

ANNUAL

FINANCIAL

REPORT

muskegon county, michigan



FOR THE YEAR ENDED DECEMBER 31, 1977

ANNUAL FINANCIAL REPORT

of

MUSKEGON COUNTY, MICHIGAN

for the year ended December 31, 1977

BOARD OF COMMISSIONERS

DAVID G. BRINGEDAHL, CHAIRMAN

ALFRED C. FAIRCHILD
JACOB O. FUNKHOUSER
RAYMOND A. GRENNAN
WILLIAM L. GOMEZ
JOHN HALMOND

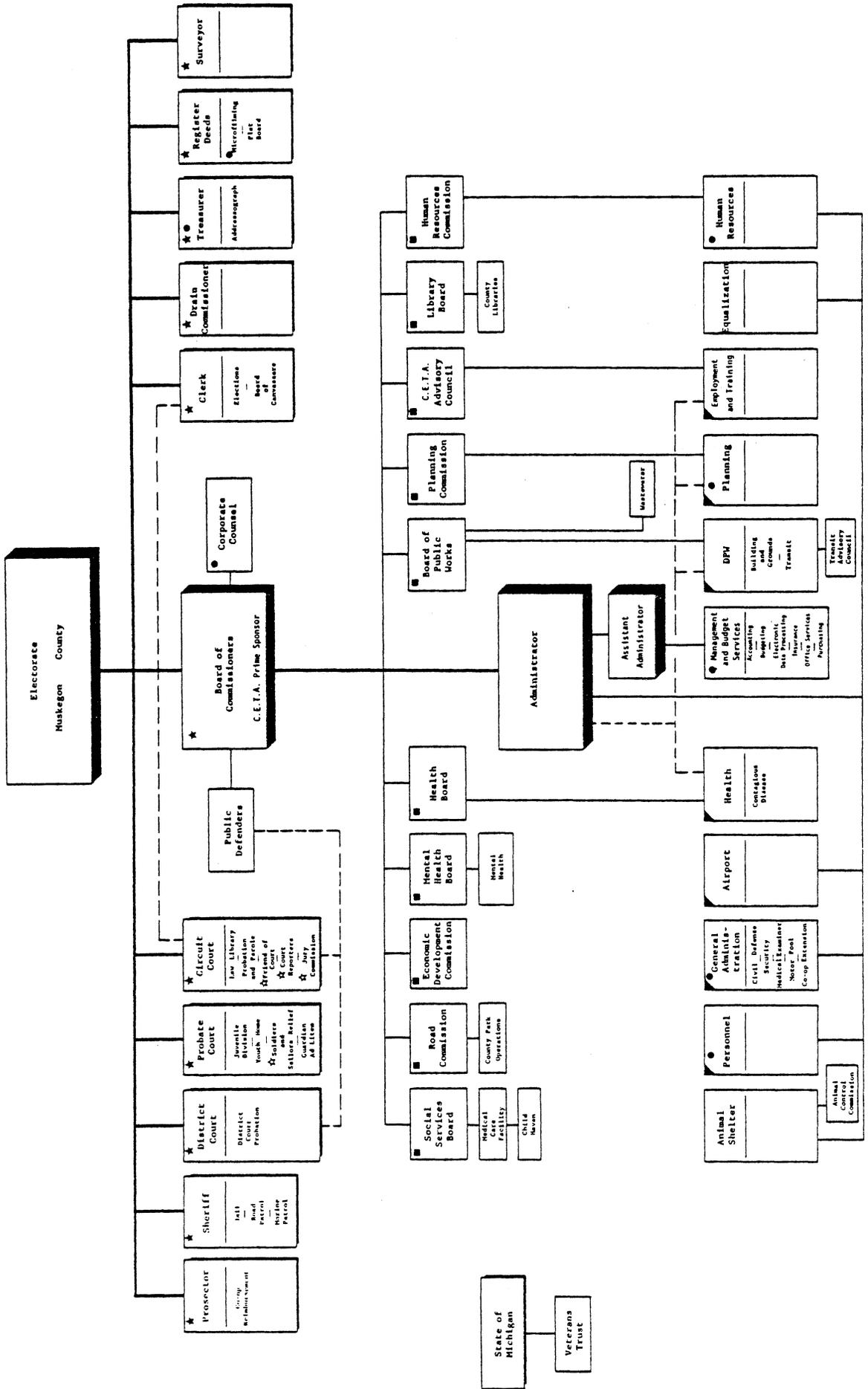
HERMAN IVORY
JOHN J. JURKAS
DONALD NUTT
CLARK H. RAGER
FRANK J. STARIHA

ASSISTANT ADMINISTRATOR
OF MANAGEMENT & BUDGET
FRANK BEDNAREK

ACCOUNTING DIRECTOR
KURT W. HUMPHREY

Independent Accountants
ALEXANDER GRANT & COMPANY

1977 ORGANIZATION CHART



C O N T E N T S

	Page	
	Financial statements	Supplemental information
LETTER OF TRANSMITTAL	13 - 14	
CERTIFICATE OF CONFORMANCE IN FINANCIAL REPORTING		20
ACCOUNTANTS' REPORT	21 - 22	
FINANCIAL SECTION		
COMBINED BALANCE SHEETS - ALL FUNDS	24 - 25	
COMBINED SCHEDULE OF CERTIFICATES OF DEPOSIT - ALL FUNDS		26
COMBINED SCHEDULE OF INDEBTEDNESS - ALL FUNDS	27 - 30	
COMBINED STATEMENT OF REVENUES - ESTIMATED AND ACTUAL GENERAL AND SPECIAL REVENUE FUNDS		31
COMBINED STATEMENT OF GENERAL GOVERNMENTAL EXPENDITURES COMPARED WITH BUDGETS - GENERAL AND SPECIAL REVENUE FUNDS	32 - 33	
NOTES TO FINANCIAL STATEMENTS	34 - 40	
GENERAL FUND		
BALANCE SHEET		42
STATEMENT OF CHANGES IN FUND BALANCE		43
STATEMENT OF REVENUES - ESTIMATED AND ACTUAL		44
STATEMENT OF APPROPRIATIONS AND EXPENDITURES	45 - 47	
SPECIAL REVENUE FUNDS		
COMBINED BALANCE SHEET		53

FINANCIAL SECTION (CONTINUED)

SPECIAL REVENUE FUNDS (CONTINUED)

DEPARTMENT OF PUBLIC WORKS FUND

BALANCE SHEET 54

STATEMENT OF REVENUES,
EXPENDITURES AND FUND
BALANCE 55

MUSKEGON COUNTY ECONOMIC
DEVELOPMENT COMMISSION

BALANCE SHEET 56

STATEMENT OF REVENUES,
EXPENDITURES AND FUND
BALANCE 57

MENTAL HEALTH FUND

BALANCE SHEET 58

STATEMENT OF REVENUES,
EXPENDITURES AND FUND
BALANCE 59

DETAILED STATEMENT OF
REVENUES AND EXPENDITURES 121

FOSTER GRANDPARENTS FUND

BALANCE SHEET 60

STATEMENT OF REVENUES,
EXPENDITURES AND FUND
BALANCE 61

SUBSTANCE ABUSE PROGRAM FUND

BALANCE SHEET 62

STATEMENT OF REVENUES,
EXPENDITURES AND FUND
BALANCE 63

FINANCIAL SECTION (CONTINUED)

SPECIAL REVENUE FUNDS (CONTINUED)

PROSECUTOR PARALEGAL FUND

BALANCE SHEET 64

STATEMENT OF REVENUES,
EXPENDITURES AND FUND
BALANCE 65

COMPREHENSIVE EMPLOYMENT
TRAINING ACT FUND

BALANCE SHEET -
SEPTEMBER 30, 1977 66

STATEMENT OF REVENUES,
EXPENDITURES AND FUND
BALANCE - YEAR ENDED
SEPTEMBER 30, 1977 AND
THREE MONTHS ENDED
SEPTEMBER 30, 1976 67

FEDERAL REVENUE SHARING FUND

BALANCE SHEET 68

STATEMENT OF CHANGES IN
FUND BALANCE 69

STATEMENT OF REVENUES 70

STATEMENT OF APPROPRIATIONS 71

OTHER SPECIAL REVENUE FUNDS

COOPERATIVE REIMBURSEMENT FRIEND
OF THE COURT

WORK OPPORTUNITY RESOURCE CORPS
YOUTH EMPLOYMENT PROGRAM

COOPERATIVE REIMBURSEMENT
PROSECUTOR

CIVIL DEFENSE

MARINE SAFETY

HEALTH DEPARTMENT

PLANNING COMMISSION

LAW LIBRARY

FINANCIAL SECTION (CONTINUED)

SPECIAL REVENUE FUNDS (CONTINUED)

OTHER SPECIAL REVENUE FUNDS
(CONTINUED)

TOWNSHIP POLICE SERVICE
LIBRARY
LIBRARY SURVEY
BROOKHAVEN MEDICAL CARE FACILITY
CHILD CARE FACILITY
VETERANS TRUST
SOLDIERS AND SAILORS RELIEF
FEDERAL REVENUE SHARING -
ANTI-RECESSION
PERSONNEL GRANT
CRIMINAL JUSTICE SYSTEM
SUMMER RECREATION PROGRAM
SEWAGE FACILITIES
SEWAGE FACILITIES STEP TWO

BALANCE SHEETS 72 - 73

STATEMENT OF REVENUES,
EXPENDITURES AND FUND
BALANCES 74 - 75

DEBT SERVICE FUND

MEDICAL CARE FACILITY FUND

BALANCE SHEET 77

STATEMENT OF REVENUES,
EXPENDITURES AND FUND
BALANCE 78

CAPITAL PROJECTS FUNDS

MENTAL HEALTH CAPITAL PROJECTS
PUBLIC IMPROVEMENT FUND
CAPITAL IMPROVEMENT FUND
COUNTY JAIL REMODELING

BALANCE SHEETS 80

STATEMENT OF REVENUES,
EXPENDITURES AND FUND
BALANCES 81

	<u>Page</u>	
	<u>Financial</u>	<u>Supplemental</u>
	<u>statements</u>	<u>information</u>
FINANCIAL SECTION (CONTINUED)		
ENTERPRISE FUNDS		
COMBINED BALANCE SHEET	83	
SOLID WASTE MANAGEMENT FUND		
BALANCE SHEET	84	
STATEMENT OF EARNINGS AND ACCUMULATED DEFICIT	85	
STATEMENT OF CHANGES IN FINANCIAL POSITION	86	
MUSKEGON COUNTY AIRPORT FUND		
BALANCE SHEET	87	
STATEMENT OF OPERATIONS	88	
STATEMENT OF RETAINED EARNINGS AND CONTRIBUTIONS IN AID OF CONSTRUCTION	89	
STATEMENT OF CHANGES IN FINANCIAL POSITION	90	
MUSKEGON AREA TRANSIT SYSTEM FUND		
BALANCE SHEET	91	
STATEMENT OF OPERATIONS	92	
STATEMENT OF ACCUMULATED DEFICIT AND CAPITAL CONTRIBUTIONS	93	
STATEMENT OF CHANGES IN FINANCIAL POSITION	94	
OPERATING REVENUES AND OTHER INCOME		122
OPERATING EXPENSES		123

FINANCIAL SECTION (CONTINUED)

ENTERPRISE FUNDS (CONTINUED)

MUSKEGON COUNTY WASTEWATER
MANAGEMENT SYSTEM -
NUMBER ONE

BALANCE SHEET	95
STATEMENT OF OPERATIONS	96
STATEMENT OF ACCUMULATED DEFICIT AND CONTRIBUTIONS IN AID OF CONSTRUCTION	97
STATEMENT OF CHANGES IN FINANCIAL POSITION	98

PROPERTY AND EQUIPMENT	124
------------------------	-----

INTRAGOVERNMENTAL SERVICE FUNDS

COMBINED BALANCE SHEET	100
------------------------	-----

DELINQUENT TAX REVOLVING FUNDS
1973 DELINQUENT TAX REVOLVING
1974 DELINQUENT TAX REVOLVING
1975 DELINQUENT TAX REVOLVING
1976 DELINQUENT TAX REVOLVING
1977 DELINQUENT TAX REVOLVING

BALANCE SHEETS	101
STATEMENT OF EARNINGS AND RETAINED EARNINGS	102

CENTRAL STORES FUND

BALANCE SHEET	103
STATEMENT OF EARNINGS	104

	Page	
	<u>Financial</u>	<u>Supplemental</u>
	<u>statements</u>	<u>information</u>

FINANCIAL SECTION (CONTINUED)

INTRAGOVERNMENTAL SERVICE FUNDS
(CONTINUED)

SELF INSURANCE FUND

BALANCE SHEET 105

STATEMENT OF EARNINGS 106

STATEMENT OF CHANGES IN
RETAINED EARNINGS 107

DRAIN REVOLVING FUND

BALANCE SHEET 108

TRUST AND AGENCY FUNDS

TRUST AND AGENCY
CEMETERY TRUST
MEDICAL CARE FACILITY ENDOWMENT
LIBRARY PENAL FINE
COOPERATIVE EXTENSION TRUST

BALANCE SHEETS 110

STATEMENTS OF CASH RECEIPTS
AND DISBURSEMENTS 111

SPECIAL ASSESSMENT FUNDS

MUSKEGON COUNTY SEWAGE COLLECTION
AND DISPOSAL SYSTEM NO. 1
MUSKEGON COUNTY WATER SUPPLY
SYSTEM NO. 1
MUSKEGON COUNTY WATER SUPPLY
SYSTEM NO. 2
MUSKEGON COUNTY SEWAGE COLLECTION
AND DISPOSAL SYSTEM NO. 1,
SERIES II
MUSKEGON COUNTY SEWAGE COLLECTION
AND DISPOSAL SYSTEM NO. 1,
SERIES III
MUSKEGON COUNTY SPECIAL ASSESSMENT
WASTEWATER SYSTEM NO. 1
IMPROVEMENT

	<u>Page</u>	
	<u>Financial</u>	<u>Supplemental</u>
	<u>statements</u>	<u>information</u>

FINANCIAL SECTION (CONTINUED)

SPECIAL ASSESSMENT FUNDS (CONTINUED)
MUSKEGON COUNTY 1975 MOTOR VEHICLE
HIGHWAY
FISON'S CORPORATION CONSTRUCTION
DRAIN

BALANCE SHEETS	114
STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES	115
GENERAL FIXED ASSETS GROUP OF ACCOUNTS	
STATEMENT OF GENERAL FIXED ASSETS	117
GENERAL LONG-TERM DEBT GROUP OF ACCOUNTS	
STATEMENT OF LONG-TERM DEBT	119

STATISTICAL SECTION

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION	126
SUMMARY OF REVENUES	127
PROPERTY TAX LEVIES AND COLLECTIONS	128
ASSESSED AND EQUALIZED VALUE OF TAXABLE PROPERTY	129
PROPERTY TAX RATES AND TAX LEVIES - ALL OVERLAPPING GOVERNMENTS	130
RATIO OF NET GENERAL BONDED DEBT TO EQUALIZED VALUE AND NET BONDED DEBT PER CAPITA	131
STATEMENT OF DIRECT AND OVERLAPPING DEBT	132

	Page
<u>Financial</u>	<u>Supplemental</u>
<u>statements</u>	<u>information</u>

STATISTICAL SECTION (CONTINUED)

STATEMENT OF LEGAL DEBT MARGIN	133
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES	134
DEBT SERVICE REQUIREMENTS TO MATURITY	135
DEBT SERVICE REQUIREMENTS TO MATURITY - SUMMARY	136
SCHEDULE OF INSURANCE IN FORCE	137 - 140
SALARIES AND SURETY BONDS OF PRINCIPAL OFFICIALS	141
LABOR AGREEMENTS	142
MISCELLANEOUS STATISTICAL DATA	143 - 145

ACCOUNTING DEPARTMENT

COUNTY BUILDING 616-724-6206—MUSKEGON, MICHIGAN 49440

BOARD OF COMMISSIONERS

David G. Bringedahl, Chairman
John J. Jurkas, Vice-Chairman
Alfred C. Fairchild
Jacob Funkhouser
William L. Gomez
Raymond A. Grennan
John Haimond
Herman Ivory
Donald Nutt
Clark H. Rager
Frank J. Starina

R.W. Precious, County Administrator
F. Bednarek, Assistant Administrator

K.W. Humphrey, Accounting Director

March 31, 1978

Honorable David Bringedahl, Chairman and
Members, Muskegon County Board of Commissioners
County of Muskegon
Muskegon, Michigan

Dear Sirs:

The Annual Financial Report of the County of Muskegon, Michigan, for the year ended December 31, 1977, (year ended June 30, 1977 for the Prosecutor Paralegal Fund, three months ended September 30, 1976 and year ended September 30, 1977 for the Comprehensive Employment Training Act Fund, and year ended September 30, 1977 for the Mental Health, the Foster Grandparents, the Substance Abuse and the Muskegon County Economic Development Commission Funds), is submitted herewith.

Accounting System and Reports

The county accounting records for general governmental operations are maintained on a modified accrual basis, with the most important revenues being recorded when earned and expenditures being recorded when incurred. Accounting records for the county enterprise funds are maintained on a full accrual basis.

Budgetary control is maintained by a monthly allotment system and any proposed expenditure is not made until additional appropriations are made available.

On January 4, 1978, the Municipal Finance Officers Association of the United States and Canada (MFOA) awarded a Certificate of Conformance in Financial Reporting to the County of Muskegon for its Annual Financial Report for the year ended December 31, 1976.

In order to be awarded a Certificate of Conformance, a governmental unit must publish a comprehensive annual financial report containing its basic financial statements prepared in substantial conformance with generally accepted accounting principles accompanied by a letter of transmittal and containing an extensive statistical section. All representations are to be organized into an efficiently communicative format.

A Certificate of Conformance is valid for a period of three years subject to two annual reviews. We believe that our current annual financial report continues to conform to Certificate of Conformance program requirements. In order to maintain the validity of our certificate, we are submitting this report to MFOA for the required annual review.

General Government Operations

The general fund which is used to record the general operations of the county reflected a fund balance of \$883,909. Fund balance increased \$130,352 from \$753,557 as of December 31, 1976, a 17.30 per cent increase. Revenues exceeded expenditures for the year by \$36,816. The additional increase in fund balance resulted from the elimination of a \$93,536 long-term advance which was used to purchase a telephone system for the health and mental health activities. This transaction is more properly accounted for as a receivable and has been recorded as such for this year.

Revenues for general government operations totaled \$8,381,079 in 1977, reflecting a 9.61 per cent increase over 1976. General property taxes produced 61.28 per cent of general revenues compared to 62.99 per cent last year. The amount of revenue from various sources and the increase or decrease over last year is shown in the following table:

<u>Revenues</u>	<u>Amount</u>	<u>Per cent of total</u>	<u>Increase over 1976</u>
Taxes	\$5,136,256	61.28%	\$319,743
Licenses and permits	100,527	1.20	45,364
Federal and state grants	1,747,554	20.85	301,410
Charges for services - costs	683,805	8.16	102,292
Charges for services - sales	138,284	1.65	(34,040)
Fines and forfeits	269,135	3.21	3,783
Interest earned	173,047	2.07	1,883
Rentals	103,088	1.23	47,675
Reimbursements	29,383	.35	(28,960)
Transfers from other funds	-	-	(24,381)
Totals	<u>\$8,381,079</u>	<u>100.00%</u>	<u>\$734,769</u>

By category of expense, no major decline in revenues was noted. Charges for services, primarily rentals and federal and state grants accounted for the major increases in revenue while sales, reimbursements and transfers showed declines.

The county equalized valuation increased from \$710,518,493 to \$761,983,153, representing a 7.24 per cent increase. The Michigan Constitution of 1963 requires that real property be assessed at 50 per cent of true cash value. Initial assessments are made by local political subdivisions. These assessments are then reviewed by the county for accuracy and uniformity throughout its jurisdiction. The proposed equalized value is then reviewed by the State Tax Commission following the county review.

State enabling legislation permits counties to borrow against anticipated tax collections and the County of Muskegon has made such borrowings during the past five years. This results in tax receipts equalling the levy as was the case for the year ended December 31, 1977.

Expenditures for general government purposes totaled \$8,344,263, an 8.24 per cent increase over 1976 expenditures. Increases and decreases in levels of expenditure for major functions of the county over the preceding year were as follows:

<u>Function</u>	<u>Amount</u>	<u>Per cent of total</u>	<u>Increase over 1976</u>
Legislative	\$ 106,993	1.28%	\$ 6,299
Judicial	1,761,328	21.11	164,150
General government	2,428,252	29.10	349,235
Public safety	1,897,688	22.74	163,908
Health	750,928	9.00	42,608
Welfare	871,415	10.44	(169,194)
Libraries	123,315	1.48	(8,214)
Recreation	25,000	.31	-
Other	379,344	4.54	86,749
Totals	<u>\$8,344,263</u>	<u>100.00%</u>	<u>\$ 635,541</u>

By function, general government accounted for the largest increase in expenditures. This occurred because of increased emphasis on the part of the county in the areas of personnel administration and human resources program. Emphasis also accounted for increased expenditures in the judicial function with expansion of the public defender and friend of the court activities. Other increased expenditures resulted from the rising costs of goods and services and negotiated salary and fringe benefit increases.

As in the previous year, welfare expenditures decreased. This is a result of state laws, which during a five year period intends to make the administration of social services programs a state rather than county function.

Special Revenue Funds

Special Revenue Funds are used to account for specific or restricted activities within the county. The funds are usually established to account for grant programs which are obtained by the county from federal, state and private sources. During the past five years, the number of services provided by the county through these sources has grown tremendously and represents a significant segment of services offered to the county citizens. In 1977, the consolidated fund balance of the special revenue funds totaled \$2,772,919. Total revenues were \$15,715,411 and total expenditures were \$15,436,784.

Programs and activities included in special revenue funds are health, mental health, substance abuse, economic development, township police services, office of criminal justice planning, law enforcement assistance administration grants, the foster grandparents program, child care, soldiers and sailors relief, comprehensive employment and training act programs, the county library, sewerage disposal planning grants, federal revenue sharing, anti-recession, the Brookhaven medical care facility, and youth employment and recreation programs.

General revenue sharing is also accounted for in these funds. The status of this fund contributed significantly to the consolidated fund balance as most other special revenue funds are operated on a zero fund balance basis with reimbursements covering expenditures.

The mental health fund had an accumulated deficit of \$576,151 as a result of its operations through September 30, 1977. Improvements in this area have been effected by a \$250,000 appropriation in 1978, from general revenue sharing and major program modifications including the closing of the inpatient care unit. Mental health services have been realigned on a sound fiscal basis and should show significantly improved results for the year ending September 30, 1978.

