Urban Development:			
Direct:			
Supportive Housing Program - HUD 7	14.267		11,867
Continuum of Care Program - HUD 1	14.267		164,663
Continuum of Care Program - HUD 3	14.267		55,160
Continuum of Care Program - HUD 4	14.267		6,333
Continuum of Care Program - HUD 5	14.267		8,883
Total direct			246,906
Passed through Michigan State Housing Development Authority:			
Community Development Block Grants/State's program and Non-Entitlements Grants - FY15	14.228	MSC-2012-5826-HOA	154,769
Community Development Block Grants/State's program and Non-Entitlements Grants - Program Income	14.228	MSC-2012-5826-HOA	54,285
Emergency Solutions Grant Program - FY15	14.231	HML-2014-Ottawa C-5826-ESF	147,050
Total passed through Michigan State Housing Development Authority			356,104
Total U.S. Department of Housing and Urban Development			603,010
U.S. Department of Justice:			
Direct:			
Drug Court Discretionary Grant Program - FY15	16.585		56,706
State Criminal Alien Assistance Program	16.606		12,818
Edward Byrne Memorial Justice Assistance Grant Program - FY15	16.738		23,855
Edward Byrne Memorial Competitive Grant Program	16.751		106,949
Total direct			200,328

COUNTY OF OTTAWA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2015

Federal Grantor/Pass-through Grantor/Program or Cluster Title	CFDA Number	Pass-through Number	Expenditures
U.S. Department of Labor:			
Passed through Michigan Strategic Fund:			
WIA Administration - AY12	Cluster	AA229421255A26	2,359
WIA Administration - AY13	Cluster	AA240991355A26	29,213
WIA Administration - AY14	Cluster	AA253601455A26	113,742
WIA Adult, Youth and Dislocated Worker Programs - AY13	Cluster	AA240991355A26	4,811
WIA Adult, Youth and Dislocated Worker Programs - AY14	Cluster	AA253601455A26	8,162
Worforce Investment Act (WIA) Statewide Activities	Cluster		36,783
Employment Service/Wagner-Peyser Funded Activities - AY14	17.207	ES260561455A26	176,785
Employment Service/Wagner-Peyser Funded Activities - AY15	17.207	ES274971555A26	6,215
Trade Adjustment Assistance - Case Mgt	17.245		36,393
Trade Adjustment Assistance - Trade	17.245		63,565
Trade Adjustment Assistance - Admin	17.245		12,000
Trade Adjustment Assistance - FY15	17.245		62,090
WIA Adult Program - AY13	17.258	AA240991355A26	70
WIA Adult Program - AY14	17.258	AA253601455A26	301,149
WIA Adult Program - AY15	17.258	AA267861555A26	20,147
WIA Youth Activities - AY13	17.259	AA240991355A26	32,269
WIA Youth Activities - AY14	17.259	AA253601455A26	254,576
WIA Youth Activities - AY15	17.259	AA267861555A26	100,648
WIOA National Dislocated Worker Grants / WIA National Emergency Grants	17.277	EM244571360A26	6,659
WIOA National Dislocated Worker Grants / WIA National Emergency Grants	17.277		73,708
WIA Dislocated Worker Formula Grants - AY12	17.278	AA229421255A26	16,715
WIA Dislocated Worker Formula Grants - AY13	17.278	AA240991355A26	255,125
WIA Dislocated Worker Formula Grants - AY14	17.278	AA253601455A26	197,248
Total passed through Michigan Strategic Fund			1,810,432
U.S. Department of the Interior:			
Direct:			
Fish and Wildlife Management Assistance	15.608		61,655
Passed through Michigan Department of Environmental Quality:			
Coastal Zone Management Administration Awards	11.419		26,250
Total U.S. Department of the Interior			87,905
U.S. Department of Transportation:			
Passed through Michigan Department of State Police:			
Hazardous Materials Emergency Preparedness Planning	20.703		2,200
National Priority Safety Programs - STEP FY15	20.616	PT-15-06	37,451
National Priority Safety Programs - STEP FY16	20.616	PT-16-12	4,746
National Priority Safety Programs - Underage Drinking Enforcement FY15	20.616	AL-15-11	8,965
National Priority Safety Programs - Underage Drinking Enforcement FY16	20.616	AL-16-10	1,832
Total passed through Michigan Department of State Police			55,194
U.S. Environmental Protection Agency:			
Direct:			
Brownfields Assessment and Cleanup Cooperative Agreements	66.818		257,496
Passed through Michigan Department of Agriculture and Rural Development:			
Great Lakes Program	66.469	791N5500070	16,548
Passed through Michigan Department of Environmental Quality:			
Capitalization Grants for Drinking Water State Revolving Funds	66.468	FS97548712	438
Beach Monitoring and Notification Program Implementation Grants	66.472	CU00E993O5	7,328
Total passed through Michigan Department of Environmental Quality			7,766
Total U.S. Environmental Protection Agency			281,810
Total Expenditures of Federal Awards			**9,330,855**

COUNTY OF OTTAWA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2015

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the County of Ottawa, Michigan and is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

2. ACCOUNTING PERIOD

Certain funds of the County utilize the fiscal years ended September 30, 2015 and December 31, 2015. Programs that fall under a different fiscal year are reported on the schedule expenditures of federal awards based on the fund's fiscal year-end.

