

ANNUAL

FINANCIAL

REPORT

muskegon county, michigan



FOR THE YEAR ENDED DECEMBER 31, 1978

ANNUAL FINANCIAL REPORT
of
MUSKEGON COUNTY, MICHIGAN
for the year ended December 31, 1978

BOARD OF COMMISSIONERS
DAVID G. BRINGEDAHL, CHAIRMAN

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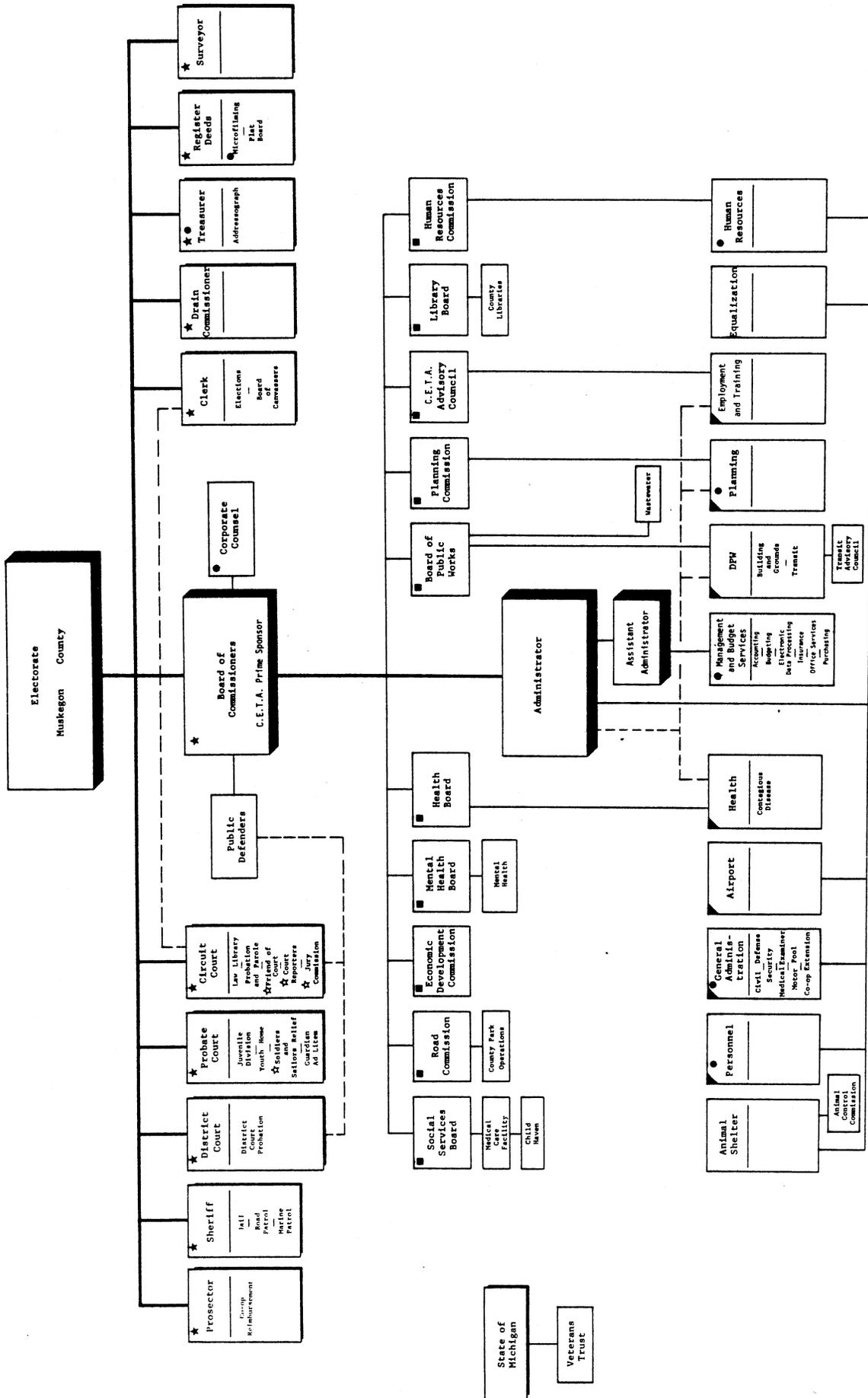
COUNTY ADMINISTRATOR
RALPH W. PRECIOUS