Debt Administration

The ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the county's debt position to management, citizens and investors. These data for the County of Muskegon as of December 31, 1977, were as follows:

		Ratio of debt to equalized value (50% of present market)	Ratio of debt to present market value	Debt per capita
Net direct bond debt	\$39,767,500	5.22%	2.61%	\$251.69
Overlapping debt	<u>43,872,000</u>	<u>5.76</u>	<u>2.88</u>	<u>277.67</u>
Net direct and overlapping debt	<u>\$83,639,500</u>	<u>10.98%</u>	<u>5.49%</u>	<u>\$529.36</u>

Outstanding general obligation bonds at December 31, 1977, totaled \$39,767,500 of which \$38,842,500 issued for water, sanitary sewers and wastewater treatment purposes and are considered to be self-supporting as user payments are pledged to retire the debt. The remainder of \$925,000 is considered to be net direct tax supported debt. A referendum to construct a 218 bed skilled care facility created this debt. A county-wide millage is levied annually to pay the debt and it is scheduled to be fully retired in 1981.

During the past year, \$4,630,000 of bonds were retired. The following tabulation compares general obligation bonds issued during the past five fiscal years:

<u>Date of issue</u>	<u>Amount</u>	<u>Average life in years</u>	<u>Effective interest rate</u>	<u>Interest cost per borrowed dollar</u>
05-01-73	\$6,000,000	18.71	5.0821%	\$1.0861
12-01-73	4,250,000	12.72	5.7826	.7358
05-01-74	2,150,000	19.36	7.0390	1.4651
05-01-75	1,200,000	14.10	6.9881	.9856
12-01-75	2,000,000	5.50	4.8564	.2837
03-01-76	750,000	2.75	5.5224	.1518

The county bonds continue to have the same ratings which they carried in the past fiscal year. Moody's Investors Service rated them A-1 and Standard and Poor's rated them AA. The county short-term borrowings have a Moody's rating of MIG 1.

Capital Projects Funds

The proceeds of general obligation bond issues and federal and state construction grants are accounted for in the capital projects funds until improvement projects are completed. At the end of each year, completed projects are transferred to appropriate fixed asset accounts. The combined fund balance at year end was \$818,003. These funds were invested in certificates of deposit.

The current most significant project in progress is the jail remodeling program. During 1977, no projects financed by general obligation bonds were completed.

As of December 31, 1977, no general obligation bonds had been authorized which had not been issued.

General Fixed Assets

The general fixed assets of the county are those used in the general governmental functions other than the fixed assets of the enterprise funds. As of December 31, 1977, the general fixed assets of the county amounted to \$10,432,415. This is the second year that general fixed assets have been included in the county financial statements. The fixed asset total represents the original costs of these assets and is considerably less than their current value.

Enterprise Funds

The enterprise activities of the county provide public services which are to be operated on a self-sustaining basis. Generally, these activities do not make profits and frequently general appropriations are required to cover operating deficits. This year, however, the county four enterprise funds consisting of Solid Waste Management, the County Airport, the Muskegon Area Transit System (MATS) and the Wastewater Management System had a successful year and continue to show gains in operating results and delivery of services.

While the Solid Waste Management System was underutilized during the year, the results show \$9,659 in gross revenue and net earnings of \$3,907. It is anticipated that 1978 will realize an increase in activity as this facility is providing the only solid waste disposal site which meets all environmental standards within the county with the capacity to serve the populations' needs for the next twenty years.

Retained earnings for the county airport operations as of December 31, 1977, were \$31,735. Operating revenues totaled \$397,028, and operating expenses totaled \$478,763, resulting in an operating loss before depreciation of \$81,735. A 4.15 per cent increase in passengers was realized and the required general fund appropriations were less than required in all previous years.

The Muskegon Area Transit System results for the year indicate that subsidies and revenue were more than operating costs by \$6,189. Revenues and subsidies totaled \$541,519 and expenses totaled \$535,330. Ridership increased from 293,765 in 1976 to 351,040 in 1977, a 19.5 per cent increase. A state and federal grant for the purchase of 12 new buses was received by the county providing a significant increase in service.

The Muskegon County Wastewater Management System volume of wastewater treated continued at the prior level of 10 billion gallons annually. Revenues for 1977 totaled \$2,498,707, and expenses totaled \$2,222,807, resulting in an operating profit before depreciation and amortization of \$275,900. During the year, bond principle payments totaled \$400,000. With the continued efforts to minimize expenditures and the potential growth of wastewater volume resulting from expanding sewage collection systems, it is anticipated that the system will continue to expand services in 1978.

Independent Audit

The county is not required by ordinance or statute to have an independent CPA audit. In 1976, however, independent auditors were engaged for the second time to make an annual audit of the county books of accounts, financial records and transactions. An independent audit was also authorized for 1977 and the auditors opinion has been included in this report.

Acknowledgment

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the accounting department. I should like to express my gratitude to all members of the department. I should also like to thank you and the members of the Muskegon County Board of Commissioners for their interest and support in planning and conducting the financial operations of the County of Muskegon in a responsible and progressive manner.

Respectfully submitted,



Frank Bednarek, Assistant County
Administrator for Management and
Budget Services

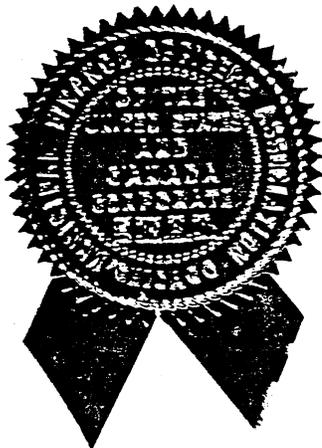
Certificate
of
Conformance
in Financial
Reporting

Presented to

Muskegon County, Michigan

For its Annual Financial Report
for the Fiscal Year Ended
December 31, 1976

A Certificate of Conformance in Financial Reporting is presented
by the Municipal Finance Officers Association of the United States and Canada
to governmental units whose annual financial reports are judged to
substantially conform to the financial reporting principles and
standards promulgated by the National Council on Governmental Accounting.



Charles J. Smith
President

Donald W. Smith
Executive Director

Date January 4, 1978.

Alexander Grant

& COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

INTERNATIONAL FIRM
ALEXANDER GRANT TANSLEY WITT

To the Members of the Muskegon
County Board of Commissioners

We have examined the financial statements of the various funds and account groups of the County of Muskegon, Michigan for the years ended December 31, 1977 and December 31, 1976 for the enterprise funds (year ended June 30, 1977 for the Prosecutor Paralegal Fund, three months ended September 30, 1976 and year ended September 30, 1977 for the Comprehensive Employment Training Act Fund, and year ended September 30, 1977 for the Mental Health, the Foster Grandparents, the Substance Abuse and the Muskegon County Economic Development Commission Funds), listed in the accompanying table of contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As discussed more fully in note E to the financial statements, federal and state grants and third-party payor cost reports administered by several funds of the County are subject to audits by the appropriate federal and state agencies. The possible effects of these audits, if any, are not determinable and no provision has been made for possible adjustments resulting from them.

In our opinion, subject to the effect, if any, of the audits referred to in the preceding paragraph, the aforementioned financial statements of the various funds and account groups of the County of Muskegon, Michigan, present fairly the financial position of such funds and account groups at December 31, 1977 and December 31, 1976 for the enterprise funds (year ended June 30, 1977 for the Prosecutor Paralegal Fund, three months ended September 30, 1976 and year ended September 30, 1977 for the Comprehensive Employment Training Act Fund, and year ended September 30, 1977 for the Mental Health, the Foster Grandparents, the Substance Abuse and the Muskegon County Economic Development Commission Funds), and the results of operations of such funds and the changes in financial position of the enterprise funds for the period(s) then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

The supplemental information presented on pages 121 through 124 is not necessary for a fair presentation of the financial statements, but is presented as additional analytical data. This information has been subjected to the tests and other auditing procedures applied in the examination of the financial statements mentioned above and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

We did not examine the statistical data presented on pages 126 through 145 and therefore express no opinion thereon.

Alexander Grant & Company

Muskegon, Michigan
March 31, 1978

FINANCIAL SECTION

County of Muskegon

COMBINED BALANCE SHEET - ALL FUNDS

December 31, 1977

<u>Assets and other debits</u>	<u>General fund</u>	<u>Special revenue funds</u>	<u>Debt service fund</u>	<u>Capital projects funds</u>
Cash	\$ 21,615	\$2,928,472	\$154,261	\$796,406
Cash with fiscal agent	-	-	-	-
Restricted cash	-	16,002	-	-
Certificates of deposit	9,000,000	-	-	-
Accounts receivable	350,901	2,634,912	-	17,946
Due from other funds	79,679	-	-	21,597
Drain assessments receivable	-	-	-	-
Delinquent taxes receivable	-	-	-	-
Unlevied assessment receivable	-	-	-	-
Inventories	-	50,839	-	-
Prepaid expenses	-	-	-	-
Long-term advances to other funds	91,500	-	-	-
Note receivable	1,036,481	-	-	-
Restricted assets	-	-	-	-
Property and equipment (net of depreciation)	-	-	-	-
Other assets	-	-	-	-
General fixed assets	-	-	-	-
Amount available for retirement of general obligation bonds	-	-	-	-
Amount available for retirement of land contract payable	-	-	-	-
Amount to be provided for retire- ment of general obligation bonds	-	-	-	-
	<u>\$10,580,176</u>	<u>\$5,630,225</u>	<u>\$154,261</u>	<u>\$835,949</u>

<u>Enterprise funds</u>	<u>Intra-governmental service funds</u>	<u>Trust and agency funds</u>	<u>Special assessment funds</u>	<u>General fixed asset group of accounts</u>	<u>General long-term debt group of accounts</u>	<u>Combined total (memorandum only)</u>
\$ 600	\$6,117,321	\$573,085	\$ 2,134,137	\$ -	\$ -	\$ 12,725,897
-	-	-	211,200	-	-	211,200
-	-	-	-	-	-	16,002
-	-	45,837	147,171	-	-	9,193,008
1,750,802	5,330	22,622	15,595,000	-	-	20,377,513
-	-	-	-	-	-	101,276
-	-	-	277,395	-	-	277,395
-	3,479,046	-	-	-	-	3,479,046
-	73,310	-	-	-	-	73,310
589,740	18,763	-	-	-	-	659,342
120,575	-	-	-	-	-	120,575
-	-	-	-	-	-	91,500
-	-	-	-	-	-	1,036,481
671,388	-	-	-	-	-	671,388
42,954,565	-	-	-	-	-	42,954,565
169,690	-	-	-	-	-	169,690
-	-	-	-	10,432,415	-	10,432,415
-	-	-	-	-	154,261	154,261
-	-	-	-	-	117,535	117,535
-	-	-	-	-	770,739	770,739
<u>\$46,257,360</u>	<u>\$9,693,770</u>	<u>\$641,544</u>	<u>\$18,364,903</u>	<u>\$10,432,415</u>	<u>\$1,042,535</u>	<u>\$103,633,138</u>

County of Muskegon

COMBINED BALANCE SHEET - ALL FUNDS - CONTINUED

December 31, 1977

<u>Liabilities, reserves and equity</u>	<u>General fund</u>	<u>Special revenue funds</u>	<u>Debt service fund</u>	<u>Capital projects funds</u>
Cash overdraft	\$ 9,289,761	\$1,579,312	\$ -	\$ 1,101
Accounts payable	315,006	1,014,439	-	16,845
Drain orders payable	-	-	-	-
Advances from users	-	-	-	-
Due to State of Michigan	-	165,910	-	-
Due other governmental units	-	-	-	-
Due other funds	-	81,643	-	-
Trust deposits, etc.	-	16,002	-	-
Accrued liabilities	-	-	-	-
Undistributed current taxes	-	-	-	-
Undistributed delinquent taxes	-	-	-	-
Unallocated receipts	-	-	-	-
Long-term advances from general fund	-	-	-	-
Reserve for long-term advances to other funds	91,500	-	-	-
Long-term debt	-	-	-	-
	<u>9,696,267</u>	<u>2,857,306</u>	<u>-</u>	<u>17,946</u>
Equity				
Investment in general fixed assets	-	-	-	-
Contributions in aid of construction	-	-	-	-
Retained earnings (deficit)	-	-	-	-
Appropriated	-	-	-	-
Unappropriated	-	-	-	-
Fund balance				
Appropriated	-	2,745,484	-	-
Unappropriated	883,909	27,435	154,261	818,003
	<u>883,909</u>	<u>2,772,919</u>	<u>154,261</u>	<u>818,003</u>
	<u>\$10,580,176</u>	<u>\$5,630,225</u>	<u>\$154,261</u>	<u>\$835,949</u>

Enterprise funds	Intra-governmental service funds	Trust and agency funds	Special assessment funds	General fixed asset group of accounts	General long-term debt group of accounts	Combined total (memorandum only)
\$ 1,465,523	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,335,697
106,991	185,040	-	3,727	-	-	1,642,048
-	-	-	210,600	-	-	210,600
140,483	-	-	-	-	-	140,483
14,167	-	36,134	-	-	-	216,211
2,517	-	24,643	-	-	-	27,160
-	21,597	-	-	-	-	103,240
-	-	204,062	-	-	-	220,064
131,094	55,798	-	-	-	-	186,892
-	-	284,626	-	-	-	284,626
-	-	12,987	-	-	-	12,987
-	-	79,092	-	-	-	79,092
-	91,500	-	-	-	-	91,500
-	-	-	-	-	-	91,500
14,700,000	8,110,000	-	15,915,000	-	1,042,535	39,767,535
16,560,775	8,463,935	641,544	16,129,327	-	1,042,535	55,409,635
-	-	-	-	10,432,415	-	10,432,415
29,778,560	-	-	-	-	-	29,778,560
-	149,399	-	-	-	-	149,399
(81,975)	1,080,436	-	-	-	-	998,461
-	-	-	-	-	-	2,745,484
-	-	-	2,235,576	-	-	4,119,184
<u>\$46,257,360</u>	<u>\$9,693,770</u>	<u>\$641,544</u>	<u>\$18,364,903</u>	<u>\$10,432,415</u>	<u>\$1,042,535</u>	<u>\$103,633,138</u>

County of Muskegon

COMBINED SCHEDULE OF CERTIFICATES OF DEPOSIT - ALL FUNDS

December 31, 1977

Description

General fund

Certificates of deposit

Hackley Union National Bank and Trust Company

National Lumberman's Bank and Trust Company

National Lumberman's Bank and Trust Company

Muskegon County 1975 motor vehicle highway fund

Certificate of deposit

National Lumberman's Bank and Trust Company

Cemetery trust fund

Certificate of deposit

National Lumberman's Bank and Trust Company

National Lumberman's Bank and Trust Company

Medical care facility endowment fund

Certificate of deposit

Hackley Union National Bank and Trust Company

Muskegon County Wastewater System - Number One - restricted assets

Certificates of deposit

Muskegon Bank and Trust Company

Security First Bank and Trust Company

<u>Maturity date</u>	<u>Interest rate</u>	<u>Cost</u>
5- 1-78	6.875%	\$3,000,000
6-30-78	7.000	5,000,000
12-14-78	7.125	1,000,000
		<u>9,000,000</u>
4-12-78	6.200	147,171
5- 1-78	5.500	5,837
5-30-78	6.000	5,000
		<u>10,837</u>
1-19-78	6.000	<u>35,000</u>
		<u>\$9,193,008</u>
6-29-78	6.875%	\$ 111,937
6-30-78	7.000	430,000
		<u>\$ 541,937</u>

County of Muskegon

COMBINED SCHEDULE OF INDEBTEDNESS - ALL FUNDS

December 31, 1977

	<u>Date of issue</u>
Debt service fund	
General obligation medical care facility bonds	11- 1-67
General long-term debt	
Land contract payable	8-18-72
Enterprise funds	
Muskegon County wastewater management system - number one	
General obligation	7- 1-71

<u>Amount of issue</u>	<u>Interest rate</u>	<u>Date of maturity</u>	<u>Amount of annual maturity</u>	<u>Outstanding December 31, 1977</u>
\$ 2,970,000	4.00%	5-1-78	\$ 300,000	\$ 300,000
	4.10	5-1-79	300,000	300,000
		5-1-80	325,000	<u>325,000</u>
				<u>925,000</u>
225,000	4.05	Monthly installments until paid	30,000 (including interest)	117,535
16,000,000	6.00	7-1-78	400,000	400,000
		7-1-79	425,000	425,000
		7-1-80	450,000	450,000
		7-1-81	475,000	475,000
		7-1-82	500,000	500,000
		7-1-83	525,000	525,000
		7-1-84	575,000	575,000
	5.75	7-1-85	600,000	600,000
		7-1-86	650,000	650,000
		7-1-87	675,000	675,000
		7-1-88	725,000	725,000
		7-1-89	750,000	750,000
	6.00	7-1-90	800,000	800,000
		7-1-91	850,000	850,000
		7-1-92	900,000	900,000
		7-1-93	950,000	950,000
	5.00	7-1-94	1,025,000	1,025,000
7-1-95		1,075,000	1,075,000	
7-1-96		1,150,000	1,150,000	
7-1-97		1,200,000	1,200,000	
				<u>14,700,000</u> ✓

County of Muskegon

COMBINED SCHEDULE OF INDEBTEDNESS - ALL FUNDS - CONTINUED

December 31, 1977

	<u>Date of issue</u>
Intragovernmental service funds	
Delinquent tax revolving funds	
1974 delinquent tax anticipation notes	5- 1-75
1975 delinquent tax anticipation notes	5- 1-76
1976 delinquent tax anticipation notes	5- 1-77
Special assessments funds	
Muskegon County sewage collection and disposal system number 1 bonds	10- 1-67
Muskegon County water supply system number 1 (Fruitport-Norton Shores)	5- 1-73

<u>Amount of issue</u>	<u>Interest rate</u>	<u>Date of maturity</u>	<u>Amount of annual maturity</u>	<u>Outstanding December 31, 1977</u>
\$ 3,570,000	5.10%	5-1-78	\$1,170,000	\$ 1,170,000
3,935,000	4.00	5-1-78	1,310,000	1,310,000
	4.25	5-1-79	1,310,000	<u>1,310,000</u>
				2,620,000
4,320,000	3.60	5-1-78	1,440,000	1,440,000
	4.00	5-1-79	1,440,000	1,440,000
	4.00	5-1-80	1,440,000	<u>1,440,000</u>
				4,320,000
				<u>8,110,000</u>
1,550,000	4.25	5-1-78/79	100,000	200,000
	4.50	5-1-80/81	80,000	160,000
		5-1-82	40,000	40,000
		5-1-83/84	30,000	60,000
	4.60	5-1-85/87	30,000	90,000
	4.70	5-1-88/90	30,000	<u>90,000</u>
				640,000
6,000,000	7.00	11-1-78/80	100,000	300,000
		11-1-81/82	125,000	250,000
		11-1-83/85	150,000	450,000
		11-1-86/87	200,000	400,000
	6.00	11-1-88	200,000	200,000
	5.50	11-1-89	200,000	200,000
	5.60	11-1-90	200,000	200,000
		11-1-91	250,000	250,000
	5.70	11-1-92/93	275,000	550,000
	5.75	11-1-94	275,000	275,000
	5.80	11-1-95	275,000	275,000
	5.90	11-1-96/98	300,000	900,000
	6.00	11-1-99/00	300,000	600,000
	5.00	11-1-01/03	300,000	<u>900,000</u>
				5,750,000

County of Muskegon

COMBINED SCHEDULE OF INDEBTEDNESS - ALL FUNDS - CONTINUED

December 31, 1977

	<u>Date of issue</u>
Special assessments funds (continued) Muskegon County water supply system number 2 (City of Muskegon)	12- 1-73
Muskegon County sewage collection and disposal system number 1 bonds, series II	5- 1-74

<u>Amount of issue</u>	<u>Interest rate</u>	<u>Date of maturity</u>	<u>Amount of annual maturity</u>	<u>Outstanding December 31, 1977</u>
\$ 4,250,000	7.00 %	1-1-78/79	\$ 100,000	\$ 200,000
	6.95	1-1-80	100,000	100,000
	6.30	1-1-81	200,000	200,000
	5.05	1-1-82/83	200,000	400,000
	5.10	1-1-84	200,000	200,000
	5.20	1-1-85	200,000	200,000
	5.25	1-1-86	200,000	200,000
	5.30	1-1-87	200,000	200,000
	5.40	1-1-88	200,000	200,000
	5.50	1-1-89	200,000	200,000
	5.60	1-1-90	250,000	250,000
	5.65	1-1-91/92	400,000	800,000
	5.70	1-1-93/94	400,000	800,000
2,150,000	8.00	11-1-78/82	25,000	125,000
		11-1-83/86	50,000	200,000
		11-1-87	100,000	100,000
	6.875	11-1-88	100,000	100,000
	6.60	11-1-89	100,000	100,000
	6.60	11-1-90	100,000	100,000
	6.75	11-1-91	100,000	100,000
	6.90	11-1-92	100,000	100,000
	7.00	11-1-93/94	100,000	200,000
	7.10	11-1-95/96	100,000	200,000
	7.20	11-1-97	100,000	100,000
	7.30	11-1-98/00	100,000	300,000
	7.40	11-1-01/02	100,000	200,000
	6.00	11-1-03/04	100,000	200,000
				<u>2,125,000</u>

County of Muskegon

COMBINED SCHEDULE OF INDEBTEDNESS - ALL FUNDS - CONTINUED

December 31, 1977

	<u>Date of issue</u>
Special assessments fund (continued)	
Muskegon County sewage collection and disposal system number 1 bonds, series III	5- 1-75
Muskegon County special assessment wastewater system number 1 improvement bonds	3- 1-76
Muskegon County 1975 motor vehicle highway bonds	12- 1-75

<u>Amount of issue</u>	<u>Interest rate</u>	<u>Date of maturity</u>	<u>Amount of annual maturity</u>	<u>Outstanding December 31, 1977</u>
\$ 1,200,000	8.00 %	11-1-78/80	\$ 25,000	\$ 75,000
		11-1-81/82	50,000	100,000
	6.00	11-1-83/85	50,000	150,000
	6.20	11-1-86	50,000	50,000
	6.30	11-1-87	50,000	50,000
	6.50	11-1-88	75,000	75,000
	6.70	11-1-89	75,000	75,000
	6.90	11-1-90	75,000	75,000
	7.00	11-1-91	75,000	75,000
	7.10	11-1-92	75,000	75,000
	7.20	11-1-93	75,000	75,000
	7.25	11-1-94/97	75,000	300,000
				<u>1,175,000</u>
750,000	5.10	3-1-78/81	150,000	600,000
2,000,000	5.00	12-1-78	175,000	175,000
	5.00	12-1-79	200,000	200,000
	4.50	12-1-80/81	200,000	400,000
	4.75	12-1-82	225,000	225,000
	4.80	12-1-83	225,000	225,000
	5.00	12-1-84	225,000	225,000
	5.10	12-1-85	225,000	225,000
			<u>1,675,000</u>	
			<u>15,915,000</u>	
			<u>\$39,767,535</u>	