3. SUBRECIPIENTS

Of the federal expenditures presented in the accompanying schedule of expenditures of federal awards, the County provided federal awards to subrecipients as follows:

Program Title	CFDA Number	Amount Provided to Subrecipients
Homeland Security Grant Program FY14	97.067	$ 1,417
Homeland Security Grant Program FY14	97.067	348
National Priority Safety Programs - Underage Drinking Enforcement FY15	20.616	2,164
National Priority Safety Programs - Strategic Traffic Enforcement Program FY15	20.616	16,719
WIOA National Dislocated Worker Grants / WIA National Emergency Grants	17.277	71,690
WIOA National Dislocated Worker Grants / WIA National Emergency Grants	17.277	1,381
Emergency Solutions Grant Program FY15	14.231	10,221
Emergency Solutions Grant Program FY15	14.231	78,451
Emergency Solutions Grant Program FY15	14.231	12,899
Block Grants for Prevention and Treatment of Substance Abuse	93.959	28,500
Total		**$ 223,790**

Amounts passed through by the County to a subrecipient in previous years were found to be unallowable costs in 2011. The amount is being returned to the County and remitted by the County to the State agency in accordance with an approved payment plan. These payments were completed in 2015.

(Continued)

COUNTY OF OTTAWA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2015

4. COMMODITIES EXPENDITURES

Expenditures as reported on the Schedule of Expenditures of Federal Awards agree with the County general ledger and include inventory adjustments in accordance with generally accepted accounting principles. The amount shown above is reconciled to the amount reported by the State of Michigan as follows:

	CFDA #10.565 Commodities
Expenditures as reported	$ 85,838
Less - inventory at beginning of year	(19,648)
Add - inventory at end of year	17,624
Commodities received per State of Michigan	**$ 83,814**

5. VACCINES EXPENDITURES

Expenditures as reported on the Schedule of Expenditures of Federal Awards agree with the County general ledger and include inventory adjustments in accordance with generally accepted accounting principles. The amount shown above is reconciled to the amount reported by the State of Michigan as follows:

	CFDA #93.268 Vaccines
Expenditures as reported	$ 418,821
Less - inventory at beginning of year	(122,041)
Add - inventory at end of year	98,461
Vaccines received per State of Michigan	**$ 395,241**

(Concluded)

COUNTY OF OTTAWA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2015

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	____ yes	X no
Significant deficiency(ies) identified?	____ yes	X none reported
Noncompliance material to financial statements noted?	____ yes	X no

Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	____ yes	X no
Significant deficiency(ies) identified?	____ yes	X none reported
Type of auditors' report issued on compliance for major programs	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	____ yes	X no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
17.258, 17.259, 17.278	WIA Cluster
93.563	Child Support Enforcement

Dollar threshold used to distinguish between Type A and B programs:	$750,000	
Auditee qualified as low-risk auditee?	X yes	____ no

SECTION II - FINANCIAL STATEMENT FINDINGS

None noted

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None noted

SECTION IV - SUMMARY OF PRIOR AUDIT FINDINGS

2014-001

Ottawa County should develop and implement a procedure to ensure that personnel activity reports are maintained as support, as applicable, for employee compensation charged to federal grants.

This finding was corrected

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June 27, 2016

To the Board of Commissioners
County of Ottawa, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Ottawa, Michigan (the County) for the year ended December 31, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 13, 2016. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Results

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the County are described in Note 1 to the financial statements. The County adopted Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, in 2015. 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:

> The useful lives of capital assets, the allowance for uncollectible accounts receivable and the valuation of pension and other post-employment benefit plan obligations.
>
> Management's estimate of the useful lives and uncollectible accounts is based on previous history and future expectations and the estimate of pension and other post-employment benefit plan obligations is based on an actuarial valuation of each of the plans. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. An entry was posted by management to move $459,903 of property taxes collected in the tax collection fund to the general fund (the entry had no impact on fund balance or net position).

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 27, 2016.

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.

We also noted the following items:

Bank Reconciliations

During our review of internal controls over the cash receipting and disbursement process we noted that several bank accounts are maintained and reconciled without the oversight of the County Treasurer's department. We recommend that the County's system of internal control be enhanced by requiring the County Treasurer's department to perform or periodically monitor banking reconciliation for all County cash and investment accounts.

State Payment

During our audit we noted an instance where a payment of state education tax exceeded tax collections. We suggest that policies and procedures be developed to periodically reconcile taxes payable with supporting documentation.

Board Approval of Disbursements

During our review of internal controls over the cash disbursement process we noted that wire transfers related to debt are not included on the list of audit claims that are reviewed and approved by the Board. We recommend that the list of audit claims reviewed by the Board include all wire transfers.

General Ledger Reconciliation

During our review of internal controls, we noted that certain departments utilize their own computerized receipting system which is the source of information used for recording deposits in the MUNIS general leger system. We recommend the County's system of internal control be improved by requiring a periodic reconciliation of information reported on the MUNIS system with source receipting system information.

<u>Other Matters</u>

We applied certain limited procedures to the required supplementary information (RSI), as itemized in the table of contents, that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on supplementary information which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the

form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the transmittal letter or statistical section which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

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

Sincerely,

Crockerald Haefner LLC