ASSISTANT ADMINISTRATOR
OF MANAGEMENT & BUDGET
FRANK BEDNAREK

ACCOUNTING DIRECTOR
KURT W. HUMPHREY

Independent Accountants
ALEXANDER GRANT & COMPANY

1978 ORGANIZATION CHART



- Legend**
- ★ Elected Position
 - ☆ State Appointment or Concurrence
 - Intragovernmental Service
 - Related Function (Operations)
 - ▲ Standing Board Committee
 - Autonomous or Semi-Autonomous Function (Members Appointed by Board of Commissioners)

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County of Muskegon

ACCOUNTING DEPARTMENT

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

BOARD OF COMMISSIONERS

John Haimond, Chairman
Raymond Grennan, Vice-Chairman
John R. Campbell
William Darcy
Alfred C. Fairchild
Jacob O. Funkhouser
Herman Ivory
Harold Koekkoek
Donald Nutt
Clark H. Rager
Frank J. Starina

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

K.W. Humphrey, Accounting Director

March 31, 1979

Honorable John Haimond, 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, 1978, (year ended September 30, 1978 for the Comprehensive Employment and Training Act, Mental Health, Foster Grandparents, Substance Abuse and Muskegon County Economic Development Commission Funds), is submitted herewith. This report includes financial statements and supplemental schedules audited by Alexander Grant and Company, an independent firm of certified public accountants.

The financial statements have been prepared in compliance with applicable Michigan State Statutes and in accordance with generally accepted accounting principles, as stated in the Governmental Accounting, Auditing, and Financial Reporting and the Audits of State and Local Governmental Units.

General

Muskegon County sustained its sound financial position during 1978, while expanding and improving services to the community. Fiscal policies, successful cash-flow management and effective cost control, enabled the County to maintain this sound economic position.

The need to inform public officials and communicate financial information to concerned citizens emphasizes the necessity of sound financial reporting. The strength of the County's reporting process is attested to by the Municipal Finance Officers Association (MFOA) awarding a Certificate of Conformance in Financial Reporting to the County of Muskegon for its annual financial reports for the consecutive years ending December 31, 1976 and 1977.

In order to be awarded a Certificate of Conformance, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to industry standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Conformance is valid for a period of three years subject to two annual reviews. Our annual financial report for the fiscal year ended December 31, 1977 successfully passed its required annual review. We believe our current report continues to conform to Certificate of Conformance Program requirements, and we are submitting it to MFOA for another required annual review.

Nineteen Seventy-Eight was an exciting year for the County, with a major emphasis being on environmental improvement. The Federal Environmental Protection Agency (EPA) "201" Grants assisted our community in constructing sewer lines in several project areas throughout the County. The County subsequently sold over twenty million dollars in bonds matching these grants so that the projects could be implemented. The EPA "208" Grant which expands our laboratory facilities and funds a project of testing water quality throughout the County was also received in 1978. The County sold five hundred thousand dollars in bonds to finance a solid waste transfer station.

While our environmental efforts were substantial, other major projects culminating in 1978 were as follows:

- Completed the parking lot and baggage claim expansion at the Airport.

- Completed a Recreation Center at the Wastewater site.
- Provided a secondary power source at the Brookhaven Medical Care Facility.
- Granted to local governments monies for road, bridge and recreational improvements.
- Extended several loans to private enterprise in the community for the purpose of retaining current jobs and creating new ones.

In January, 1977, the County experienced a paralyzing snowstorm which was responded to by the Civil Defense Department and numerous volunteers. After it was over, an evaluation of systems and procedures was made and appropriate adjustments and improvements suggested. In January, 1978, another storm struck and our Civil Defense Department handled this disaster with even more efficiency and cost effectiveness.