County of Muskegon

COMBINED STATEMENT OF REVENUES - ESTIMATED AND ACTUAL
GENERAL AND SPECIAL REVENUE FUNDS

Year ended December 31, 1977

<u>Source (fund)</u>	<u>Estimated revenues</u>	<u>Actual revenues</u>	<u>Actual over (under) estimated</u>
Taxes			
General	\$ 5,099,100	\$ 5,136,256	\$ 37,156
Licenses and permits			
General	97,200	100,527	3,327
Intergovernmental revenue			
General	1,674,400	1,747,554	73,154
Special revenue	<u>14,927,313</u>	<u>14,927,313</u>	<u>-</u>
Total intergovernmental revenue	16,601,713	16,674,867	73,154
Charges for services - costs			
General	665,000	683,805	18,805
Charges for services - sales			
General	144,000	138,284	(5,716)
Special revenue	<u>297,845</u>	<u>297,845</u>	<u>-</u>
Total charges for services	441,845	436,129	(5,716)
Fines and forfeits			
General	314,000	269,135	(44,865)
Special revenue	<u>106,733</u>	<u>106,733</u>	<u>-</u>
	420,733	375,868	(44,865)
Interest earned			
General	200,000	173,047	(26,953)
Special revenue	<u>165,497</u>	<u>165,497</u>	<u>-</u>
	365,497	338,544	(26,953)
Rentals			
General	16,000	103,088	87,088
Reimbursements			
General	30,000	29,383	(617)
Special revenue	<u>218,023</u>	<u>218,023</u>	<u>-</u>
Total reimbursements	248,023	247,406	(617)
TOTAL REVENUES	<u>\$23,955,111</u>	<u>\$24,096,490</u>	<u>\$141,379</u>

County of Muskegon

COMBINED STATEMENT OF GENERAL GOVERNMENTAL EXPENDITURES
 COMPARED WITH BUDGETS
 GENERAL AND SPECIAL REVENUE FUNDS

Year ended December 31, 1977

<u>Function (fund)</u>	<u>Amended budget</u>	<u>Actual</u>	<u>Actual (over) under budget</u>
General Government			
General	\$ 4,223,975	\$ 4,296,573	\$(72,598)
Department of public works	142,510	142,510	-
Personnel grant	61,571	61,571	-
Planning	77,962	77,962	-
Anti-recession	390,136	390,136	-
Prosecutors paralegal	16,724	16,724	-
Federal revenue sharing	989,265	989,265	-
County economic development commission	61,475	61,475	-
Total general government	<u>5,963,618</u>	<u>6,036,216</u>	<u>(72,598)</u>
Public Safety			
General	1,855,550	1,897,688	(42,138)
LEAA - criminal justice	27,001	27,001	-
Civil defense	56,876	56,876	-
Marine safety	87,744	87,744	-
Police services	24,000	24,000	-
Law library	10,316	10,316	-
Total public safety	<u>2,061,487</u>	<u>2,103,625</u>	<u>(42,138)</u>
Health			
General	659,600	750,928	(91,328)
Health department	1,689,091	1,689,091	-
Mental health	2,289,854	2,289,854	-
Foster grandparents	140,031	140,031	-
Substance abuse	480,433	480,433	-
Sewerage facilities	300,374	300,374	-
Sewerage facilities step two	650,336	650,336	-
Total health	<u>6,209,719</u>	<u>6,301,047</u>	<u>(91,328)</u>
Welfare			
General	1,104,075	871,415	232,660
Foster child care	871,055	871,055	-
Cooperative reimbursements friend of court	83,006	83,006	-
Cooperative reimbursements prosecutor	45,539	45,539	-
Comprehensive employment training act	6,537,353	6,537,353	-
Work youth employment program	13,807	13,807	-
Soldiers and sailors relief	5,597	5,597	-
Veterans trust	39,624	39,624	-
Total welfare	<u>8,700,056</u>	<u>8,467,396</u>	<u>232,660</u>

County of Muskegon

COMBINED STATEMENT OF GENERAL GOVERNMENTAL EXPENDITURES
 COMPARED WITH BUDGETS
 GENERAL AND SPECIAL REVENUE FUNDS - CONTINUED

Year ended December 31, 1977

<u>Function (fund)</u>	<u>Amended budget</u>	<u>Actual</u>	<u>Actual (over) under budget</u>
Culture and Recreation			
General	\$ 141,000	\$ 148,315	\$ (7,315)
Library fund	343,608	343,608	-
Library survey	384	384	-
Summer recreation program	<u>1,112</u>	<u>1,112</u>	<u>-</u>
Total Culture and Recreation	486,104	493,419	(7,315)
Other			
General	<u>290,075</u>	<u>379,344</u>	<u>(89,269)</u>
TOTALS	<u>\$23,711,059</u>	<u>\$23,781,047</u>	<u>\$(69,988)</u>

County of Muskegon

NOTES TO FINANCIAL STATEMENTS

December 31, 1977

NOTE A - SUMMARY OF ACCOUNTING POLICIES

The accounting policies of the County of Muskegon conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant policies.

1. Basis of Accounting

The accrual basis of accounting is followed by all funds other than budgetary funds (general, special revenues, and debt service funds) which utilize the modified accrual basis of accounting. Modifications in such method from the accrual basis follow:

A. Revenues are recorded as received in cash except for

- (1) revenues susceptible to accrual and
- (2) material revenues that are not received at the normal time of receipt.

B. Expenditures are recorded on an accrual basis except for

- (1) prepaid expenses which are normally not recorded
- (2) interest on long-term debt which should normally be an expenditure when due
- (3) accrued salaries and wages which are recorded on a basis consistent with the budget.

2. Inventories

Inventory of replacement parts held by the Muskegon County Wastewater Management System - Number One and inventories held by the Central Stores and the Brookhaven Medical Care Facility funds are priced at cost.

The inventories of crops of the Muskegon County Wastewater Management System - Number One are priced at net realizable value, which is the current market price at the balance sheet date, less estimated costs of marketing, a method adopted because appropriate cost of raised crops is not determinable, the goods are readily marketable at quoted market price, and the units are interchangeable.

County of Muskegon

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 1977

NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued

3. Property and Equipment of Enterprise Funds

Property and equipment of enterprise funds is stated at cost. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives on a straight-line basis.

4. General Fixed Assets

General fixed assets purchased are recorded as expenditures in the general fund, capital projects funds, and special revenue funds at time of purchase. Such assets are capitalized at cost in the general fixed assets group of accounts. No depreciation has been provided on general fixed assets.

5. Pension Plan

The County is a participant in the Michigan Municipal Employees Retirement System. The plan covers all full-time employees. The County's policy is to fund pension costs accrued, including amortization of past service costs over a ten-year period (note H).

NOTE B - RESTATEMENT

Prior to 1977, federal revenue sharing entitlements were recorded as revenue of federal revenue sharing fund when received. Because the quarterly installment for the entitlement period ended December 31, received in January, is available to finance current operations, the fund balance as of December 31, 1976 has been restated to include such installments as revenue of the prior year.

The 1976 financial statements of the Muskegon Area Transit System Fund have been restated to reflect a \$15,000 appropriation from the County General Fund as a non-operating revenue rather than a direct credit to fund equity.

The fund balance of the Mental Health Fund as of October 1, 1976 was restated to reflect a reduction of recorded accounts receivable from federal and state agencies in the amount of \$188,584 as of that date.

The fund balance of the Substance Abuse Program Fund as of October 1, 1976 was restated to reflect a reduction of accounts receivable from federal and state agencies in the amount of \$49,789, and an increase in liabilities of \$61,905 as of that date.

County of Muskegon

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 1977

NOTE B - RESTATEMENT - Continued

The fund balance of the Marine Safety Fund as of January 1, 1977 was restated to reflect a reduction of accounts receivable from federal and state agencies in the amount of \$28,644.

NOTE C - CASH AND CASH OVERDRAFT

The County maintains one checking account for substantially all funds. Cash and cash overdraft balances in the balance sheets represent the individual fund's equity or deficit position, respectively, in the pooled account.

NOTE D - NOTE RECEIVABLE

The County has a term note receivable issued by the Economic Development Corporation of the City of Muskegon (a Michigan non-profit corporation) dated October 15, 1975 (reissued in the face amount of \$1,126,077 on December 31, 1977 to include accrued interest to that date) payable in annual installments of \$41,459 plus interest at 8% on May 1, 1978 to 1980 and the balance of \$1,001,701 on May 1, 1981.

The note is included in the balance sheet at the 1975 face amount. Since the interest through December 31, 1977 is not available to finance current operations, it has not been recorded as revenue and a receivable at that date; it is to be recognized as revenue when received.

The note is collateralized by a second mortgage on certain real estate located in the Muskegon Mall and by the assignment of the related leases.

NOTE E - FEDERAL AND STATE GRANTS

Federal and state grants have been obtained for operations of various programs in the Mental Health Fund and the Substance Abuse Fund. These grants are based upon eligible operating costs as determined by the County and are subject to audits by the grantor agencies. No provision has been made for possible adjustments, if any, that may result from such audits.

County of Muskegon

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 1977

NOTE E - FEDERAL AND STATE GRANTS - Continued

Patient service receivables under cost reimbursement agreements with the Michigan Department of Social Services by the Brookhaven Medical Care Facility for 1975, 1976 and 1977 are subject to audit by the intermediary.

Federal and state grants totaling approximately \$30,000,000 have been obtained for construction and operation of the Muskegon County Wastewater Management System. These grants are based upon eligible costs as determined by the County and are subject to audits by the related grantor agencies. No provisions have been made for possible adjustments, if any, that may result from such audits.

NOTE F - PROPERTY AND EQUIPMENT

Property and equipment of the Muskegon County Airport Fund consists of:

	<u>1977</u>	<u>1976</u>
Land improvements	\$2,167,568	\$2,167,568
Buildings	1,756,583	1,746,560
Machinery and equipment	292,710	205,470
	<u>4,216,861</u>	<u>4,119,598</u>
Less accumulated depreciation	2,171,464	2,052,712
	<u>2,045,397</u>	<u>2,066,886</u>
Land	2,147,707	2,147,707
Construction in progress	45,737	2,136
	<u>\$4,238,841</u>	<u>\$4,216,729</u>

The regular line service of the Muskegon Area Transit System was operated in 1976 with used equipment purchased during a preceding period under a state capital equipment grant. The useful lives of the equipment were not expected to extend beyond that operating period without major repair expenditures. Consequently, the cost of the equipment was charged to operations of that period. The old busses were replaced with a new fleet in 1977. Depreciation on other equipment is provided for in amounts sufficient to relate the cost of those assets to operations over their estimated service lives on a straight-line basis. Depreciation on assets acquired from grants is charged against capital contributions.

County of Muskegon

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 1977

NOTE F - PROPERTY AND EQUIPMENT - Continued

Property and equipment of the Muskegon County Wastewater Management System - Number One consists of:

	<u>1977</u>	<u>1976</u>
Lagoons and other land improvements	\$11,069,672	\$11,069,672
Buildings	1,077,267	1,030,682
Machinery and equipment	2,785,416	2,611,756
Wastewater collection and distribution system	18,505,420	18,338,438
Capitalized interest and engineering costs	3,193,866	3,193,866
	<u>36,631,641</u>	<u>36,244,414</u>
Less accumulated depreciation	5,021,048	3,831,842
	<u>31,610,593</u>	<u>32,412,572</u>
Land	6,655,228	6,648,328
Construction in progress	<u>-</u>	<u>15,824</u>
	<u>\$38,265,821</u>	<u>\$39,076,724</u>

NOTE G - LONG-TERM DEBT

Long-term debt of the Muskegon County Wastewater Management System - Number one is a general obligation bond issue repayable from the proceeds of contract payments by participating users in the system. These bonds bear interest from 5% to 6% per annum and mature serially in annually increasing amounts ranging from \$350,000 in 1976 to \$1,200,000 in 1997. The full faith and credit of the County and that of participating municipalities are pledged for repayment of the bonds. Cash and other assets in the debt service fund are restricted for the purpose of meeting interest and principal maturities on the bonds.

County of Muskegon

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 1977

NOTE G - LONG-TERM DEBT - Continued

The County has issued tax anticipation notes through its delinquent Tax Revolving Funds to allow the County to pay the various local units of government their respective share of delinquent property taxes. These notes bear interest ranging from 3.60% to 5.10% and mature as follows:

<u>Maturity date</u>	<u>Delinquent tax revolving fund</u>		
	<u>1974</u>	<u>1975</u>	<u>1976</u>
May 1, 1978	\$1,170,000	\$1,310,000	\$1,440,000
May 1, 1979	-	1,310,000	1,440,000
May 1, 1980	-	-	1,440,000
	<u>\$1,170,000</u>	<u>\$2,620,000</u>	<u>\$4,320,000</u>

The bonds listed below were issued by the County through its special assessments funds pursuant to agreements entered into with the City of Norton Shores, Fruitport Township, City of Muskegon, Whitehall Leather, Inc. and the Muskegon County Road Commission for the financing of additional water supply and sewage collection and disposal systems for the contractees. Under the terms of the agreements, the contractees are to pay the County each year amounts sufficient to make interest and principal payments.

Interest rates and maturities of the bonds are as follows:

- (a) The Muskegon County Sewage Collection and Disposal System No. 1 bonds are payable in decreasing annual installments ranging from \$120,000 in 1977 to \$30,000 in 1990 and bear interest from 4.25% to 4.7%.
- (b) The Muskegon County Water Supply System No. 1 bonds are payable in increasing annual installments ranging from \$100,000 in 1977 to \$300,000 in 2003 and bear interest from 5.00% to 7.00%.
- (c) The Muskegon County Water Supply System No. 2 bonds are payable in increasing annual installments ranging from \$100,000 in 1977 to \$400,000 in 1994 and bear interest from 5.70% to 7.00%.
- (d) The Muskegon County Sewage Collection and Disposal System No. 1, Series II bonds are payable in increasing annual installments ranging from \$25,000 in 1977 to \$100,000 in 2004 and bear interest from 6.00% to 8.00%

County of Muskegon

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 1977

NOTE G - LONG-TERM DEBT - Continued

- (e) The Muskegon County Sewage Collection and Disposal System No. 1, Series III bonds are payable in increasing annual installments ranging from \$25,000 in 1977 to \$75,000 in 1997 and bear interest from 7.25% to 8.00%.
- (f) The Muskegon County Special Assessment Wastewater System No. 1 Improvement bonds are payable in annual installments of \$150,000 from 1977 to 1981 and bear interest at 5.10%.
- (g) The Muskegon County 1975 Motor Vehicle Highway bonds are payable in increasing annual installments ranging from \$175,000 in 1977 to \$225,000 in 1982 and bear interest from 4.5% to 5.10%.

The 5.5% land contract entered into by the County is repayable in monthly installments of \$2,500, including interest, with the final payment due May, 1982.

NOTE H - PENSION PLAN

Total pension expense for all County operations was approximately \$841,000 for the year ended December 31, 1977. As of December 31, 1976, the date of the last actuarial valuation, the unfunded past service cost was \$1,448,600.

NOTE I - VACATION AND SICK PAY

The County records vacation and sick pay as an expense when paid (note A-1). At December 31, 1977, unused vacation and sick pay approximated \$200,000 and \$525,000 respectively.

GENERAL FUND

This is the operating fund of the county in which receipts and expenditures are recorded, that are not specifically provided for by another fund. This fund is a state statutory requirement and is administered by the county board of commissioners. Inasmuch as the general fund is complex in its makeup and function, it has multiple activities and revenues. Revenues include receipts from taxation, fees for services and revenues from state and federal grants. The major activities accounted for in this fund include the circuit, district, and probate courts, administration, prosecuting attorney, building maintenance, animal shelter and sheriff's department.

County of Muskegon
General Fund

BALANCE SHEET

December 31, 1977

ASSETS

Petty cash		\$ 21,615
Certificates of deposit		9,000,000
Accounts receivable		350,901
Due from other funds		79,679
Long-term advances to other funds		
Drain revolving	\$ 61,500	
Central stores	<u>30,000</u>	91,500
Note receivable (note A)		<u>1,036,481</u>
		<u>\$10,580,176</u>

LIABILITIES, RESERVES AND FUND BALANCE

Liabilities		
Cash overdraft (note C)		\$ 9,289,761
Accounts payable		<u>315,006</u>
		9,604,767
Commitments (note I)		-
Reserves for long-term advances to other funds		
Drain revolving	\$ 61,500	
Central stores	<u>30,000</u>	91,500
Fund balance		
Appropriated	-	
Unappropriated	<u>883,909</u>	<u>883,909</u>
		<u>\$10,580,176</u>

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

County of Muskegon
General Fund

STATEMENT OF CHANGES IN FUND BALANCE

Year ended December 31, 1977

	<u>Appropriated</u>	<u>Unappropriated</u>	<u>Total</u>
Fund balance at January 1, 1977	\$ 114,444	\$ 639,113	\$ 753,557
Cancellation of appropriations	(114,444)	114,444	-
Cancellations of reserves for long-term advances	-	93,536	93,536
Excess of revenues over expenditures			
Revenues	-	8,381,079	8,381,079
Expenditures	-	8,344,263	8,344,263
	<u>-</u>	<u>36,816</u>	<u>36,816</u>
Fund balance at December 31, 1977	<u>\$ -</u>	<u>\$ 883,909</u>	<u>\$ 883,909</u>

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

County of Muskegon
General Fund

STATEMENT OF REVENUES - ESTIMATED AND ACTUAL

Year ended December 31, 1977

	<u>Budget</u>	<u>Actual</u>	Actual over (under) budget
Taxes	\$5,099,100	\$5,136,256	\$ 37,156
Licenses and permits	97,200	100,527	3,327
Federal and state grants	1,674,400	1,747,554	73,154
Charges for services - costs	665,000	683,805	18,805
Charges for services - sales	144,000	138,284	(5,716)
Fines and forfeits	314,000	269,135	(44,865)
Interest earned	200,000	173,047	(26,953)
Rentals	16,000	103,088	87,088
Reimbursements	30,000	29,383	(617)
TOTAL REVENUES	8,239,700	<u>\$8,381,079</u>	<u>\$141,379</u>
Appropriation from fund balance	<u>34,575</u>	<u>\$ -</u>	<u>\$(34,575)</u>
Total estimated revenues	<u>\$8,274,275</u>		

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

County of Muskegon
General Fund

STATEMENT OF APPROPRIATIONS AND EXPENDITURES

Year ended December 31, 1977

	<u>Original budget</u>
Legislative	
Board of commissioners	\$ 89,800
Judicial	
Circuit court	315,000
Friend of the court	226,600
District court	525,175
Probate court	203,475
Probate juvenile court	298,400
Jury commission	8,225
State probation	-
Public defender	88,000
	<u>1,664,875</u>
General county government	
Cooperative extension	97,350
Administrator	95,650
Corporate counsel	16,500
Finance and accounting	175,175
County clerk	186,175
Office services	37,925
Courthouse and grounds	411,875
Drain commissioner	30,750
Elections	3,725
Equalization	170,400
Personnel	36,525
Human resources	38,500
Plat board	1,600
Prosecuting attorney	307,200
Equipment pool	18,200
Register of deeds	124,775
Addressograph	27,075
County treasurer	164,050
Electronic data processing	139,225
Appropriation for planning commission	75,000
Building security	43,575
County properties	102,550
Appropriation for public works	90,000
	<u>2,393,800</u>

<u>Amended budget</u>	<u>Actual</u>	<u>Actual (over) under amended budget</u>
\$ 106,800	\$ 106,993	\$ (193)
315,000	324,664	(9,664)
266,600	270,816	(4,216)
535,175	556,508	(21,333)
203,475	212,101	(8,626)
298,400	304,004	(5,604)
8,225	7,764	461
-	2,571	(2,571)
88,000	82,900	5,100
<u>1,714,875</u>	<u>1,761,328</u>	<u>(46,453)</u>
92,350	90,202	2,148
105,650	105,749	(99)
19,700	19,659	41
197,175	182,771	14,404
196,175	198,294	(2,119)
19,925	20,580	(655)
379,875	397,155	(17,280)
31,750	32,089	(339)
3,725	4,162	(437)
170,400	170,014	386
41,525	47,633	(6,108)
34,500	33,254	1,246
1,600	2,001	(401)
307,200	313,621	(6,421)
21,200	22,961	(1,761)
124,775	124,380	395
28,375	28,439	(64)
164,050	164,277	(227)
139,225	141,422	(2,197)
90,000	77,962	12,038
43,575	37,006	6,569
99,550	104,459	(4,909)
90,000	110,162	(20,162)
<u>2,402,300</u>	<u>2,428,252</u>	<u>(25,952)</u>

County of Muskegon
General Fund

STATEMENT OF APPROPRIATIONS AND EXPENDITURES - CONTINUED

Year ended December 31, 1977

	<u>Original budget</u>
Public safety	
Animal shelter	\$ 150,650
Appropriation for civil defense	22,500
Sheriff	1,545,675
Central dispatch	49,500
Marine safety	31,500
	<u>1,799,825</u>
Health	
Medical examiner and coroner	27,000
State institutions	115,000
Contagious disease	8,200
Appropriation for health department	450,000
Appropriation for mental health	90,000
Geriatrics council	3,400
	<u>693,600</u>
Welfare	
Veterans burial	30,000
Appropriations	
Soldiers and sailors relief	6,300
Social services	650,000
Child care	475,000
Child haven	35,000
Foster child care	6,000
	<u>1,202,300</u>
Libraries	
Appropriations	
Law library	-
Library	116,000
	<u>116,000</u>
Recreation	
Appropriation for parks	25,000

<u>Amended budget</u>	<u>Actual</u>	<u>Actual (over) under amended budget</u>
\$ 159,650	\$ 161,992	\$ (2,342)
22,500	5,951	16,549
1,583,675	1,610,610	(26,935)
58,225	75,317	(17,092)
31,500	43,818	(12,318)
<u>1,855,550</u>	<u>1,897,688</u>	<u>(42,138)</u>
30,000	45,045	(15,045)
78,000	122,220	(44,220)
8,200	40,337	(32,137)
450,000	450,000	-
90,000	90,000	-
3,400	3,326	74
<u>659,600</u>	<u>750,928</u>	<u>(91,328)</u>
32,000	42,650	(10,650)
6,300	5,597	703
549,775	358,174	191,601
475,000	426,494	48,506
35,000	35,000	-
6,000	3,500	2,500
<u>1,104,075</u>	<u>871,415</u>	<u>232,660</u>
-	7,315	(7,315)
116,000	116,000	-
<u>116,000</u>	<u>123,315</u>	<u>(7,315)</u>
25,000	25,000	-

County of Muskegon
General Fund

STATEMENT OF APPROPRIATIONS AND EXPENDITURES - CONTINUED

Year ended December 31, 1977

	<u>Original budget</u>
Other	
Miscellaneous contingencies	\$ 98,812
Insurance	67,450
Community economic development corporation	-
Appropriations	
Personnel grant	-
Airport	70,000
Promotional	52,813
Transit system	-
	<u>289,075</u>
 TOTAL EXPENDITURES	 <u><u>\$8,274,275</u></u>

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

<u>Amended budget</u>	<u>Actual</u>	<u>Actual (over) under amended budget</u>
\$ 71,812	\$ 104,723	\$(32,911)
68,450	72,047	(3,597)
7,000	1,138	5,862
-	30,761	(30,761)
70,000	97,000	(27,000)
52,813	53,675	(862)
20,000	20,000	-
<u>290,075</u>	<u>379,344</u>	<u>(89,269)</u>
<u>\$8,274,275</u>	<u>\$8,344,263</u>	<u>\$(69,988)</u>

SPECIAL REVENUE FUNDS

These funds are used to account for specific or restricted activities within the county. Revenue sources vary but the purposes for which they are to be used are restricted or limited to a specific function of county government.

Specific Funds

- Department of Public Works -

This fund is used to account for operations of Muskegon county department of public works. The majority of funds are appropriated from the general fund. Also included are fees for services.

- Mental Health -

This fund is used to account for earmarked monies that provide mental health services within the county. Monies are provided by federal, state and county appropriations, grants and contributions and by charges for services. Last year, this program had ten separate activities including mental illness and retardation programs, out-patient and in-patient services.

- Foster Grandparents -

This fund is a part of the mental health program within the county and is supported by federal and state grants. Its purpose is to enrich the lives of the mentally retarded it serves through companionship and instruction, and as a source of supplementary income to elderly individuals of limited income who are employed in the program.

- Substance Abuse Program -

This fund is a part of the mental health services program within the county. Monies are received from federal, state and local grants. The purpose of this fund is to assist Muskegon county in controlling and combating the use of drugs.

- Prosecutor's Paralegal Fund -

This fund is used to account for monies received under an LEAA grant. The purpose of this fund is to alleviate some of the routine activities in the Prosecutor's office that a prosecuting attorney may otherwise have to accomplish by employing a non-legal person to handle routine matters.

- Comprehensive Employment & Training Act (CETA) -

This fund is used to account for federal funds received under the Comprehensive Employment & Training Act. These funds are targeted for training and employment programs for the under-employed and economically disadvantaged citizens of Muskegon and Oceana counties. It consists of training programs for skilled shortage areas in the private sector and public service employment programs in the public sector.

- Federal Revenue Sharing Fund -

This fund is used to account for federal grants under the Federal, State and Local Fiscal Assistance Act of 1972, as amended.

- Library Survey -

This fund is used to account for monies from a federal project grant.

- Child Care Facility -

This fund was established to account for foster child care in the county. The major portion of the monies come from the state and county appropriations. This fund is used to aid children who need to be placed outside their homes.

- Veteran's Trust -

This fund is used to account for earmarked revenues that are used to aid needy veterans. The major source of revenues is state grants.

- Soldiers and Sailors Relief Fund -

This fund is used to account for monies earmarked for indigent veterans. This fund is required by state law.

- Federal Revenue Sharing - Anti-Recession -

The Public Works Employment Act of 1976, (Public Law 94369), was passed on July 22, 1976, effective as of July 1, 1976. Title II of this act, designated as anti-recession fiscal assistance, provides for quarterly payments to state and local governments. Anti-recession funds must be used to

maintain existing basic governmental services. Monies are not allowed to be used to initiate a basic service not provided during the current or preceding fiscal year. Anti-recession payments received must be appropriated or obligated before the end of a six month period.

- Personnel Grant -

This fund is used to account for monies granted to Muskegon county under the Intergovernmental Personnel Act of 1970. This grant is used to assist in making the personnel department of the county more sophisticated, by accumulating data for job analysis studies, reviewing present classifications and a clerical testing and reviewing procedure.

- Criminal Justice -

This fund is used to account for monies received under a grant by the office of criminal justice programs for the purpose of initiating an integrated criminal justice system. The major portion of these funds will be used in developing an implementing a computerized information system.

- Summer Recreation -

This fund is used to account for monies granted the county by the community services administration for the purpose of developing a recreation program for the young.

- Sewage Facilities Step One -

This fund was used to account for monies granted to the county by the Environmental Protection Agency to finance the facilities' planning as the first step in the program that will ultimately end with building sewer lines to connect with the county's wastewater system. The facilities' plan is a comprehensive study of the collection system and treatment facilities that may be required to serve a given area for the next twenty years.

- Sewage Facilities Step Two -

This fund is used to account for monies in Phase Two, the design of the proposed Muskegon County Collection System.

- Cooperative Reimbursement - Friend of the Court -

This fund is used to account for monies granted to Muskegon County by the Michigan Department of Social Services and designed to provide services to aid ADC recipients in accordance with the approved HEW State Plan to establish paternity and to secure child support.

- W.O.R.C. Program -

This fund is used to account for monies granted to the county by the department of natural resources for the purpose of summer work programs for youths in the county, basically geared to improving the environment.

- Cooperative Reimbursement - Prosecutor -

This fund is used to account for monies granted to the county by the Michigan department of social services for the prosecuting attorney's department to provide services to aid ADC recipients in accordance with the HEW approved State Plan to establish paternity and secure child support.

- Civil Defense -

This fund is used to account for monies granted to the county by the state and appropriated from the general fund for the purpose of maintaining a civil defense department to provide essential services during emergency or disaster conditions.

- Marine Safety -

This fund is used to account for monies granted to the county by the department of natural resources and appropriated from the general fund for the purpose of establishing a comprehensive marine safety program in the county and to provide sheriff's patrol and protection for the county's Lake Michigan shoreline and inland lakes and waterways.

- Health Department -

This fund is used to account for monies received by Muskegon county from federal, state and local grants. The health department is a large complex system servicing county residents by providing numerous programs. Some examples are environmental health, air pollution, communicable disease, alcohol prevention, dental care, maternity care, family planning, personal health and nurses support. This is one of the largest and most complex special revenue funds.

- Planning Commission -

This fund is used to account for monies set aside for local planning purposes.

- Law Library -

This fund is used to account for monies set aside for the purpose of maintaining a law library.

- Township Police Services -

This fund is used to account for monies received under a contractual agreement between the Laketon, Fruitland and Casnovia Townships, Casnovia Village, Moorland Township, Ravenna Township and Ravenna Village. The arrangement stipulates that the Muskegon county sheriff's department will provide police protection to these areas for specific considerations.

- Library Fund -

This fund is used to account for monies which are set aside for the county library. The county library was established in 1938, under Act 138 OFPA 1917, and operates nine branches to promote the development of county citizens. County appropriations, state grants and district court penal fines account for the major revenues in this fund.

County of Muskegon
Special Revenue Funds

COMBINED BALANCE SHEET

December 31, 1977

ASSETS	Department of Public Works	Muskegon County Economic Development Commission (September 30, 1977)	Mental Health (September 30, 1977)
Cash	\$ 50	\$ 25	\$ 150
Restricted cash	-	-	-
Accounts receivable			
Patients	-	-	-
Federal and state agencies	-	17,500	166,076
Local municipalities	438,321	-	-
Other	-	-	10,253
Inventories	-	-	-
	<u>\$438,371</u>	<u>\$17,525</u>	<u>\$ 176,479</u>
LIABILITIES AND FUND BALANCES			
Cash overdraft	\$430,431	\$17,532	\$ 665,465
Accounts payable	26,431	-	40,022
Due to State of Michigan	-	-	-
Due other funds	-	-	47,143
Patient trust deposits	-	-	-
	<u>456,862</u>	<u>17,532</u>	<u>752,630</u>
Fund balances (deficit)			
Appropriated	-	-	-
Unappropriated	(18,491)	(7)	(576,151)
	<u>(18,491)</u>	<u>(7)</u>	<u>(576,151)</u>
	<u>\$438,371</u>	<u>\$17,525</u>	<u>\$ 176,479</u>

Foster Grandparents (September 30, 1977)	Substance Abuse Program (September 30, 1977)	Comprehensive Employment Training Act (September 30, 1977)	Prosecutor Paralegal (June 30, 1977)	Federal Revenue Sharing	Other Special Revenue	Combined total (memorandum only)
\$ -	\$ -	\$ 250	\$ 40	\$2,792,397	\$ 135,560	\$2,928,472
-	-	-	-	-	16,002	16,002
-	-	-	-	-	440,899	440,899
70,572	114,473	543,247	744	281,562	506,323	1,700,497
-	-	-	-	44,942	-	483,263
-	-	-	-	-	-	10,253
-	-	-	-	-	50,839	50,839
<u>\$70,572</u>	<u>\$ 114,473</u>	<u>\$543,497</u>	<u>\$784</u>	<u>\$3,118,901</u>	<u>\$1,149,623</u>	<u>\$5,630,225</u>
\$45,492	\$ 159,081	\$ 29,732	\$-	\$ -	\$ 231,579	\$1,579,312
9,039	41,676	513,765	784	169,707	213,015	1,014,439
-	61,905	-	-	-	104,005	165,910
-	-	-	-	-	34,500	81,643
-	-	-	-	-	16,002	16,002
54,531	262,662	543,497	784	169,707	599,101	2,857,306
-	-	-	-	2,745,484	-	2,745,484
16,041	(148,189)	-	-	203,710	550,522	27,435
<u>16,041</u>	<u>(148,189)</u>	<u>-</u>	<u>-</u>	<u>2,949,194</u>	<u>550,522</u>	<u>2,772,919</u>
<u>\$70,572</u>	<u>\$ 114,473</u>	<u>\$543,497</u>	<u>\$784</u>	<u>\$3,118,901</u>	<u>\$1,149,623</u>	<u>\$5,630,225</u>

County of Muskegon
Department of Public Works Fund

BALANCE SHEET

December 31, 1977

ASSETS

Cash	\$ 50
Due from local municipalities	<u>438,321</u>
	<u>\$438,371</u>

LIABILITIES AND FUND BALANCE

Cash overdraft (note C)	\$430,431
Accounts payable	<u>26,431</u>
	<u>456,862</u>
Fund deficit	<u>(18,491)</u>
	<u>\$438,371</u>

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

County of Muskegon
Department of Public Works Fund

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCE

Year ended December 31, 1977

Revenues	
General fund appropriation	\$110,162
Charges for services	1,271
Other reimbursements	30,206
Interest earned	463
	<u>142,102</u>
Expenditures	
Salaries and wages	59,781
Per diem board meetings	3,000
Fringe benefits and payroll taxes	14,655
Office supplies and expense	2,918
Legal fees	23,895
Engineering services	15,323
Telephone	2,168
Travel and conferences	1,178
Miscellaneous	2,315
Interest expense	17,277
	<u>142,510</u>
EXCESS OF EXPENDITURES OVER REVENUES	(408)
Fund deficit at January 1, 1977	<u>(18,083)</u>
Fund deficit at December 31, 1977	<u>\$(18,491)</u>

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

County of Muskegon
Muskegon County Economic Development Commission

BALANCE SHEET

September 30, 1977

ASSETS

Cash	\$ 25
Accounts receivable from federal agency (note E)	<u>17,500</u>
	<u>\$17,525</u>

LIABILITIES AND FUND BALANCE

Cash overdraft (note C)	\$17,532
Fund deficit	<u>(7)</u>
	<u>\$17,525</u>

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

County of Muskegon
Muskegon County Economic Development Commission

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCE

Year ended September 30, 1977

Revenues	
Federal grant	\$45,111
Federal revenue sharing	16,357
	<u>61,468</u>
Expenditures	
Personal services	41,828
Supplies	1,582
Other services and charges	17,582
Capital outlay	483
	<u>61,475</u>
	(7)
EXCESS OF EXPENDITURES OVER REVENUES	(7)
Fund balance at October 1, 1976	<u>-</u>
Fund deficit at September 30, 1977	<u>\$ (7)</u>

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

County of Muskegon
Mental Health Fund

BALANCE SHEET

September 30, 1977

ASSETS

Petty cash		\$	150
Accounts receivable			
Federal and state agencies (note E)	\$166,076		
Other	<u>10,253</u>		<u>176,329</u>
		\$	<u>176,479</u>

LIABILITIES AND FUND BALANCE

Liabilities			
Cash overdraft (note C)		\$	665,465
Accounts payable			40,022
Due other funds			<u>47,143</u>
			<u>752,630</u>
Fund deficit			<u>(576,151)</u>
		\$	<u>176,479</u>

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

County of Muskegon
Mental Health Fund

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCE

Year ended September 30, 1977

Revenues	
Patient service revenue	\$ 154,003
Federal and state grants	1,811,706
Reimbursements by other agencies and miscellaneous	39,016
United Appeal allocation	58,813
General fund appropriation	92,500
	<u>2,156,038</u>
Expenditures	
Nursing services	375,156
Other professional services	1,379,316
General services	290,543
Fiscal services	60,543
Administrative services	184,296
	<u>2,289,854</u>
EXCESS OF EXPENDITURES OVER REVENUES	(133,816)
Fund deficit at October 1, 1976	
As previously reported	(253,751)
Adjustments of prior year accounts receivable (note B)	(188,584)
As restated	<u>(442,335)</u>
Fund deficit at September 30, 1977	\$ <u>(576,151)</u>

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

County of Muskegon
Foster Grandparents Fund

BALANCE SHEET

September 30, 1977

ASSETS

Account receivable from federal government	\$70,572
	<u>\$70,572</u>

LIABILITIES AND FUND BALANCE

Liabilities	
Cash overdraft	\$45,492
Accounts payable	9,039
	<u>54,531</u>
Fund balance	<u>16,041</u>
	<u>\$70,572</u>

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

County of Muskegon
Foster Grandparents Fund

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCE

Year ended September 30, 1977

Revenues	
Federal grant	\$142,348
Local revenue	<u>5,331</u>
	147,679
Expenditures	
Administrative expenses	32,288
Grandparents stipends	92,482
Transportation expenses and miscellaneous	<u>15,261</u>
	<u>140,031</u>
EXCESS OF REVENUES OVER EXPENDITURES	7,648
Fund balance at October 1, 1976	<u>8,393</u>
Fund balance at September 30, 1977	<u>\$ 16,041</u>

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

County of Muskegon
Substance Abuse Program Fund

BALANCE SHEET

September 30, 1977

ASSETS

Accounts receivable from federal and state agencies (note E)	\$ <u>114,473</u>
	\$ <u><u>114,473</u></u>

LIABILITIES AND FUND BALANCE

Liabilities	
Cash overdraft (note C)	\$ 159,081
Accounts payable	41,676
State operating advance	61,905
	<u>262,662</u>
Fund deficit	<u>(148,189)</u>
	\$ <u><u>114,473</u></u>

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

County of Muskegon
Substance Abuse Program Fund

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCE

Year ended September 30, 1977

Revenues	
Federal grants	\$ 51,506
State grants	392,158
Other revenues	17,079
United Appeal allocation	<u>22,367</u>
	<u>483,110</u>
Expenditures	
Administrative expenses	49,518
Contractual services by other institutions	<u>430,915</u>
	<u>480,433</u>
EXCESS OF REVENUES OVER EXPENDITURES	2,677
Fund deficit at October 1, 1976	
As previously reported	(39,172)
Prior year adjustments (note B)	
Accounts receivable	\$(49,789)
State advance	<u>(61,905)</u>
As restated	<u>(150,866)</u>
Fund deficit at September 30, 1977	<u><u>\$(148,189)</u></u>

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

County of Muskegon
Prosecutor Paralegal Fund

BALANCE SHEET

June 30, 1977

ASSETS

Cash	\$ 40
Accounts receivable from federal and state	<u>744</u>
	<u>\$784</u>

LIABILITIES AND FUND BALANCE

Accounts payable	\$784
Fund balance	<u>-</u>
	<u>\$784</u>

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

County of Muskegon
Prosecutor Paralegal Fund

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCE

Year ended June 30, 1977

Revenues	
Federal grant	\$15,052
State grant	836
Appropriation from general fund	836
	<u>16,724</u>
Expenditures	
Personal services	16,724
	<u>16,724</u>
EXCESS OF REVENUES OVER EXPENDITURES	-
Fund balance at July 1, 1976	<u>-</u>
Fund balance at June 30, 1977	<u>\$ -</u>

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

County of Muskegon
Comprehensive Employment Training Act Fund

BALANCE SHEET

September 30, 1977

ASSETS

Cash	\$ 250
Accounts receivable from federal agency	<u>543,247</u>
	<u>\$543,497</u>

LIABILITIES AND FUND BALANCE

Cash overdraft	\$ 29,732
Accounts payable	513,765
Fund balance	<u>-</u>
	<u>\$543,497</u>

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

County of Muskegon
 Comprehensive Employment Training Act Fund
 STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCE

Year ended September 30, 1977 and
 three months ended September 30, 1976

	<u>Year ended</u> <u>September 30, 1977</u>	<u>Three months</u> <u>ended</u> <u>September 30, 1976</u>
Revenues		
Federal grants	\$5,225,848	\$1,311,505
Expenditures		
Title I	1,718,644	422,953
Title II	1,132,114	277,176
Title III	585,459	501,786
Title VI	1,789,631	109,590
	<u>5,225,848</u>	<u>1,311,505</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-
Fund balance at beginning of period	<u>-</u>	<u>-</u>
Fund balance at end of period	<u>\$ -</u>	<u>\$ -</u>

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

County of Muskegon
Federal Revenue Sharing Fund

BALANCE SHEET

December 31, 1977

ASSETS

Cash		\$2,792,397
Entitlements receivable		281,562
Due from other local units		<u>44,942</u>
		<u>\$3,118,901</u>

LIABILITIES AND FUND BALANCE

Accounts payable		\$ 169,707
Fund balance		
Appropriated	\$2,745,484	
Unappropriated	<u>203,710</u>	<u>2,949,194</u>
		<u>\$3,118,901</u>

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

County of Muskegon
Federal Revenue Sharing Fund

STATEMENT OF CHANGES IN FUND BALANCE

Year ended December 31, 1977

Fund balance at January 1, 1977		
As previously reported		\$2,266,617
Adjustment of prior year receivables (note B)		<u>310,002</u>
As restated		<u>2,576,619</u>
Excess of revenues over expenditures		
Revenues	\$1,361,840	
Expenditures	<u>989,265</u>	<u>372,575</u>
Fund balance at December 31, 1977		<u>\$2,949,194</u>

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

County of Muskegon
Federal Revenue Sharing Fund

STATEMENT OF REVENUES

Year ended December 31, 1977

Entitlement payments	\$1,212,198
Interest earned	<u>149,642</u>
	<u>\$1,361,840</u>

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

County of Muskegon
Federal Revenue Sharing Fund

STATEMENT OF APPROPRIATIONS AND EXPENDITURES

Year ended December 31, 1977

	<u>Appropriations</u>	<u>Actual</u>	<u>Actual (over) under appropriations</u>
Operating and maintenance			
Libraries	\$ 39,362	\$ 26,058	\$ 13,304
Financial administration	38,869	42,234	(3,365)
Capital expenditures			
General government	2,241,545	338,743	1,902,802
Health	(273)	8,068	(8,341)
Social and economic development	217,069	72,608	144,461
Public Safety	961,446	363,062	598,384
Recreation	200,855	138,492	62,363
	<u>\$3,698,873</u>	<u>\$989,265</u>	<u>\$2,709,608</u>

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

County of Muskegon
Other Special Revenue Funds

BALANCE SHEETS

December 31, 1977

ASSETS	<u>Cooperative Reimbursement Friend of the Court</u>	<u>Work Opportunity Resource Corps Youth Employment Program</u>	<u>Cooperative Reimbursement Prosecutor</u>
Cash	\$ -	\$ 2,109	\$ -
Restricted cash-patient deposits	-	-	-
Accounts receivable from patients (note E)	-	-	-
Accounts receivable from federal and state agencies	9,353	-	12,089
Inventory of supplies	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 9,353</u>	<u>\$ 2,109</u>	<u>\$12,089</u>
 LIABILITIES AND FUND BALANCES			
Cash overdraft (note C)	\$ 4,983	\$ -	\$ 6,477
Accounts payable	-	-	-
Due to State of Michigan	-	-	-
Due other funds	-	-	-
Patient trust deposits	<u>-</u>	<u>-</u>	<u>-</u>
	4,983	-	6,477
Fund balances (deficits)	<u>4,370</u>	<u>2,109</u>	<u>5,612</u>
	<u>\$ 9,353</u>	<u>\$ 2,109</u>	<u>\$12,089</u>

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

<u>Civil Defense</u>	<u>Marine Safety</u>	<u>Health Department</u>	<u>Planning Commission</u>	<u>Law Library</u>	<u>Township Police Service</u>	<u>Library</u>
\$ 25	\$ -	\$ 200	\$ -	\$ -	\$ -	\$ 1,811
-	-	-	-	-	-	-
-	-	-	-	-	-	-
25,446	27,571	203,916	2,087	-	4,011	-
-	-	-	-	-	-	-
<u>\$25,471</u>	<u>\$ 27,571</u>	<u>\$ 204,116</u>	<u>\$ 2,087</u>	<u>\$ -</u>	<u>\$ 4,011</u>	<u>\$ 1,811</u>
\$25,637	\$ 27,556	\$ 63,032	\$ 1,988	\$ -	\$ 4,011	\$ -
66	15	22,241	99	-	-	-
-	-	104,005	-	-	-	-
-	-	34,500	-	-	-	-
-	-	-	-	-	-	-
25,703	27,571	223,778	2,087	-	4,011	-
(232)	-	(19,662)	-	-	-	1,811
<u>\$25,471</u>	<u>\$ 27,571</u>	<u>\$ 204,116</u>	<u>\$ 2,087</u>	<u>\$ -</u>	<u>\$ 4,011</u>	<u>\$ 1,811</u>

County of Muskegon
Other Special Revenue Funds - Continued

BALANCE SHEETS

Year ended December 31, 1977

ASSETS	<u>Library Survey</u>	<u>Brookhaven Medical Care Facility</u>	<u>Child Care Facility</u>
Cash	\$1,340	\$ 50	\$ -
Restricted cash-patient deposits	-	16,002	-
Accounts receivable from patients	-	440,899	-
Accounts receivable from federal and state agencies	-	-	117,718
Inventory of supplies	-	50,839	-
	<u>\$1,340</u>	<u>\$507,790</u>	<u>\$117,718</u>
LIABILITIES AND FUND BALANCES			
Cash overdraft (note C)	\$ -	\$ 50	\$ 91,191
Accounts payable	-	28,138	47,102
Due to State of Michigan	-	-	-
Due other funds	-	-	-
Patient trust deposits	-	16,002	-
	-	44,210	138,293
Fund balances (deficits)	<u>1,340</u>	<u>463,580</u>	<u>(20,575)</u>
	<u>\$1,340</u>	<u>\$507,790</u>	<u>\$117,718</u>

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

<u>Veterans Trust</u>	<u>Soldiers and Sailors Relief</u>	<u>Federal Revenue Sharing-Anti-Recession</u>	<u>Personnel Grant</u>	<u>Criminal Justice System</u>	<u>Summer Recreation Program</u>	<u>Sewage Facilities</u>	<u>Sewage Facilities Step Two</u>	<u>Combined Total (memorandum only)</u>
\$10,610	\$ -	\$ 1,136	\$ -	\$3,232	\$1,112	\$39,166	\$74,769	\$ 135,560
-	-	-	-	-	-	-	-	16,002
-	-	-	-	-	-	-	-	440,899
-	-	84,534	6,654	-	-	12,944	-	506,323
-	-	-	-	-	-	-	-	50,839
<u>\$10,610</u>	<u>-</u>	<u>\$85,670</u>	<u>\$6,654</u>	<u>\$3,232</u>	<u>\$1,112</u>	<u>\$52,110</u>	<u>\$74,769</u>	<u>\$1,149,623</u>
\$ -	\$ -	\$ -	\$6,654	\$ -	\$ -	\$ -	\$ -	\$ 231,579
371	-	-	-	3,232	1,112	44,024	66,595	213,015
-	-	-	-	-	-	-	-	104,005
-	-	-	-	-	-	-	-	34,500
-	-	-	-	-	-	-	-	16,002
<u>371</u>	<u>-</u>	<u>-</u>	<u>6,654</u>	<u>3,232</u>	<u>1,112</u>	<u>44,024</u>	<u>66,595</u>	<u>599,101</u>
<u>10,239</u>	<u>-</u>	<u>85,670</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,086</u>	<u>8,174</u>	<u>550,522</u>
<u>\$10,610</u>	<u>\$ -</u>	<u>\$85,670</u>	<u>\$6,654</u>	<u>\$3,232</u>	<u>\$1,112</u>	<u>\$52,110</u>	<u>\$74,769</u>	<u>\$1,149,623</u>

County of Muskegon
Other Special Revenue Funds

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES

Year ended December 31, 1977

	<u>Cooperative Reimbursement Friend of the Court</u>	<u>Work Opportunity Resource Corps Youth Employment Program</u>	<u>Cooperative Reimbursement Prosecutor</u>
Revenues			
State grants	\$82,969	\$15,916	\$45,539
Federal grants	-	-	-
Grants from local units	-	-	-
Charges for services rendered	-	-	-
Reimbursements	-	-	-
Appropriations from general fund	-	-	-
Contribution and donations from private sources	-	-	-
Fines and forfeits	-	-	-
Interest earned	-	-	-
	<u>82,969</u>	<u>15,916</u>	<u>45,539</u>
Expenditures			
Personal services	82,373	13,156	43,319
Supplies	-	313	1,301
Other services and charges	633	-	919
Capital outlay	-	338	-
	<u>83,006</u>	<u>13,807</u>	<u>45,539</u>
REVENUE OVER (UNDER) EXPENDITURES	(37)	2,109	-
Fund balances (deficits) at January 1, 1977			
As previously reported	4,407	-	5,612
Adjustment of prior year's accounts receivable (note B)	<u>-</u>	<u>-</u>	<u>-</u>
As restated	<u>4,407</u>	<u>-</u>	<u>5,612</u>
Fund balances (deficits) at December 31, 1977	<u>\$ 4,370</u>	<u>\$ 2,109</u>	<u>\$ 5,612</u>

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

<u>Civil Defense</u>	<u>Marine Safety</u>	<u>Health Department</u>	<u>Planning Commission</u>	<u>Law Library</u>	<u>Township Police Service</u>	<u>Library</u>
\$21,385	\$ 27,571	\$ 929,620	\$ -	\$ -	\$ -	\$ 58,009
-	45,000	204,356	-	-	-	9,689
-	-	-	-	-	24,000	44,306
28,315	-	110,371	-	-	-	3,885
-	-	1,108	-	-	-	428
5,951	43,817	450,000	77,962	7,316	-	116,000
-	-	450	-	-	-	1,891
-	-	-	-	3,000	-	103,733
-	-	-	-	-	-	-
<u>55,651</u>	<u>116,388</u>	<u>1,695,905</u>	<u>77,962</u>	<u>10,316</u>	<u>24,000</u>	<u>337,941</u>
33,885	69,616	1,308,377	52,831	-	24,000	271,812
3,158	1,816	175,770	3,472	12	-	11,987
8,943	7,619	183,879	21,659	483	-	31,638
10,890	8,693	21,065	-	9,821	-	28,171
<u>56,876</u>	<u>87,744</u>	<u>1,689,091</u>	<u>77,962</u>	<u>10,316</u>	<u>24,000</u>	<u>343,608</u>
(1,225)	28,644	6,814	-	-	-	(5,667)
993	-	(26,476)	-	-	-	7,478
-	(28,644)	-	-	-	-	-
<u>993</u>	<u>(28,644)</u>	<u>(26,476)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,478</u>
<u>\$ (232)</u>	<u>\$ -</u>	<u>\$ (19,662)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,811</u>

County of Muskegon
Other Special Revenue Funds - Continued

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES

Year ended December 31, 1977

	<u>Library Survey</u>	<u>Child Care Facility</u>	<u>Veterans Trust</u>
Revenues			
State grants	\$ -	\$397,324	\$46,290
Federal grants	-	-	-
Grants from local units	-	-	-
Charges for services rendered	-	-	-
Reimbursements	-	46,665	-
Appropriations from general fund	-	426,494	-
Contribution and donations from private sources	-	-	-
Fines and forfeits	-	-	-
Interest earned	-	-	-
	<u>-</u>	<u>870,483</u>	<u>46,290</u>
Expenditures			
Personal services	-	234,740	14,611
Supplies	-	23,459	104
Other services and charges	384	611,746	24,909
Capital outlay	-	1,110	-
	<u>384</u>	<u>871,055</u>	<u>39,624</u>
REVENUES OVER (UNDER) EXPENDITURES	(384)	(572)	6,666
Fund balances (deficits) at January 1, 1977			
As previously reported	1,724	(20,003)	3,573
Adjustment of prior year's accounts receivable (note B)	<u>-</u>	<u>-</u>	<u>-</u>
As restated	<u>1,724</u>	<u>(20,003)</u>	<u>3,573</u>
Fund balances (deficits) at December 31, 1977	<u>\$1,340</u>	<u>\$(20,575)</u>	<u>\$10,239</u>

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

<u>Soldiers and Sailors Relief</u>	<u>Federal Revenue Sharing- Anti- Recession</u>	<u>Personnel Grant</u>	<u>Criminal Justice System</u>	<u>Summer Recreation Program</u>	<u>Sewage Facilities</u>	<u>Sewage Facilities Step Two</u>
\$ -	-	-	\$ 1,272	\$ -	\$ 15,447	\$ 30,500
-	\$380,286	\$30,810	24,159	-	263,345	619,426
-	-	-	-	-	8,255	4,487
-	-	-	-	-	-	-
5,597	-	30,761	-	-	-	-
-	-	-	-	-	-	-
-	7,256	-	-	-	4,039	4,097
<u>5,597</u>	<u>387,542</u>	<u>61,571</u>	<u>25,431</u>	<u>-</u>	<u>291,086</u>	<u>658,510</u>
3,437	-	57,830	25,453	-	-	-
30	-	346	142	-	-	-
2,130	390,136	3,395	240	1,112	300,374	650,336
-	-	-	1,166	-	-	-
<u>5,597</u>	<u>390,136</u>	<u>61,571</u>	<u>27,001</u>	<u>1,112</u>	<u>300,374</u>	<u>650,336</u>
-	(2,594)	-	(1,570)	(1,112)	(9,288)	8,174
-	1,691	-	1,570	1,112	17,374	-
-	<u>86,573</u>	-	-	-	-	-
-	<u>88,264</u>	-	<u>1,570</u>	<u>1,112</u>	<u>17,374</u>	-
<u>\$ -</u>	<u>\$ 85,670</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,086</u>	<u>\$ 8,174</u>

DEBT SERVICE FUND

This fund is used to account for the principal and interest payments of the long-term debt of the County. Generally, revenues to support these payments are derived from special assessments, user fees or general tax levies pledged to debt retirement.

County of Muskegon
Medical Care Facility Debt Retirement Fund

BALANCE SHEET

December 31, 1977

ASSETS

Cash	<u>\$154,261</u>
	<u>\$154,261</u>

FUND BALANCE

Fund balance	<u>\$154,261</u>
	<u>\$154,261</u>

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

County of Muskegon
 Medical Care Facility Debt Retirement Fund
 STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCE
 Year ended December 31, 1977

Revenues		
Tax collections		\$323,097
Payments in lieu of taxes		39,759
Interest earned		6,367
		<u>369,223</u>
Expenditures		
Amounts expended for debt obligation		
Bonds		275,000
Interest		43,125
		<u>318,125</u>
	EXCESS OF REVENUES OVER EXPENDITURES	51,098
Fund balance at January 1, 1977		<u>103,163</u>
Fund balance at December 31, 1977		<u>\$154,261</u>

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

CAPITAL PROJECT FUNDS

These funds are used to account for projects which are ultimately reflected in the general fixed asset group of accounts. Revenues are derived from special appropriations, federal or state grants and general obligation bonds. Major construction projects are usually accounted for in this fund.

Specific Funds

- Mental Health Capital Projects -

This fund is used to account for monies specifically designated for use in the county's mental health programs.

- Public Improvement -

This fund was established by appropriation from the county general fund for future general projects developed according to the county capital improvement budgeting program. While its use is intended for capital improvements, it is not restricted to that purpose.

- Capital Improvements Fund -

This fund is used to account for resources used for the acquisition of capital facilities. Its purpose is to accumulate funds to finance, entirely or partially, capital projects from resources other than bond indebtedness. It is restricted to capital improvement expenditures.

County of Muskegon
Capital Projects Funds

BALANCE SHEETS

December 31, 1977

ASSETS	<u>Mental Health Capital Projects</u>	<u>Public Improvement</u>
Cash	\$2,130	\$484,232
Accounts receivable from federal agency	-	-
Due from other funds	<u>-</u>	<u>21,597</u>
	<u>\$2,130</u>	<u>\$505,829</u>
LIABILITIES AND FUND BALANCE		
Cash overdraft (note C)	\$ -	\$ -
Accounts payable	-	-
Fund balances	<u>2,130</u>	<u>505,829</u>
	<u>\$2,130</u>	<u>\$505,829</u>

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

<u>Capital Improvement</u>	<u>County Jail Remodeling</u>	<u>Combined total (memorandum only)</u>
\$310,044	\$ -	\$796,406
-	17,946	17,946
<u>-</u>	<u>-</u>	<u>21,597</u>
<u>\$310,044</u>	<u>\$17,946</u>	<u>\$835,949</u>
\$ -	\$ 1,101	\$ 1,101
-	16,845	16,845
<u>310,044</u>	<u>-</u>	<u>818,003</u>
<u>\$310,044</u>	<u>\$17,946</u>	<u>\$835,949</u>

County of Muskegon
Capital Projects Funds

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES

Year ended December 31, 1977

	<u>Mental Health Capital Projects</u>
Revenues	
Federal grant	\$ -
Interest earned	-
	<u>-</u>
Expenditures	
Other services and charges	-
Capital outlay	-
Interest paid	-
	<u>-</u>
	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	-
Fund balances at January 1, 1977	2,130
Transfer of 5-1/2% land contract payable to long-term debt group of accounts	-
Fund balances at December 31, 1977	<u>\$2,130</u>

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

<u>Public Improvement</u>	<u>Capital Improvement</u>	<u>County Jail Remodeling</u>
\$ -	\$ -	\$17,946
<u>34,704</u>	<u>15,661</u>	-
34,704	15,661	17,946
58,190	-	1,701
1,360	295	16,245
2,974	-	-
<u>62,524</u>	<u>295</u>	<u>17,946</u>
(27,820)	15,366	-
416,114	294,678	-
<u>117,535</u>	<u>-</u>	<u>-</u>
<u>\$505,829</u>	<u>\$310,044</u>	<u>\$ -</u>

ENTERPRISE FUNDS

These funds are used to account for activities within the county which are to be self-supporting. The extent of operations is limited to the resources which are generated by the activities. Accounted for in these funds are such activities as wastewater operations, solid waste management and airport operations.

Specific Funds

- Solid Waste Management -

This fund is used to record the revenues received and the expenditures made for the operation of the solid waste system. Monies for the operation of this fund are supplied by general fund appropriations and revenues received by charges for services.

- Muskegon County Airport -

The Muskegon County Airport provides direct and related services for both air carrier and general aviation purposes. Airport activities are administratively divided into four areas - airfield, terminal buildings, hangars and other. This fund accounts for these activities.

- Muskegon Area Transit System -

The Muskegon Area Transit System provides public transportation with ten regular routes and two special routes. The primary source of funds are the Michigan Department of State Highways and Transportation (paying 33% of the operating costs) and the Urban Mass Transportation Administration (paying 50% of the operating costs).

- Muskegon County Wastewater System -

The Muskegon County Wastewater System provides an innovative and comprehensive plan for utilizing wastewater for land treatment by spray irrigation. The land treatment system nearly eliminates industrial and municipal pollutants from twenty seven million gallons of wastewater treated daily and utilizes the wastewater as water and fertilizer to grow crops. This fund accounts for the county's sewage collection activities.

County of Muskegon
Enterprise Funds

COMBINED BALANCE SHEET

December 31, 1977

	<u>Solid Waste Management</u>
ASSETS	
Cash	\$ 50
Accounts receivable	7,052
Inventories	-
Prepaid expenses	-
Restricted assets	-
Property and equipment (net of depreciation)	184,972
Other assets	-
	<u>\$192,074</u>
LIABILITIES AND EQUITY	
Liabilities	
Cash overdrafts	\$207,651
Accounts payable	-
Advances from users	-
Due to State of Michigan	-
Due other governmental units	-
Accrued liabilities	-
Long-term debt	-
	<u>207,651</u>
Equity	
Contributions in aid of construction	-
Retained earnings (accumulated deficit)	(15,577)
	<u>(15,577)</u>
	<u>\$192,074</u>

Muskegon County Airport	Muskegon Area Transit System	Muskegon County Wastewater Management System - Number One	Combined total (memorandum only)
\$ 150	\$ 150	\$ 250	\$ 600
48,995	263,725	1,431,030	1,750,802
-	-	589,740	589,740
8,400	20,985	91,190	120,575
-	-	671,388	671,388
4,238,841	264,931	38,265,821	42,954,565
-	-	169,690	169,690
<u>\$4,296,386</u>	<u>\$549,791</u>	<u>\$41,219,109</u>	<u>\$46,257,360</u>
\$ 23,860	\$224,315	\$ 1,009,697	\$ 1,465,523
15,807	-	91,184	106,991
-	-	140,483	140,483
14,167	-	-	14,167
-	2,517	-	2,517
-	10,177	120,917	131,094
-	-	14,700,000	14,700,000
<u>53,834</u>	<u>237,009</u>	<u>16,062,281</u>	<u>16,560,775</u>
4,210,817	361,644	25,206,099	29,778,560
31,735	(48,862)	(49,271)	(81,975)
<u>4,242,552</u>	<u>312,782</u>	<u>25,156,828</u>	<u>29,696,585</u>
<u>\$4,296,386</u>	<u>\$549,791</u>	<u>\$41,219,109</u>	<u>\$46,257,360</u>

County of Muskegon
Solid Waste Management Fund

BALANCE SHEET

December 31

ASSETS	<u>1977</u>	<u>1976</u>
CURRENT ASSETS		
Cash	\$ 50	\$ 50
Accounts receivable	<u>7,052</u>	<u>33,224</u>
Total current assets	7,102	33,274
PROPERTY AND EQUIPMENT - AT COST		
Land improvements	188,159	188,159
Less accumulated depreciation	<u>3,187</u>	<u>3,187</u>
	<u>184,972</u>	<u>184,972</u>
	<u>\$192,074</u>	<u>\$218,246</u>
LIABILITIES AND ACCUMULATED DEFICIT		
CURRENT LIABILITIES		
Cash overdraft (note C)	<u>\$207,651</u>	<u>\$237,730</u>
Total current liabilities	207,651	237,730
ACCUMULATED DEFICIT	<u>(15,577)</u>	<u>(19,484)</u>
	<u>\$192,074</u>	<u>\$218,246</u>

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

County of Muskegon
Solid Waste Management Fund

STATEMENT OF EARNINGS AND ACCUMULATED DEFICIT

Year ended December 31

	<u>1977</u>	<u>1976</u>
Operating revenue	\$ 9,659	\$ 1,201
Operating expenses	<u>5,752</u>	<u>17,424</u>
Operating profit (loss)	3,907	(16,223)
Operating subsidy by other governmental units	<u>-</u>	<u>26,667</u>
NET EARNINGS FOR THE YEAR	3,907	10,444
Accumulated deficit at beginning of year	<u>(19,484)</u>	<u>(29,928)</u>
Accumulated deficit at end of year	<u><u>\$(15,577)</u></u>	<u><u>\$(19,484)</u></u>

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

County of Muskegon
Solid Waste Management Fund

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31

	1977	1976
Sources of working capital		
From operations		
Net earnings for year	\$ 3,907	\$ 10,444
Applications of working capital		
Repayment of long-term advance	-	44,248
INCREASE (DECREASE) IN WORKING CAPITAL	3,907	(33,804)
Working capital deficit at beginning of year	(204,456)	(170,652)
Working capital deficit at end of year	\$(200,549)	\$(204,456)
Changes in components of working capital		
Increase (decrease) in current assets		
Cash	\$ -	\$ 50
Accounts receivable	(26,172)	(44,357)
	(26,172)	(44,307)
(Increase) decrease in current liabilities		
Cash overdraft	30,079	5,686
Due other funds	-	4,817
	30,079	10,503
INCREASE (DECREASE) IN WORKING CAPITAL	\$ 3,907	\$ (33,804)

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

County of Muskegon
Muskegon County Airport Fund

BALANCE SHEET

December 31

ASSETS	<u>1977</u>	<u>1976</u>
CURRENT ASSETS		
Petty cash	\$ 150	\$ 150
Accounts receivable		
Trade	48,995	38,519
State	-	1,487
Prepaid insurance	<u>8,400</u>	<u>12,445</u>
Total current assets	57,545	52,601
PROPERTY AND EQUIPMENT - AT COST (note F)	<u>4,238,841</u>	<u>4,216,729</u>
	<u>\$4,296,386</u>	<u>\$4,269,330</u>
 LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Cash overdraft (note C)	\$ 23,860	\$ 32,160
Accounts payable	15,807	12,367
Advance from state	<u>14,167</u>	<u>16,727</u>
Total current liabilities	53,834	61,254
 CONTRIBUTIONS IN AID OF CONSTRUCTION		
Federal government	1,621,956	1,483,994
State government	356,833	356,833
Muskegon County	2,391,115	2,391,115
Private sources	120,597	120,597
Depreciation charged against grants	<u>(279,684)</u>	<u>(162,644)</u>
	4,210,817	4,189,895
RETAINED EARNINGS	<u>31,735</u>	<u>18,181</u>
	<u>\$4,296,386</u>	<u>\$4,269,330</u>

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

County of Muskegon
Muskegon County Airport Fund

STATEMENT OF OPERATIONS

Year ended December 31

	1977	1976
Operating revenues		
Concessions, rentals, commissions and use charges		
Airfield	\$ 171,330	\$ 188,485
Hangars	58,016	57,843
Terminal	132,724	137,152
Other service areas	34,958	30,198
	397,028	413,678
Operating expenses		
Airfield	291,729	237,400
Hangars	39,549	33,059
Terminal	105,760	102,324
Other service areas	41,725	42,870
	478,763	415,653
Operating loss before depreciation	(81,735)	(1,975)
Depreciation		
On assets acquired with own funds	1,712	162
On assets acquired from contributions in aid of construction	117,040	162,644
	118,752	162,806
Operating loss	(200,487)	(164,781)
Other income		
Appropriations from general fund	97,001	24,046
NET LOSS	\$ (103,486)	\$ (140,735)
Disposition of net loss		
Net loss	\$ (103,486)	\$ (140,735)
Add credit arising from transfer of depreciation to contributions aid of construction	117,040	162,644
Income transferred to retained earnings	\$ 13,554	\$ 21,909

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

County of Muskegon
Muskegon County Airport Fund

STATEMENT OF RETAINED EARNINGS AND CONTRIBUTIONS
IN AID OF CONSTRUCTION

Year ended December 31

		<u>1977</u>
	<u>Retained earnings</u>	<u>Contributions in aid of construction</u>
Balances at beginning of year	\$18,181	\$4,189,895
Net loss for the year	13,554	(117,040)
Contributions in aid of construction by Federal government	<u>-</u>	<u>137,962</u>
Balances at end of year	<u>\$31,735</u>	<u>\$4,210,817</u>

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

<u>1976</u>	
<u>Retained earnings</u>	<u>Contributions in aid of construction</u>
\$ (3,728)	\$4,352,539
21,909	(162,644)
-	-
<u>\$18,181</u>	<u>\$4,189,895</u>

County of Muskegon
Muskegon County Airport Fund

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31

	1977	1976
Sources of working capital		
From operations		
Net loss for the year	\$(103,486)	\$(140,735)
Charges to operations not using working capital		
Depreciation of property and equipment	<u>118,752</u>	<u>162,806</u>
Working capital provided from operations	15,266	22,071
Contributions in aid of construction	<u>137,962</u>	-
	<u>153,228</u>	<u>22,071</u>
Applications of working capital		
Additions to property and equipment	140,864	5,176
Adjustment of contributions in aid of construction	-	21,821
	<u>140,864</u>	<u>26,997</u>
INCREASE (DECREASE) IN WORKING CAPITAL	12,364	(4,926)
Working capital deficit at beginning of year	<u>(8,653)</u>	<u>(3,727)</u>
Working capital (deficit) at end of year	<u>\$ 3,711</u>	<u>\$ (8,653)</u>
Changes in components of working capital		
Increase (decrease) in current assets		
Accounts receivable	\$ 8,989	\$ 6,078
Prepaid expenses	(4,045)	(1,593)
	<u>4,944</u>	<u>4,485</u>
(Increase) decrease in current liabilities		
Cash overdraft	8,300	8,986
Accounts payable	(3,440)	(1,670)
Advance from state	2,560	(16,727)
	<u>7,420</u>	<u>(9,411)</u>
DECREASE IN WORKING CAPITAL	<u>\$ 12,364</u>	<u>\$ (4,926)</u>

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

County of Muskegon
Muskegon Area Transit System Fund

BALANCE SHEET

December 31

ASSETS	<u>1977</u>	1976 (restated - note B) <u> </u>
CURRENT ASSETS		
Cash	\$ 150	\$ 650
Subsidies receivable from federal and state agencies	263,725	240,203
Prepaid insurance	<u>20,985</u>	<u>17,009</u>
Total current assets	284,860	257,862
PROPERTY AND EQUIPMENT (note F)		
Vehicles and equipment	305,569	16,427
Less accumulated depreciation	<u>40,638</u>	<u>3,194</u>
	<u>264,931</u>	<u>13,233</u>
	<u>\$549,791</u>	<u>\$271,095</u>
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Cash overdraft (note C)	\$224,315	\$243,130
Due other government units	2,517	1,254
Accrued payroll and benefits	<u>10,177</u>	<u>7,491</u>
Total current liabilities	237,009	251,875
CAPITAL CONTRIBUTIONS BY OTHER GOVERNMENTAL UNITS		
State	109,442	61,629
Federal	202,202	-
County of Muskegon	<u>50,000</u>	<u>50,000</u>
	<u>361,644</u>	<u>111,629</u>
ACCUMULATED DEFICIT	<u>(48,862)</u>	<u>(92,409)</u>
	<u>\$549,791</u>	<u>\$271,095</u>

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

County of Muskegon
Muskegon Area Transit System Fund

STATEMENT OF OPERATIONS

Year ended December 31

	<u>1977</u>	<u>1976</u> (restated - note B)
Operating revenues	\$ 77,382	\$ 57,350
Operating expenses	<u>535,330</u>	<u>460,129</u>
Operating loss	(457,948)	(402,779)
Other income		
Subsidies from other governmental units	444,137	407,077
Appropriations from general fund	<u>20,000</u>	<u>15,000</u>
EXCESS OF SUBSIDIES OVER OPERATING LOSS	<u>\$ 6,189</u>	<u>\$ 19,298</u>
Disposition of results of operations		
Excess of subsidies over operating loss	\$ 6,189	\$ 19,298
Add credit arising from transfer of depreciation to state and federal contributions	<u>37,358</u>	<u>2,738</u>
Transferred to accumulated deficit	<u>\$ 43,547</u>	<u>\$ 22,036</u>

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

County of Muskegon
Muskegon Area Transit System Fund

STATEMENT OF ACCUMULATED DEFICIT
AND CAPITAL CONTRIBUTIONS

Year ended December 31

	1977	
	Accumulated deficit	Capital contributions
Balances at beginning of year	\$(92,409)	\$111,629
Capital contributions		
State	-	57,475
Federal	-	229,898
Excess of subsidies over operating loss for the year	43,547	(37,358)
Balances at end of year	\$(48,862)	\$361,644

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

<u>1976</u>	
<u>Accumulated deficit</u>	<u>Capital contributions</u>
\$(114,445)	\$114,367
-	-
<u>22,036</u>	<u>(2,738)</u>
<u>\$ (92,409)</u>	<u>\$111,629</u>

County of Muskegon
Muskegon Area Transit System Fund

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31

	1977	1976 (restated - note B)
Sources of working capital		
From operations		
Excess of subsidies over operations loss for the year	\$ 6,189	\$ 19,298
Depreciation of equipment	<u>37,444</u>	<u>2,738</u>
Working capital provided from operations	43,633	22,036
Capital contributions	<u>287,373</u>	-
	<u>331,006</u>	<u>22,036</u>
Applications of working capital		
Additions to property and equipment	<u>289,142</u>	-
INCREASE IN WORKING CAPITAL	41,864	22,036
Working capital (deficit) at beginning of year	<u>5,987</u>	<u>(16,049)</u>
Working capital at end of year	<u>\$ 47,851</u>	<u>\$ 5,987</u>
Changes in components of working capital		
Increase (decrease) in current assets		
Cash	\$ (500)	\$ (25)
Subsidies receivable	23,522	10,511
Prepaid insurance	3,976	4,976
	<u>26,998</u>	<u>15,462</u>
(Increase) decrease in current liabilities		
Cash overdraft	18,815	7,053
Accounts payable	(1,263)	1,630
Accrued payroll and benefits	(2,686)	(2,109)
	<u>14,866</u>	<u>6,574</u>
INCREASE IN WORKING CAPITAL	<u>\$ 41,864</u>	<u>\$ 22,036</u>

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

County of Muskegon
Muskegon County Wastewater Management System - Number One

BALANCE SHEET

December 31

ASSETS	<u>1977</u>	<u>1976</u>
CURRENT ASSETS		
Cash	\$ 250	\$ 150
Accounts receivable		
Federal and state grants (note E)	972,312	1,367,777
User fees	458,718	409,812
Inventories		
Supplies	97,140	79,243
Farm crop	492,600	515,668
Prepaid expenses	91,190	41,991
Restricted assets available for debt retirement (note G)	<u>400,000</u>	<u>375,000</u>
Total current assets	2,512,210	2,789,641
PROPERTY AND EQUIPMENT - AT COST		
(note F)	38,265,821	39,076,724
RESTRICTED ASSETS (note G)		
Debt service fund		
Cash and certificates of deposit	547,476	585,433
User fees receivable	123,319	153,509
Accrued interest receivable	593	471
	<u>671,388</u>	<u>739,413</u>
Amount available for current debt retirement	<u>400,000</u>	<u>375,000</u>
	271,388	364,413
OTHER ASSETS		
Unamortized loan issue costs	153,586	167,246
Mortgage contracts receivable	16,104	17,510
	<u>169,690</u>	<u>184,756</u>
	<u>\$41,219,109</u>	<u>\$42,415,534</u>

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

LIABILITIES	<u>1977</u>	<u>1976</u>
CURRENT LIABILITIES		
Cash overdrafts (note C)	\$ 1,009,697	\$ 1,187,029
Notes payable to banks	-	4,964
Current maturities of long-term debt	400,000	375,000
Accounts payable	91,184	171,364
Advances from users	140,483	140,483
Accrued liabilities		
Salaries and wages	88,649	68,557
Tax reimbursements due townships	32,268	37,746
	<hr/>	<hr/>
Total current liabilities	1,762,281	1,985,143
 LONG-TERM DEBT (note G)		
5% - 6% general obligation bonds of 1972 payable serially to 1997	14,700,000	15,075,000
Less current maturities	400,000	375,000
	<u>14,300,000</u>	<u>14,700,000</u>
 CONTRIBUTIONS IN AID OF CONSTRUCTION (note E)		
	25,206,099	25,843,307
 ACCUMULATED DEFICIT		
	<u>(49,271)</u>	<u>(112,916)</u>
	<u>\$41,219,109</u>	<u>\$42,415,534</u>

County of Muskegon
Muskegon County Wastewater Management System - Number One

STATEMENT OF OPERATIONS

Year ended December 31

	1977	1976
Operating revenues		
User fees	\$1,808,264	\$1,749,738
Crop revenues		
Crop sales	562,477	629,148
Change in value of unsold crops held at end of year	(23,068)	367,318
Federal and state grants (note E)	105,478	128,170
Laboratory fees	39,269	8,500
Miscellaneous	6,287	7,707
	<u>2,498,707</u>	<u>2,890,581</u>
Operating expenses		
Operation	1,270,579	1,245,895
Laboratory and monitoring	214,841	182,118
Agricultural	485,083	450,551
Administration	130,385	217,082
Maintenance	121,919	132,379
	<u>2,222,807</u>	<u>2,228,025</u>
Operating profit before depreciation and amortization	275,900	662,556
Depreciation and amortization		
On machinery and equipment	156,801	127,620
On assets acquired from contributions in aid of construction	1,059,741	1,053,813
	<u>1,216,542</u>	<u>1,181,433</u>
Operating loss	(940,642)	(518,877)
Other (income) or deductions		
Sale of machinery and equipment	(4,195)	(25,421)
Interest earned	(39,246)	(42,039)
User fees for debt service (net)	(837,953)	(802,042)
Interest expense	935,794	961,619
Miscellaneous (net)	1,054	741
	<u>55,454</u>	<u>92,858</u>
NET LOSS	<u>\$ (996,096)</u>	<u>\$ (611,735)</u>
Disposition of net loss		
Net loss	\$ (996,096)	\$ (611,735)
Add credit arising from transfer of depreciation and amortization to contributions in aid of construction	1,059,741	1,053,813
Income transferred to accumulated deficit	<u>\$ 63,645</u>	<u>\$ 442,078</u>

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

County of Muskegon
Muskegon County Wastewater Management System - Number One

STATEMENT OF ACCUMULATED DEFICIT AND CONTRIBUTIONS
IN AID OF CONSTRUCTION

Year ended December 31

		1977
	<u>Accumulated deficit</u>	<u>Contributions in aid of construction</u>
Balances at beginning of year	\$(112,916)	\$25,843,307
Net loss for the year	63,645	(1,059,741)
Contributions in aid of construction		
Users	-	375,000
Federal revenue sharing	-	47,533
Balances at end of year	<u>\$ (49,271)</u>	<u>\$25,206,099</u>

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

<u>1976</u>	
<u>Accumulated deficit</u>	<u>Contributions in aid of construction</u>
\$(554,994)	\$26,547,120
442,078	(1,053,813)
-	350,000
-	-
<u>\$(112,916)</u>	<u>\$25,843,307</u>

County of Muskegon
Muskegon County Wastewater Management System - Number One

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31

Sources of working capital

From operations

Net loss for the year

Charges to operations not using
working capital

Depreciation of property and equipment

Amortization of deferred loan issue costs

Working capital provided from operations

Contributions in aid of construction

Decrease in mortgage contracts receivable

Disposition of equipment

Decrease in restricted assets

Applications of working capital

Additions to property and equipment

Current maturities of long-term debt

INCREASE (DECREASE) IN WORKING CAPITAL

Working capital at beginning of year

Working capital at end of year

Changes in components of working capital

Increase (decrease) in current assets

Cash

Accounts receivable and due from other funds

Inventories

Prepaid expenses

Restricted assets available for debt retirement

(Increase) decrease in current liabilities

Cash overdrafts

Notes payable

Current maturities of long-term debt

Accounts payable

Accrued liabilities

INCREASE (DECREASE) IN WORKING CAPITAL

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

<u>1977</u>	<u>1976</u>
\$ (996,096)	\$ (611,735)
1,202,882	1,167,773
<u>13,660</u>	<u>13,660</u>
220,446	569,698
422,533	350,000
1,406	1,065
19,751	32,795
93,025	65,784
<u>757,161</u>	<u>1,019,342</u>
411,730	530,938
400,000	375,000
<u>811,730</u>	<u>905,938</u>
(54,569)	113,404
<u>804,498</u>	<u>691,094</u>
\$ <u>749,929</u>	\$ <u>804,498</u>
\$ 100	\$ -
(346,559)	(608,677)
(5,171)	346,356
49,199	4,539
25,000	25,000
<u>(277,431)</u>	<u>(232,782)</u>
177,332	(780,275)
4,964	1,085,757
(25,000)	(25,000)
80,180	77,642
(14,614)	(11,938)
<u>222,862</u>	<u>346,186</u>
\$ <u>(54,569)</u>	\$ <u>113,404</u>

INTRAGOVERNMENTAL SERVICE FUNDS

Intragovernmental service funds are established to finance and account for services and commodities furnished by a designated agency of a governmental unit to other departments of that same governmental unit. Resources for the establishment of intragovernmental funds are derived from one or more of the following sources - contributions from another operating fund, sale of general obligation bonds and by long-term advances from other funds.

Specific Funds

- Delinquent Tax Revolving Funds -

The delinquent tax revolving fund is used to account for monies borrowed in anticipation of delinquent taxes being collected. The purpose of this fund is to pay each local unit, including the county's general fund, their respective shares of property taxes that are not collected as of March 1st of each year, but are returned delinquent.

- Central Stores -

This fund is used to account for the purchase and distribution of operating supplies to all county departments.

- Self-Insurance Fund -

This fund is used to account for revenues collected from user departments for the payment of insurance premiums and claims. The county is self-insured for workmens compensation, unemployment insurance and collision insurance of its automobile fleet.

- Drain Revolving -

The drain revolving fund is used to account for monies spent by the drain commissioner prior to actual levies for specific drain work. The monies for this purpose are loaned from the county general fund and replenished as assessments are made.

County of Muskegon
Intragovernmental Service Funds

COMBINED BALANCE SHEET

December 31, 1977

	Delinquent Tax <u>Revolving</u>
ASSETS	
Cash	\$5,356,778
Accounts receivable	-
Unlevied assessments receivable	-
Delinquent taxes receivable	3,479,046
Inventory	-
	<u>\$8,835,824</u>
LIABILITIES AND RETAINED EARNINGS	
Accounts payable	\$ 1,752
Due other funds	-
Accrued interest payable	55,798
Tax anticipation notes payable	8,110,000
Long-term advance from general fund	-
	<u>8,167,550</u>
Retained earnings	
Appropriated	-
Unappropriated	668,274
	<u>668,274</u>
	<u>\$8,835,824</u>

<u>Central Stores</u>	<u>Self Insurance</u>	<u>Drain Revolving</u>	<u>Combined total (memorandum only)</u>
\$ 6,747	\$744,009	\$ 9,787	\$6,117,321
5,330	-	-	5,330
-	-	73,310	73,310
-	-	-	3,479,046
<u>18,763</u>	<u>-</u>	<u>-</u>	<u>18,763</u>
<u>\$30,840</u>	<u>\$744,009</u>	<u>\$83,097</u>	<u>\$9,693,770</u>
\$ 840	\$182,448	\$ -	\$ 185,040
-	-	21,597	21,597
-	-	-	55,798
-	-	-	8,110,000
30,000	-	61,500	91,500
<u>30,840</u>	<u>182,448</u>	<u>83,097</u>	<u>8,463,935</u>
-	149,399	-	149,399
-	412,162	-	1,080,436
<u>-</u>	<u>561,561</u>	<u>-</u>	<u>1,229,835</u>
<u>\$30,840</u>	<u>\$744,009</u>	<u>\$83,097</u>	<u>\$9,693,770</u>

County of Muskegon
Delinquent Tax Revolving Funds

BALANCE SHEETS

December 31, 1977

ASSETS	<u>1974</u>	<u>1975</u>
Cash	\$1,314,814	\$1,719,855
Delinquent taxes receivable (note G)	<u>192,725</u>	<u>1,108,961</u>
	<u>\$1,507,539</u>	<u>\$2,828,816</u>
LIABILITIES AND FUND BALANCES		
Accounts payable	\$ -	\$ -
Accrued interest payable	9,945	18,013
Tax anticipation notes payable (note G)	<u>1,170,000</u>	<u>2,620,000</u>
	<u>1,179,945</u>	<u>2,638,013</u>
Retained earnings	<u>327,594</u>	<u>190,803</u>
	<u>\$1,507,539</u>	<u>\$2,828,816</u>

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

<u>1976</u>	<u>1977</u>	<u>Combined total (memorandum only)</u>
\$2,320,265	\$1,844	\$5,356,778
<u>2,177,360</u>	<u>-</u>	<u>3,479,046</u>
<u>\$4,497,625</u>	<u>\$1,844</u>	<u>\$8,835,824</u>
\$ -	\$1,752	\$ 1,752
27,840	-	55,798
<u>4,320,000</u>	<u>-</u>	<u>8,110,000</u>
<u>4,347,840</u>	<u>1,752</u>	<u>8,167,550</u>
<u>149,785</u>	<u>92</u>	<u>668,274</u>
<u>\$4,497,625</u>	<u>\$1,844</u>	<u>\$8,835,824</u>

County of Muskegon
Delinquent Tax Revolving Funds

STATEMENT OF EARNINGS AND RETAINED EARNINGS

Year ended December 31, 1977

	<u>1973</u>	<u>1974</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>
Revenues					
Penalties and interest on delinquent taxes	\$ 42,303	\$209,557	\$166,787	\$157,821	\$ 76
Tax sale fees	4,994	7,809	656	-	-
Interest earned on investments	16,781	65,970	70,699	80,683	16
	<u>64,078</u>	<u>283,336</u>	<u>238,142</u>	<u>238,504</u>	<u>92</u>
Expenses					
Interest expense	<u>30,820</u>	<u>81,281</u>	<u>133,300</u>	<u>88,800</u>	<u>-</u>
NET EARNINGS	\$ 33,258	202,055	104,842	149,704	92
Retained earnings at January 1, 1977					
	139,908	125,539	85,961	81	-
Transfer to general fund					
	<u>(173,166)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Retained earnings at December 31, 1977					
	<u>\$ -</u>	<u>\$327,594</u>	<u>\$190,803</u>	<u>\$149,785</u>	<u>\$ 92</u>

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

County of Muskegon
Central Stores Fund

BALANCE SHEET

December 31, 1977

ASSETS

Cash	\$ 6,747
Accounts receivable	5,330
Inventory of supplies	<u>18,763</u>
	<u>\$30,840</u>

LIABILITIES

Accounts payable	\$ 840
Long-term advance from general fund	<u>30,000</u>
	<u>\$30,840</u>

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

County of Muskegon
Central Stores Fund

STATEMENT OF EARNINGS

Year ended December 31, 1977

Billings to departments		\$139,439
Cost of materials used		
Inventory at January 1, 1977	\$ 20,804	
Net purchases	<u>138,375</u>	
	<u>159,179</u>	
Inventory at December 31, 1977	<u>18,763</u>	<u>140,416</u>
Gross profit (loss)		(977)
Operating expenses		
Supplies	550	
Insurance	107	
Other services and charges	300	
Capital outlay	<u>309</u>	<u>1,266</u>
Operating loss		(2,243)
Nonoperating revenue		
General fund contribution		<u>2,243</u>
NET EARNINGS		<u>\$ -</u>

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

County of Muskegon
Self Insurance Fund

BALANCE SHEET

December 31, 1977

ASSETS

Cash		<u>\$744,009</u>
		<u>\$744,009</u>

LIABILITIES AND RETAINED EARNINGS

Accounts payable		\$182,448
Retained earnings		
Appropriated	\$149,399	
Unappropriated	<u>412,162</u>	<u>561,561</u>
		<u>\$744,009</u>

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

County of Muskegon
Self Insurance Fund

STATEMENT OF EARNINGS

Year ended December 31, 1977

Revenues	
Interest earned	\$ 41,279
Insurance premiums collected	
Unemployment	165,255
Workmens compensation	224,791
Other reimbursements	<u>930</u>
	432,255
Expenses	
Unemployment benefits	174,567
Workmens compensation	68,287
Other insurance claims	24,396
Insurance premiums	80,251
	<u>347,501</u>
NET EARNINGS	\$ <u>84,754</u>

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

County of Muskegon
Self Insurance Fund

STATEMENT OF CHANGES IN RETAINED EARNINGS

Year ended December 31, 1977

	<u>Appropriated</u>	<u>Unappropriated</u>	<u>Total</u>
Retained earnings at January 1, 1977	\$ -	\$ 476,807	\$476,807
Net earnings for the year	-	84,754	84,754
Appropriation for workmens compensation reserves	<u>149,399</u>	<u>(149,399)</u>	<u>-</u>
Retained earnings at December 31, 1977	<u>\$149,399</u>	<u>\$ 412,162</u>	<u>\$561,561</u>

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

County of Muskegon
Drain Revolving Fund

BALANCE SHEET

December 31, 1977

ASSETS

Cash	\$ 9,786
Unlevied assessments receivable	<u>73,310</u>
	<u>\$83,096</u>

LIABILITIES

Due to other funds	\$21,596
Long-term advance from general fund	<u>61,500</u>
	<u>\$83,096</u>

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

TRUST AND AGENCY FUNDS

These funds serve the purpose of accounting for monies which are held by the county in the capacity of a trustee. Monies in this fund come from current tax collections, delinquent tax collections and payroll deductions and are later distributed to those parties for whom the county is acting as an agent.

Specific Funds

- Trust and Agency Fund -

This fund is used to hold monies for later distribution to other agencies or persons. Specifically, the district court holds ordinance fines and costs, appearance bonds, garnishments and restitutions, the treasurer holds accounts including tax reverted lands, swamp land taxes, payments in lieu of taxes and current real and personal property taxes, the administration holds social security payments, retirement payments, state withheld income taxes and other payroll deductions, as trustees for other county agencies, other governmental units or private persons.

- Cemetary Trust -

This is a trust fund to care for cemetary plots of specific individuals who have willed monies in trust to the county treasurer for perpetual care of their grave sites. This fund is provided by state statute.

- Medical Care Facility -

This trust fund is an endowment for repairs, maintenance and improvements to the county medical care facility, which provides extended basic and skilled nursing care to the county residents.

- Cooperative Extension Trust Fund -

This fund is used to account for monies collected for specific areas in the county's 4-H and extension program and later used to enhance that designated program.

- Library Penal Fine Fund -

This fund is used to account for monies received from district court fines in accordance with state statutes, which are allocated annually for operations of the county libraries.

County of Muskegon
Trust and Agency Funds

BALANCE SHEETS

December 31, 1977

ASSETS	<u>Trust and Agency</u>
Cash	\$495,034
Certificates of deposit	-
Accounts receivable	<u>22,622</u>
	<u>\$517,656</u>
LIABILITIES	
Undistributed current taxes	\$284,626
Undistributed delinquent taxes	12,987
Due to State of Michigan	
Court fines and fees	8,960
Other	27,174
Fines and fees due to local municipalities and libraries	24,643
Trust deposits, etc.	150,114
Unallocated receipts	<u>9,152</u>
	<u>\$517,656</u>

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

<u>Cemetery Trust</u>	<u>Medical Care Facility Endowment</u>	<u>Library Penal Fine</u>	<u>Cooperative Extension Trust</u>	<u>Combined total (memorandum only)</u>
\$ 906	\$ 7,205	\$67,300	\$2,640	\$573,085
10,837	35,000	-	-	45,837
-	-	-	-	22,622
<u>\$11,743</u>	<u>\$42,205</u>	<u>\$67,300</u>	<u>\$2,640</u>	<u>\$641,544</u>
\$ -	\$ -	\$ -	\$ -	\$284,626
-	-	-	-	12,987
-	-	-	-	8,960
-	-	-	-	27,174
-	-	-	-	24,643
11,743	42,205	-	-	204,062
-	-	67,300	2,640	79,092
<u>\$11,743</u>	<u>\$42,205</u>	<u>\$67,300</u>	<u>\$2,640</u>	<u>\$641,544</u>

County of Muskegon
Trust and Agency Funds

STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS

December 31, 1977

	<u>Trust and Agency</u>
Cash balance at January 1, 1977	\$ 741,753
Receipts	
Cemetery care deposits	-
Interest earned	-
Penal fines and fees	367,303
4-H sponsored program receipts	-
Property and other tax collections	9,081,644
School tax collections	31,139
Payroll taxes and employee fringe benefits	2,419,683
Zoning fees collected	19,635
Trust monies for other county funds	4,411,676
Court specified payments	136,569
Patients and inmates funds	335,210
Bonds and other court-held monies	151,760
Other	3,348
Total receipts	<u>16,957,967</u>
Total cash available	17,699,720
Disbursements	
Investments purchased	-
Maintenance	-
Payments of penal fines to local units and libraries	433,762
Expenses of 4-H sponsored programs	-
Property and other taxes	9,262,079
School taxes	31,139
Payroll taxes and employee fringe benefits	2,420,768
Zoning fees transferred	19,666
Trust monies for other county funds	4,406,377
Court specified payments	137,409
Patients and inmates funds	335,531
Bonds and other court-held funds	133,376
Other	24,579
Total disbursements	<u>17,204,686</u>
Cash balance at December 31, 1977	<u>\$ 495,034</u>

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

<u>Cemetery Trust</u>	<u>Medical Care Facility Endowment</u>	<u>Library Penal Fine</u>	<u>Cooperative Extension Trust</u>
\$ 731	\$5,300	\$ 79,775	\$ -
5,837	-	-	-
300	1,905	3,263	-
-	-	132,034	-
-	-	-	11,758
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>6,137</u>	<u>1,905</u>	<u>135,297</u>	<u>11,758</u>
6,868	7,205	215,072	11,758
5,837	-	-	-
125	-	-	-
-	-	147,772	-
-	-	-	9,118
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>5,962</u>	<u>-</u>	<u>147,772</u>	<u>9,118</u>
<u>\$ 906</u>	<u>\$7,205</u>	<u>\$ 67,300</u>	<u>\$ 2,640</u>

SPECIAL ASSESSMENT FUNDS

These funds are used to account for the financing of certain public improvements including drain, water and sewage construction projects. These are generally paid by special assessments levied against the users or benefited property owners.

Specific Funds

- Drain Fund -

This fund is used to account for monies received and expended by the drain commissioner for the purpose of proper drainage within the county.

- Muskegon County Sewage Collection and Disposal System #1 -

This fund is used to account for the construction of a sewage collection system in the City of Norton Shores. This was a public improvement undertaken by the county under the provision of Act 185 of the Michigan Public Acts of 1957, as amended.

- Muskegon County Water Supply System #1 -

This fund is used to account for the construction of a water improvement system in Muskegon County to serve the Township of Fruitport, the Village of Fruitport and the City of Norton Shores. This improvement was authorized in accordance with the provisions of Act 185 of the Michigan Public Acts of 1957, as amended.

- Muskegon County Water Supply System #2 -

This fund is used to account for construction of improvements to the existing water supply system in the City of Muskegon. This improvement was authorized in accordance with the provisions of Act 185 of the Michigan Public Acts of 1957, as amended.

- Muskegon County Sewage Collection and Disposal System #1, Series II -

This fund is used to account for the construction of sewer extensions and improvements to the existing sewage collection system in Muskegon County to service the City of Norton Shores. This construction was authorized in accordance with the provisions of Act 185 of the Michigan Public Acts of 1957, as amended.

- Muskegon County Sewage Collection and Disposal System #1, Series III -

This fund is used to account for the construction of sewer extension and improvements to the existing sewage collection system in Muskegon County to service the City of Norton Shores. This construction was authorized in accordance with the provisions of Act 185 of the Michigan Public Acts of 1957, as amended.

- Muskegon County Special Assessment Wastewater - System #1
Improvement -

This fund is used to account for the construction of improvements to the wastewater management system. These improvements consist of modifications to the City of Whitehall site.

- Muskegon County 1975 Motor Vehicle Highway Fund -

This fund is used to account for the retirement of bonds that were issued in anticipation of the Michigan motor vehicle highway fund payments to be received by the board of county road commissioners of the County of Muskegon for the purpose of paying the cost of various county highway improvement projects. These bonds are authorized by Act 51 of the Public Acts of Michigan of 1951, as amended.

- Fison Corporation Construction -

This fund was used to account for monies given to the county for the purpose of constructing a connecting line to the county sewage collection system.

County of Muskegon
Special Assessment Funds

BALANCE SHEETS

December 31, 1977

ASSETS	<u>Muskegon County Sewage Collection and Disposal System No. 1</u>	<u>Muskegon County Water Supply System No. 1</u>
Cash and certificates of deposit	\$ 19,001	\$1,119,245
Cash with fiscal agent	-	-
Drain assessments receivable		
Current	-	-
Deferred	-	-
Due from local municipalities (note G)	640,000	5,750,000
Due from private enterprise (note G)	-	-
Due from other agency	-	-
	<u>\$659,001</u>	<u>\$6,869,245</u>
 LIABILITIES AND FUND BALANCES		
Accounts payable	\$ -	\$ 302
Drain orders payable	-	-
Bonds payable (note G)	640,000	5,750,000
	<u>640,000</u>	<u>5,750,302</u>
Fund balances	19,001	1,118,943
	<u>\$659,001</u>	<u>\$6,869,245</u>

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

Muskegon County Water Supply System No. 2	Muskegon County Sewage Collection and Disposal System No. 1 Series II	Muskegon County Sewage Collection and Disposal System No. 1 Series III	Muskegon County Special Assessment Wastewater System No. 1 Improvement	Muskegon County 1975 Motor Vehicle Highway	Fison's Corporation Construction	Drain Fund	Combined total (memorandum only)
\$ 50,159 211,200	\$ 195,580 -	\$ 190,858 -	\$310,378 -	\$ 147,171 -	\$4,671 -	\$244,245 -	\$ 2,281,308 211,200
-	-	-	-	-	-	159,441 117,954	159,441 117,954
3,850,000	2,125,000	1,174,000	-	-	-	-	13,539,000
-	-	-	381,000	-	-	-	381,000
-	-	-	-	1,675,000	-	-	1,675,000
<u>\$4,111,359</u>	<u>\$2,320,580</u>	<u>\$1,364,858</u>	<u>\$691,378</u>	<u>\$1,822,171</u>	<u>\$4,671</u>	<u>\$521,640</u>	<u>\$18,364,903</u>
\$ 330 -	\$ - -	\$ 653 -	\$ 2,442 -	\$ - -	\$ - -	\$ - 210,600	\$ 3,727 210,600
3,950,000	2,125,000	1,175,000	600,000	1,675,000	-	-	15,915,000
3,950,330	2,125,000	1,175,653	602,442	1,675,000	-	210,600	16,129,327
161,029	195,580	189,205	88,936	147,171	4,671	311,040	2,235,576
<u>\$4,111,359</u>	<u>\$2,320,580</u>	<u>\$1,364,858</u>	<u>\$691,378</u>	<u>\$1,822,171</u>	<u>\$4,671</u>	<u>\$521,640</u>	<u>\$18,364,903</u>

County of Muskegon
Special Assessment Funds

STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCES

Year ended December 31, 1977

	<u>Muskegon County Sewage Collection and Disposal System No. 1</u>	<u>Muskegon County Water Supply System No. 1</u>
Revenues		
Contract payments by local units		
For bond principal	\$120,000	\$ 100,000
For other expenses	31,120	351,613
Interest earned	435	58,709
	<u>151,555</u>	<u>510,322</u>
Expenditures		
Debt retirement	120,000	100,000
Interest	31,120	351,613
Engineering and construction costs	-	178,976
Paying agent fees	132	449
Other charges and services	-	3,375
Refund of unused special assessments	-	-
	<u>151,252</u>	<u>634,413</u>
REVENUES OVER (UNDER) EXPENDITURES	303	(124,091)
Fund balances at January 1, 1977	<u>18,698</u>	<u>1,243,034</u>
Fund balances at December 31, 1977	<u>\$ 19,001</u>	<u>\$1,118,943</u>

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

<u>Muskegon County Water Supply System No. 2</u>	<u>Muskegon County Sewage Collection and Disposal System No. 1 Series II</u>	<u>Muskegon County Sewage Collection and Disposal System No. 1 Series III</u>	<u>Muskegon County Special Assessment Wastewater System No. 1 Improvement</u>	<u>Muskegon County 1975 Motor Vehicle Highway</u>	<u>Fison's Corporation Construction</u>
\$100,000	\$ 25,000	\$ 25,000	\$150,000	\$ 175,000	\$ -
222,189	153,825	84,050	-	89,889	-
3,965	11,739	12,623	12,330	36,920	2,105
<u>326,154</u>	<u>190,564</u>	<u>121,673</u>	<u>162,330</u>	<u>301,809</u>	<u>2,105</u>
100,000	25,000	25,000	150,000	175,000	-
225,550	153,825	84,050	34,425	89,713	-
49,812	99,184	196,800	18,038	930,000	36,096
315	132	281	141	176	-
-	-	2,048	972	-	-
-	-	-	-	-	55,382
<u>375,677</u>	<u>278,141</u>	<u>308,179</u>	<u>203,576</u>	<u>1,194,889</u>	<u>91,478</u>
(49,523)	(87,577)	(186,506)	(41,246)	(893,080)	(89,373)
<u>210,552</u>	<u>283,157</u>	<u>375,711</u>	<u>130,182</u>	<u>1,040,251</u>	<u>94,044</u>
<u>\$161,029</u>	<u>\$195,580</u>	<u>\$ 189,205</u>	<u>\$ 88,936</u>	<u>\$ 147,171</u>	<u>\$ 4,671</u>

GENERAL FIXED ASSETS GROUP OF ACCOUNTS

This group of accounts is used to reflect the general fixed assets of the county used in its operations.

County of Muskegon
General Fixed Assets

STATEMENT OF GENERAL FIXED ASSETS

December 31, 1977

General fixed assets	
Land	\$ 565,456
Land improvements	13,147
Buildings	8,043,131
Building additions and improvements	568,736
Machinery and equipment	101,218
Vehicles	204,924
Office furniture and fixtures	<u>935,803</u>
	<u>\$10,432,415</u>
Investment in general fixed assets	
From current revenues, general obligation bonds, grants and contributions	<u>\$10,432,415</u>

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

GENERAL LONG-TERM DEBT GROUP OF ACCOUNTS

The general obligation debt of the county is reflected in this group of accounts.

County of Muskegon
 STATEMENT OF LONG-TERM DEBT
 December 31, 1977

AMOUNT AVAILABLE AND TO BE PROVIDED
 FOR THE PAYMENT OF LONG-TERM DEBT

Medical care facility bonds			
Amount available in debt service fund	\$154,261		
Amount to be provided	<u>770,739</u>	\$ 925,000	
5-1/2% land contract payable			
Amount available in public improvement fund			<u>117,535</u>
			<u>\$1,042,535</u>

LONG-TERM DEBT PAYABLE

General obligation bonds			\$ 925,000
Land contract payable			<u>117,535</u>
			<u>\$1,042,535</u>

Note: The full faith and credit of the county is also pledged for repayment of the Muskegon County Wastewater Management System - Number One revenue bonds (note G).

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

SUPPLEMENTAL INFORMATION

County of Muskegon
Mental Health Fund

DETAILED STATEMENT OF REVENUES AND EXPENDITURES

Year ended September 30, 1977

Revenues

Patient charges and private insurance	\$ 154,003
Federal grants for mental health	224,438
Federal grant - CETA	141,217
State grants	1,446,051
Reimbursements by other agencies	32,132
United Appeal allocation	58,813
Miscellaneous revenues	6,884
General fund appropriation	92,500
	<u>2,156,038</u>

Expenditures

Business office	28,682
Accounting office	31,861
Dietary	110,824
Housekeeping	89,295
Maintenance	90,424
Nursing services	118,194
Psychiatric attendants	148,668
Psychiatric medical services	108,294
Pharmacy	10,022
Medical records	42,007
Social workers	22,287
Occupational therapy	21,980
Clerical	48,197
Services to mentally retarded	145,210
Adult activity	97,436
Residential foster care	45,025
Life consultation	97,624
Community placement	32,821
Outpatient services	723,687
Board administrative expenses	136,099
CETA financed salaries	141,217
	<u>2,289,854</u>

EXCESS OF EXPENDITURES OVER REVENUES

\$ (133,816)

County of Muskegon
Muskegon Area Transit System Fund

OPERATING REVENUES AND OTHER INCOME

Year ended December 31, 1977

Operating revenues	
Fare revenues	
Regular	\$ 57,867
Handi-van	791
Charter service	4,036
Industrial tripper	<u>14,688</u>
	<u>\$ 77,382</u>
Other income	
Operating assistance	
Federal	\$210,752
State	
Regular	165,892
Local	
Regular	<u>67,493</u>
	<u>\$444,137</u>

County of Muskegon
Muskegon Area Transit System Fund

OPERATING EXPENSES

Year ended December 31, 1977

Salaries and wages	\$202,927
Payroll benefits	72,330
Office expense	1,959
Gas, oil, grease and anti-freeze	39,775
Memberships and dues	418
Telephone	1,253
Professional services	1,965
Travel and auto allowances	1,276
Public information	14,157
Transit insurance	26,142
General liability insurance	2,535
Vehicle maintenance and repair	104,817
Indirect administrative cost allocation	16,836
Interest expense	11,496
Depreciation	
On equipment	86
On assets acquired from capital contributions by other governmental units	<u>37,358</u>
	<u>\$535,330</u>

County of Muskegon
Muskegon County Wastewater Management System - Number One

PROPERTY AND EQUIPMENT

Year ended December 31, 1977

	Assets			
	Balance January 1, 1977	Additions	Sales and retirements	
Lagoons and other land improvements				
Lagoons and road clearing	\$ 9,482,893	\$ -	\$ -	\$ 9,482,893
Fence	130,556	-	-	130,556
Road improvements	129,474	-	-	129,474
Other land improvements	1,326,749	-	-	1,326,749
	<u>11,069,672</u>	<u>-</u>	<u>-</u>	<u>11,069,672</u>
Buildings	1,030,682	46,585	-	1,077,267
Machinery and equipment				
Vehicles	64,116	12,644	4,246	72,514
Laboratory equipment	109,658	18,432	5,450	122,640
Farm machinery and equipment	796,487	155,754	23,731	928,510
Radio equipment	110,610	13,688	-	124,298
Wastewater treatment equipment	158,569	6,569	-	165,138
Irrigation equipment	1,359,012	-	-	1,359,012
Office furniture and equipment	13,304	-	-	13,304
	<u>2,611,756</u>	<u>207,087</u>	<u>33,427</u>	<u>2,785,416</u>
Wastewater collection and distribution system				
Pipes, lift stations, etc.	14,420,590	150,949	-	14,571,539
Mechanical and electrical	3,917,848	16,033	-	3,933,881
	<u>18,338,438</u>	<u>166,982</u>	<u>-</u>	<u>18,505,420</u>
Capitalized interest and engineering costs				
Interest	880,948	-	-	880,948
Engineering costs	2,312,918	-	-	2,312,918
	<u>3,193,866</u>	<u>-</u>	<u>-</u>	<u>3,193,866</u>
	<u>36,244,414</u>	<u>420,654</u>	<u>33,427</u>	<u>36,631,641</u>
Land	6,648,328	6,900	-	6,655,228
Construction in progress	15,824	(15,824)	-	-
	<u>\$42,908,566</u>	<u>\$411,730</u>	<u>\$33,427</u>	<u>\$43,286,869</u>

Accumulated depreciation				
Balance January 1, 1977	Current year provision	Sales and retirements	Balance December 31, 1977	Net amounts December 31, 1977
\$ 331,260	\$ 94,822	\$ -	\$ 426,082	\$ 9,056,811
15,232	4,352	-	19,584	110,972
9,008	2,591	-	11,599	117,875
46,422	13,327	-	59,749	1,267,000
<u>401,922</u>	<u>115,092</u>	<u>-</u>	<u>517,014</u>	<u>10,552,658</u>
71,230	21,688	-	92,918	984,349
30,506	22,185	2,713	49,978	22,536
35,187	11,287	2,316	44,158	78,482
143,273	92,088	8,647	226,714	701,796
27,963	11,025	-	38,988	85,310
49,672	16,489	-	66,161	98,977
226,502	90,601	-	317,103	1,041,909
4,153	1,330	-	5,483	7,821
<u>517,256</u>	<u>245,003</u>	<u>13,676</u>	<u>748,585</u>	<u>2,036,831</u>
2,013,364	581,512	-	2,594,876	11,976,663
606,054	175,780	-	781,834	3,152,047
<u>2,619,418</u>	<u>757,292</u>	<u>-</u>	<u>3,376,710</u>	<u>15,128,710</u>
61,666	17,619	-	79,285	801,663
160,350	46,186	-	206,536	2,106,382
<u>222,016</u>	<u>63,805</u>	<u>-</u>	<u>285,821</u>	<u>2,908,045</u>
3,831,842	1,202,882	13,676	5,021,048	31,610,593
-	-	-	-	6,655,228
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$3,831,842</u>	<u>\$1,202,882</u>	<u>\$13,676</u>	<u>\$5,021,048</u>	<u>\$38,265,821</u>

STATISTICAL SECTION

County of Muskegon

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION

Ten years ended December 31, 1977
(Unaudited)

Year ended December 31	Legislative	Judicial	General County Government	Public Safety	Health	Welfare	Libraries	Recreation	Other	Total
1968	\$ 42,816	\$ 450,239	\$ 763,862	\$ 490,031	\$ 601,132	\$ 851,551	\$ 69,527	\$ 32,000	\$ 451,879	\$ 3,753,037
1969	81,084	606,271	859,037	556,789	628,691	963,206	63,950	20,000	279,719	4,058,747
1970	68,147	642,665	915,849	567,481	564,398	1,156,759	45,000	20,000	376,281	4,356,580
1971	68,684	752,387	864,013	611,685	490,912	820,546	40,000	15,000	573,252	4,236,479
1972	74,193	814,979	1,149,031	707,642	383,549	1,320,302	65,000	16,000	549,438	5,080,134
1973	77,584	1,068,347	1,700,439	1,169,576	582,872	1,033,223	73,000	18,000	772,881	6,495,922
1974	74,861	1,315,489	1,952,254	1,410,164	771,445	1,363,006	90,222	18,000	1,013,573	8,009,014
1975	107,381	1,451,128	1,913,055	1,505,494	932,405	1,360,702	23,419	18,092	621,999	7,933,675
1976	100,694	1,597,178	2,079,017	1,733,780	708,320	1,040,609	131,529	25,000	292,595	7,708,722
1977	106,993	1,761,328	2,428,252	1,897,688	750,928	871,415	123,315	25,000	379,344	8,344,263

County of Muskegon

SUMMARY OF REVENUES

Ten years ended December 31, 1977
(Unaudited)

Year ended December 31	Taxes	Licenses and permits	Fines and forfeits	Use of money and property	Other agencies	Current services	Sales	Reimbursements	Miscellaneous	Refunds	Total revenues
1968	\$3,106,186	\$ 28,062	\$ 2,280	\$ 95,745	\$ 31,045	\$289,535	\$ 91,382	\$ 3,615	\$ 117	\$ 84,062	\$3,732,029
1969	2,831,860	36,548	2,496	77,237	597,937	337,874	7,051	4,657	425,856	11,678	4,333,194
1970	3,021,992	59,692	70,643	80,968	657,058	320,035	3,509	9,828	91,736	2,309	4,317,770
1971	3,475,204	55,186	104,908	72,801	592,474	349,693	6,048	2,946	39,195	276,974	4,975,429
1972	3,795,122	64,895	99,697	96,979	805,845	417,775	-	-	280,747	-	5,561,060
1973	4,215,216	64,442	241,276	284,372	1,763,816	475,634	25,026	7,504	-	15	7,077,301
1974	4,704,531	62,710	222,632	502,711	1,235,717	458,666	100,966	21,884	-	6,585	7,316,402
1975	4,636,629	58,041	288,746	351,966	1,384,935	537,113	144,778	179,670	-	311	7,582,189
1976	4,816,513	55,163	265,352	226,577	1,446,144	581,513	172,324	58,343	24,381	-	7,646,310
1977	5,136,256	100,527	269,135	276,135	1,747,554	683,805	138,284	29,383	-	-	8,381,079

County of Muskegon

PROPERTY TAX LEVIES AND COLLECTIONS

Ten years ended December 31, 1977
(Unaudited)

Year ended December 31	Total tax levy	Current tax collections	Per cent of levy collected	Delinquent tax collections	Total tax collections	Ratio of collections to current levy	Outstanding delinquent taxes	Ratio of delinquent taxes outstanding to current tax levy
1968	\$2,744,278	\$2,477,968	90.30%	\$249,520	\$2,727,488	99.38%	\$236,790	8.63%
1969	2,967,217	2,628,440	88.58	284,274	2,912,714	98.16	291,293	9.82
1970	3,076,888	2,846,257	92.50	358,894	3,205,151	104.16	163,030	5.30
1971	3,943,475	3,530,715	89.53	375,363	3,906,078	99.05	200,427	5.08
1972	4,140,097	3,740,274	90.34	339,574	4,079,848	98.54	260,427	6.29
1973	4,284,795	3,862,950	90.15	648,132	4,511,082	105.28	34,388	.80
1974	4,563,100	4,056,309	88.89	526,780	4,583,089	100.43	14,399	.32
1975	4,623,007	4,073,452	88.11	547,170	4,620,622	99.95	16,784	.36
1976	4,404,473	3,817,080	86.66	567,212	4,384,292	99.54	20,181	.46
1977	4,724,296	*	*	*	*	*	*	*

* Tax collections are not received from other local units until after December 31, 1977 and are not delinquent until March 1, 1978.

County of Muskegon

ASSESSED AND EQUALIZED VALUE OF TAXABLE PROPERTY

Ten years ended December 31, 1977
(Unaudited)

<u>Year ended December 31</u>	<u>Real property</u>		<u>Personal property</u>	<u>Total* equalized value</u>
	<u>Assessed</u>	<u>Equalized</u>	<u>Assessed and equalized</u>	
1968	\$370,362,994	\$383,646,651	\$115,313,069	\$498,959,720
1969	386,233,814	415,526,032	113,832,632	529,358,664
1970	395,905,925	432,116,109	120,888,150	553,004,259
1971	410,077,488	450,783,416	128,924,673	579,708,089
1972	433,937,113	471,268,156	139,911,058	611,179,214
1973	455,286,861	501,499,402	136,943,726	638,443,128
1974	505,266,988	533,098,150	148,426,479	681,524,629
1975	559,308,348	576,100,250	169,822,235	745,922,485
1976	601,192,906	615,014,685	95,503,808	710,518,493**
1977	659,393,469	662,558,834	99,424,319	761,983,153

* The Michigan Constitution and Statutes provides that property is to be assessed and equalized at 50% of its fair market value.

** The Michigan Legislature amended various laws which exempted Michigan businesses from ad valorem personal property taxation on inventory effective with the 1976 tax levy and substituted it with the single business tax which is collected by the state and remitted to the local governmental units. The equalized value of inventory was \$79,507,470 in 1975.

County of Muskegon

PROPERTY TAX RATES AND TAX LEVIES - ALL OVERLAPPING GOVERNMENTS

Ten years ended December 31, 1977
(Unaudited)

Year ended December 31	TAX RATES			Township and Community College	Total
	City	County	Includes Airport \$1.00		
1968	\$11.71	\$7.00		\$2.73	\$48.67
1969	12.10	6.16		3.32	50.32
1970	12.29	6.40		4.90	52.38
1971	12.29	7.40		4.95	53.23
1972	12.31	7.25		5.15	53.91
1973	12.81	7.20		5.40	55.95
1974	12.77	7.10		5.48	55.60
1975	12.79	6.70		5.62	55.63
1976	13.29	6.65		3.68	55.07
1977	13.54	6.55		5.20	57.73

TAX LEVIES

1968	\$4,360,579	\$3,492,716	Includes Airport \$498,959	\$ 808,248	\$22,123,797
1969	4,669,324	3,260,848		1,132,764	24,648,926
1970	4,896,499	3,539,009		2,110,379	27,418,810
1971	5,063,471	4,289,839		2,192,412	28,814,509
1972	5,516,413	4,431,386		2,364,176	31,158,817
1973	5,989,628	4,596,789		2,630,226	33,811,184
1974	6,150,474	4,838,824		2,772,546	35,606,813
1975	7,026,554	4,997,680		3,104,457	39,133,385
1976	6,273,499	4,724,947		1,626,684	36,717,299
1977	6,671,943	5,035,990		3,107,636	40,671,049

Note: The constitution of Michigan of 1963 Article 9, Section 3 provides limitations on ad valorem taxes. The right of initiative is preserved and local units can increase millage by referendum. Scope of tax rate limit is 15 mills for general operations. By referendum it can be raised to 18 mills. No limitations are imposed directly for debt service. For all operations of local political subdivisions the limit is 50 mills. Due date for current taxes is December 1. Taxes become delinquent on March 1 of the following year. Penalties for delinquency are 3/4 of one per cent per month. Procedures for enforcing collection of delinquent taxes is the annual tax sale. Local treasurers collect all current taxes and delinquent personal taxes. The county treasurer collects all delinquent real taxes and makes distribution by selling tax anticipation notes distributing fully to each according to the levy.

County of Muskegon

RATIO OF NET GENERAL BONDED DEBT TO
EQUALIZED VALUE AND NET BONDED DEBT PER CAPITA

Ten years ended December 31, 1977
(Unaudited)

Year ended December 31	Population	Equalized value	Net bonded debt	Ratio of bonded debt to equalized value	Net bonded debt per capita
1968	149,943x	\$498,959,720	\$2,970,000	.60	\$19.81
1969	149,943x	529,358,664	2,800,000	.53	18.67
1970	157,426*	553,004,259	2,625,000	.47	16.67
1971	157,426*	579,708,089	2,425,000	.42	15.40
1972	157,426*	611,179,214	2,200,000	.36	13.97
1973	157,426*	638,443,128	1,975,000	.31	12.55
1974	157,426*	681,524,629	1,725,000	.25	10.96
1975	157,426*	745,922,485	1,475,000	.20	9.37
1976	157,426*	710,518,493	1,200,000	.17	7.62
1977	157,426*	761,983,153	925,000	.12	5.88

x = Based on 1960 Census

* = Based on 1970 Census

County of Muskegon

STATEMENT OF DIRECT AND OVERLAPPING DEBT

December 31, 1977
(Unaudited)

	<u>Net debt outstanding</u>	<u>Percentage applicable to this governmental unit</u>	<u>Share of debt</u>
County at large	\$11,427,500	100%	\$11,427,500
School districts	32,132,000	97	31,169,000
Cities and villages	10,295,000	100	10,295,000
County issued bonds paid by local municipalities	28,340,000	100	28,340,000
Muskegon Community College	1,375,000	100	1,395,000
Intermediate School District	<u>50,000</u>	100	<u>50,000</u>
	<u>\$83,619,500</u>		<u>\$82,676,500</u>

County of Muskegon

STATEMENT OF LEGAL DEBT MARGIN

December 31, 1977
(Unaudited)

State equalized value		<u>\$761,983,153</u>
Debt limit 10 per cent of equalized value		\$ 76,198,315
Amount of debt applicable to debt limit		
Total bonded debt	\$39,650,000	
Other debt	<u>117,535</u>	
	<u>39,767,535</u>	
Less assets available for debt retirement	<u>24,968,184</u>	
		<u>14,799,351</u>
Total amount of debt applicable to debt limit		<u>14,799,351</u>
Legal debt margin		<u>\$ 61,398,964</u>

County of Muskegon

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES

Ten years ended December 31, 1977
(Unaudited)

<u>Fiscal year</u>	<u>Principal*</u>	<u>Interest</u>	<u>Total debt service</u>	<u>Total general expenditures</u>	<u>Ratio of debt service to general expenditures</u>
1968	\$ -	\$125,300	\$125,300	\$3,753,037	3%
1969	170,000	121,050	291,050	4,058,747	7
1970	175,000	112,425	287,425	4,356,580	6
1971	200,000	103,050	303,050	4,236,479	7
1972	225,000	93,100	318,100	5,080,134	6
1973	225,000	83,762	308,762	6,495,922	5
1974	250,000	75,500	325,500	8,009,014	4
1975	250,000	64,625	314,625	7,933,675	4
1976	275,000	54,125	329,125	7,708,722	4
1977	275,000	43,125	318,125	8,344,263	4

*Serial maturities in the case of serial bonds: annual debt service fund requirements in the case of term bonds.

County of Muskegon

DEBT SERVICES REQUIREMENTS TO MATURITY

December 31, 1977
(Unaudited)

Year ended December 31	General obligation debt	Sewage disposal system bonds	Special assessments	Motor vehicle highway bonds	Delinquent tax notes	Total
1978	\$331,625	\$1,251,125	\$1,350,258	\$255,962	\$4,172,830	\$7,361,800
1979	319,475	1,252,125	1,320,358	272,212	2,864,237	6,028,407
1980	331,662	1,251,625	1,270,808	262,212	1,468,800	4,585,107
1981		1,249,625	1,388,783	253,212		2,891,620
1982		1,246,125	1,166,158	269,212		2,681,495
1983		1,241,125	1,179,732	258,525		2,679,382
1984		1,259,625	1,150,732	247,725		2,658,082
1985		1,250,125	1,121,567	236,475		2,608,167
1986		1,264,125	1,142,237			2,406,362
1987		1,250,125	1,159,207			2,409,332
1988		1,261,312	1,146,963			2,408,275
1989		1,244,625	1,109,702			2,354,327
1990		1,251,500	1,123,167			2,374,667
1991		1,255,500	1,251,187			2,506,687
1992		1,254,500	1,227,587			2,482,087
1993		1,250,500	1,176,987			2,427,487
1994		1,268,500	1,126,112			2,394,612
1995		1,257,000	686,462			1,943,462
1996		1,267,500	682,975			1,950,475
1997		1,260,000	652,737			1,912,737
1998			547,400			547,400
1999			522,400			522,400
2000			497,100			497,100
2001			471,800			471,800
2002			449,400			449,400
2003			427,000			427,000
2004			106,000			106,000

County of Muskegon

DEBT SERVICE REQUIREMENTS TO MATURITY - SUMMARY

December 31, 1977
(Unaudited)

<u>Fiscal year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1978	\$5,295,000	\$2,066,800	\$7,361,800
1979	4,175,000	1,853,407	6,028,407
1980	2,895,000	1,690,107	4,585,107
1981	1,305,000	1,586,620	2,891,620
1982	1,165,000	1,516,495	2,681,495
1983	1,230,000	1,449,382	2,679,382
1984	1,280,000	1,378,082	2,658,082
1985	1,305,000	1,303,167	2,608,167
1986	1,180,000	1,226,362	2,406,362
1987	1,255,000	1,154,332	2,409,332
1988	1,330,000	1,078,275	2,408,275
1989	1,355,000	999,327	2,354,327
1990	1,455,000	919,667	2,374,667
1991	1,675,000	831,687	2,506,687
1992	1,750,000	732,087	2,482,087
1993	1,800,000	627,487	2,427,487
1994	1,875,000	519,612	2,394,612
1995	1,525,000	418,462	1,943,462
1996	1,625,000	325,475	1,950,475
1997	1,675,000	237,737	1,912,737
1998	400,000	147,400	547,400
1999	400,000	122,400	522,400
2000	400,000	97,100	497,100
2001	400,000	71,800	471,800
2002	400,000	49,400	449,400
2003	400,000	27,000	427,000
2004	100,000	6,000	106,000

County of Muskegon

SCHEDULE OF INSURANCE IN FORCE

December 31, 1977
(Unaudited)

Type of coverage Name of company	Policy number	Policy period	
		from	to
Auto - Fleet Michigan Mutual	13-0-522290	5/ 1/77	5/ 1/78
Aviation Associated Aviation Underwriters	CHL-4187	3/31/77	3/31/78
Boiler and machinery Royal Globe	WW-520901	1/20/77	1/20/78
Depositors Forgery Lumberman's Mutual Insurance Co.	3F268-886	1/ 1/78	1/ 1/79
Employee Fidelity bonds Lumberman's Mutual Insurance Co.	35268-887	3/16/77	3/16/81
Fire Insurance Royal Globe	PYB363333	3/ 7/75	3/ 7/78
Fire Insurance (Grain Center) Royal Globe	PFK191535	10/10/77	10/10/78
General Liability Canadian Universal	N6A-59936	1/20/77	1/20/78

<u>Annual premium</u>	<u>Details of coverage</u>	<u>Liability limits</u>
\$15,674	Auto insurance	\$500,000 per person \$500,000 occurrence \$100,000 property damage
640	Aviation insurance	\$100,000 per person \$300,000 occurrence
7,389	Blanket items like generators, electric motors, transformers, combustion engines, air conditioning, etc.	\$2,000,000 accident \$1,000 deductible
62	Losses due to forgery or alteration.	\$25,000 occurrence
302	Employee blanket	\$25,000 employee (Depts. not covered) Sheriff, Road, Medical Care Facility, Parks, Register of Probate Social Services, except those covered in special endorsement.
9,929	Fire and extended coverage	Statement of values Building - \$11,835,334 Contents and misc. - 1,173,301
2,250	Fire coverage	\$100,000/bldg. \$437,000/contents
71,410	Comprehensive	\$500,000 each bodily or personal \$500,000 occurrence \$500,000 aggregate \$100,000 occurrence - property damage \$100,000/each - errors or omissions liability \$500,000 each claim malpractice liability Retention \$100,000

County of Muskegon

SCHEDULE OF INSURANCE IN FORCE - CONTINUED

December 31, 1977
(Unaudited)

Type of coverage Name of company	Policy number	Policy period <u>from</u> <u>to</u>	
Law Library Badger or State Mutual Casualty	IM5688	8/23/76	8/23/79
Money and security bonds Lumberman's Mutual Insurance Co.	7B510741	1/ 1/77	1/ 1/81
Public official bonds Lumberman's Mutual Insurance Co.	3S268887	1/ 1/78	1/ 1/79
Tax Collection bonds Wolverine Insurance Co.	B218276	12/ 1/77	3/31/78
Transit Insurance Michigan Mutual	SA130536471	9/30/77	9/30/78
Travel Insurance Continental Casualty	SR68041580	3/ 1/77	3/ 1/78
Workman's compensation (1) Self insurance			
(2) Employer's Reinsurance Corp.	C-16705	7/ 1/77	7/ 1/78

<u>Annual premium</u>	<u>Details of coverage</u>	<u>Liability limits</u>
\$ 122	Coverage on law books	Contents valuable papers, books and records \$50,000
2,329	Covers employees which have access to County money	Money and securities coverage inside and outside of the bldg. - various amounts; \$100,000 each - Finance Director-Auditor-Deputy Treasurer-\$50,000 money orders and counterfeit paper currency coverage. Exclude Social Services, County Parks, Road Commission and Medical Care Facility.
302	Covers elected officials	Individual bonds of various amounts covering elected officials. Example: Drain Commission - \$5,000 Treasurer - \$200,000
2,644	Bonds municipal treasurers collect County taxes	4% of tax roll
25,956	Bus fleet coverage	\$150,000/person \$500,000/occurrence, bodily injury liability \$100,000/occurrence - property damage liability
440	Death benefit	\$100,000/each \$500,000/aggregate limit
71,229	Excess worker's compensation coverage	\$150,000 each occurrence, \$1,000,000 excess, \$500,000 personal injury Aggregate excess \$237,102, retention \$2,000,000 excess

County of Muskegon

SCHEDULE OF INSURANCE IN FORCE - CONTINUED

December 31, 1977
(Unaudited)

Type of coverage Name of company	Policy number	Policy period	
		from	to
Library			
General Library policy Hartford group	81-SLP-101322	2/ 1/75	2/ 1/78
Specific Library policy Inland Marine	81-1C875670	2/ 1/75	2/ 1/78
Mental Health			
Comprehensive business Continental Ins. Co.	CBP110167	11/ 7/76	11/ 7/79
Brookhaven			
Hartford Fire Insurance Company	81-SMP-103581	9/ 1/75	9/ 1/78
Airport			
Liability U. S. Aircraft Insurance Group	LG-14101	11/19/75	11/19/78
Liability American Motors Ass.	PPL-3508703	9/24/77	9/24/78
Fire Lumberman's Mutual Insurance Co.	21-1546-60	2/15/76	2/15/79
Fire Lumberman's Mutual Insurance Co.	50-303-452	2/15/76	2/15/79
Boilers and machinery American Motors Ass.	7XM10910	10/ 9/77	10/ 9/80

<u>Annual premium</u>	<u>Details of coverage</u>	<u>Liability limits</u>
1,018	Equipment (general)	\$258,161.51 - \$250 deductible
111	Specific equipment	\$2,568.86 value
7,790	PIP	Liability Limit/Hospital \$929,430 Coinsurance of 90% of actual value - other limits \$41,000
	Auto fleet	\$100,000 each person \$300,000 each occurrence \$50,000 each occurrence
	General liability	Bodily injury \$300,000/\$300,000 Property damage \$100,000/\$100,000
	Hospital professional liability	\$100,000/\$300,000
	Public employer blanket bond	\$10,000
\$ 3,377	General liability, health care facilities package	\$330,000/\$300,000
2,882	General liability	BI and PI \$5,000,000 Aggregate - Total liability of company
623	Police professional	\$300,000 each incident \$100,000 each person
934	Fire - buildings 4, 5, 6, 8 and 10	\$88,218 @ 90% Coinsurance
425	Radio	\$17,995
214	Blanket Boilers	\$300,000 per accident

County of Muskegon

SCHEDULE OF INSURANCE IN FORCE - CONTINUED

December 31, 1977
(Unaudited)

Type of coverage Name of company	Policy number	Policy period	
		from	to
Airport (continued)			
Fire Lumberman's Mutual Insurance Co.	21-153173	1/ 7/75	1/ 7/78
Fire Lumberman's Mutual Insurance Co.	21-153149	12/26/74	12/26/77
Fire Lumberman's Mutual Insurance Co.	21-154627	1/18/74	1/18/77
Fire Lumberman's Mutual Insurance Co.	21-153150	1/ 7/75	1/ 7/78
Fire Lumberman's Mutual Insurance Co.	21-154657	1/16/75	1/16/78
Fire Lumberman's Mutual Insurance Co.	21-154658	11/16/75	1/16/78
Fire New Hampshire Group	73-19-24	8/ 3/75	8/ 3/78
Fire Hartford	81CF813715	7/16/75	7/16/78
Fire Hartford	801CBP182807	7/23/75	7/23/78
Fire Lumberman's Mutual Insurance Co.	50-303464	2/15/76	2/15/79

<u>Annual premium</u>	<u>Details of coverage</u>	<u>Liability limits</u>
\$ 629	Fire - buildings 110, 112, 201, 112A and 1	\$166,000 @ 90% Coinsurance
469	Building 3	\$44,000 @ 80% Coinsurance
552	Building 106	\$65,000 @ 100% Coinsurance
3,400	Building 101	\$473,600 @ 90% Coinsurance
1,593	Building 105	\$105,000 @ 100% Coinsurance
1,496	Building 109	\$106,000 @ 100% Coinsurance
207	Station 115	Firebarn - \$106,850 @ 100% Coinsurance Contents - \$2,000 @ 90% Coinsurance
2,367	Building addition	\$125,000 @ 80% Coinsurance
1,423	Fire - W.A.A. Building	\$429,778 @ 90% Coinsurance
151	Equipment floater	\$64,346 on Miscellaneous Equipment

County of Muskegon

SALARIES AND SURETY BONDS OF PRINCIPLE OFFICIALS

Year ended December 31, 1977
(Unaudited)

<u>Name and Title of Official</u>	<u>Annual Salary</u>	<u>Amount of Surety Bond</u>
Frank Bednarek - Assistant Administrator	\$28,280	\$100,000
Russell Vanderwier - Friend of Court	23,307	150,000
Marion Calkins - Sheriff	27,500	10,000
Annabelle Ferenz - Probate Register	11,874	5,000
Margaret Greenwood - County Clerk	18,518	30,000
John Hosko - Register of Deeds	18,518	30,000
Martin Hulka - County Drain Commission	13,445	5,000
Kurt Humphrey - Accounting Director	20,153	100,000
Walt O'Neal - Deputy Treasurer	11,874	100,000
Ralph Precious - Adminstrator	35,456	5,000
Paul Vitek Jr. - Treasurer	18,518	225,000
Gerald Warner - Prosecutor	29,614	5,000

County of Muskegon

LABOR AGREEMENTS

December 31, 1977

Local 586, Services Employees International, AFL-CIO, Professional and Clerical Division:

Building Employees Expiration Date 12-31-77

Wastewater Employees Expiration Date 12-31-77

Michigan Licensed Practical Nurses Association:

Brookhaven Practical Nurses Expiration Date 12-31-78

Local 570, Council 11, American Federation of State, County and Municipal Employees, AFL-CIO:

Brookhaven Employees Expiration Date 12-31-77

Teamsters Local 214, Affiliated with the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America:

Airport Security Officers Expiration Date 12-31-77

Sheriff Dept. Deputies Expiration Date 12-31-79

Sheriff Command Officers Expiration Date 12-31-78

District Court Employees Expiration Date 12-31-78

County of Muskegon

MISCELLANEOUS STATISTICAL DATA

December 31, 1977
(Unaudited)

Date of Incorporation: July 18, 1859

Form of Government: Elected Board of Commissioners from Eleven Districts

Area: 520 Square Miles

Miles of Sewers, Storm and Sanitary: 350

Police Protection:

Number of Employees: 98

Jail Capacity: 154

Vehicular Patrol Units: 11

Parks and Recreation: Muskegon County has thirty miles of Lake Michigan shoreline. Two state parks and two county parks are located on Lake Michigan. Totally, there are nine county parks with 304 acres. There are 12,500 acres of National Forest land.

Education:

Number of School Districts: 13

Number of Administrative Personnel: 98

Number of Teachers: 1,732

Number of Students: 38,232

Enterprises:

Wastewater Treatment:

Number of users 16

Data on use or consumption 27,350,000 Gallons per day

Plant Capacity 42,000,000 Gallons per day

Data on Distribution System 60% Industrial 40% Residential

Airport:

Number of users 166,686 Passengers Annually

Data on use 97,892 Landings and Take Offs Annually

Present Capacity 350,000 Passengers Annually

Solid Waste:

Number of users 1,403

Data on use 2,187 Cubic Yards Filled

Plant Capacity 22,000,000 Cubic Yards

Transit:

Number of users 351,040

Data on use 513,825 Miles Traveled

Number of Buses 12

Employees as of December 31, 1977: 930

County of Muskegon

MISCELLANEOUS STATISTICAL DATA - CONTINUED

December 31, 1977
(Unaudited)

Election:

Number of Registered Voters: 85,400
 Number of Votes Cast In:
 Last General Election: 63,407
 Last County Election: 63,407

Percentage of Registered Voters Voting In:

 Last General Election 74.25%
 Last County Election 74.25%

Residential Characteristics: According to the 1970 U. S. Census, there were 49,895 housing units located within the County. The breakdown of dwelling units is as follows: Single Family, 83.1%; Multi-Family, 15.0%; and Mobile Home, 1.9%; of these 75.2% are owner occupied.

Population Count for Last U. S. Census (1970): 157,426
Estimated Current Population: 158,000

Age Distribution of Population (1970 Census)

	<u>Male</u>	<u>Female</u>
Total Population	76,498	80,928
Under 5 Years	9.6%	8.6%
5 to 9 Years	11.1%	10.7%
10 to 19 Years	22.9%	21.3%
20 to 44 Years	28.0%	29.8%
45 to 64 Years	20.2%	20.2%
Over 65 Years	7.5%	9.4%

Retail Sales

1966	\$260,000,000
1967	262,000,000
1968	282,000,000
1969	300,000,000
1970	317,000,000
1971	340,000,000
1972	380,000,000
1973	408,000,000
1974	412,000,000
1975	427,000,000
1976	469,500,000

(Source: Muskegon Area Chamber of Commerce)

County of Muskegon

MISCELLANEOUS STATISTICAL DATA - CONTINUED

December 31, 1977
(Unaudited)

Family Income: According to the 1970 U. S. Census, 39,260 families resided in Muskegon County. The mean family income in 1976 was \$12,554, per capita personal income was \$3,131.

Principal Taxpayers - 1977

<u>Taxpayer</u>	<u>Equalized Value</u>
Consumers Power	\$50,504,196
Teledyne Continental Motors	12,643,840
S. D. Warren	10,832,600
Michigan Consolidated Gas Company	8,638,820
Campbell, Wyant and Cannon Company	8,005,250
Misco, Inc.	6,015,355
Hooker Chemical Company	5,113,500
Sealed Power Company	4,882,375
Brunswick	3,855,700
Dresser Industries	3,473,000

Equalized Value: \$761,983,153

<u>By Use</u>		<u>By Class</u>	
Residential	58.91%	Real Property	86.95%
Commercial	16.33%	Personal Property	13.05%
Industrial	18.70%		
Agricultural	2.59%		
Utilities	3.30%		
Timber and Cut-over	.17%		

Largest Employers

<u>Company</u>	<u>Number of Employees</u>
Campbell, Wyant and Cannon Company	2,386
Misco, Inc.	2,230
Teledyne Continental Motors	2,100
Sealed Power Corporation	1,769
Muskegon Schools	1,299
General Telephone Co.	1,271
County of Muskegon	930
Shaw-Walker Co.	881