The County's jail is currently being remodelled in accord with the most recent penology standards. It will cost approximately two million five hundred thousand dollars, funded primarily by a grant from the Federal Department of Commerce, Economic Development Administration, Local Public Works Section and by Federal Revenue Sharing. The new facilities include an infirmary, visiting center, library, gymnasium and a cafeteria.

Internal operating improvements have also been made during the year including the following:

- Acquisition of new data processing equipment to provide more rapid processing and printing.
- Implementation of microfiche applications for computer output as well as microfilm applications for the County's many records.

- Continuation of repairs and improvements to the County's nine parks and the 4-H Camp.
- Installation of new radio equipment for Civil Defense.
- Installation of new and more improved filing systems for the Circuit and District Courts and the Health Department.
- Completion of a study of tourism development for the County which hopefully will result in an economic expansion project.
- Continuation of the expansion of services of data processing county-wide and implementation of several new systems including criminal justice, animal license control, accounts receivable and budgetary control.

It has been a year of accomplishment and achievement for the County. It is especially significant that the County could accomplish so much and provide so many improved services while operating well within its resources.

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. The budgetary control system for the County has been changed dramatically. A new program performance procedure has been adopted. All efforts are being made to justify costs in relation to service delivery unit. This approach to expenditure control is proving to be quite effective and it is anticipated that its effect will be even greater in the ensuing year.

General Government Operations

The general fund which is used to record the general operations of the County reflected a fund balance of \$1,057,758. Fund balance increased \$82,349 from \$975,409 as of December 31, 1977, a 8.44 percent increase.

Revenues for general government operations totaled \$9,083,732 in 1978, reflecting an 8.38 percent increase over 1977. General property taxes produced 61.64 percent of general revenues compared to 61.28 percent 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>Percent of total</u>	<u>Increase (decrease) over 1977</u>
Taxes	\$5,599,377	61.64%	\$ 463,121
Licenses and permits	144,769	1.59	44,242
Federal and state grants	1,570,750	17.29	(176,804)
Charges for services - costs	799,789	8.81	115,984
Charges for services - sales	198,154	2.18	59,870
Fines and forfeits	351,563	3.87	82,428
Interest earned	194,449	2.14	21,402
Rentals	166,836	1.84	63,748
Reimbursements	58,045	.64	28,662
Totals	<u>\$9,083,732</u>	<u>100.00%</u>	<u>\$ 702,653</u>

The 10 percent decrease in the federal and state grant revenues is a result of the federal anti-recession aid being terminated during the year. Revenues from rentals increased by 62 percent. Revenues from licenses and permits and charges for service-sales increased by 44 percent. Revenues from fines and forfeits increased by 31 percent.

The Michigan Constitution of 1963 requires that real property be assessed at 50 percent of true cash value. Initial 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. The County equalized valuation increased from \$761,983,153 to \$818,809,154, representing a 7.46 percent increase. The increase in equalized value resulted in increased tax collections during 1978 of 9.02 percent over the previous year.

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 equaling the levy as was the case for the year ended December 31, 1978.

Expenditures for general government purposes totaled \$9,001,383, representing a 7.88 percent increase over 1977 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>Percent of total</u>	<u>Increase (decrease) over 1977</u>
Legislative	\$ 115,118	1.28%	\$ 8,125
Judicial	1,826,237	20.29	64,909
General government	2,794,181	31.04	365,929
Public safety	2,178,538	24.20	280,850
Health	821,122	9.12	70,194
Welfare	784,297	8.71	(87,118)
Cultural	239,017	2.66	115,702
Recreation	24,996	.28	(4)
Other	217,877	2.42	(161,467)
Totals	<u>\$9,001,383</u>	<u>100.00%</u>	<u>\$ 657,120</u>

By function, general government accounted for the largest percentage increase in expenditure. This occurred because of the continued emphasis by the County of Muskegon on Personnel Administration and Human Resources. In addition, higher than average percentage increases occurred in the following areas during 1978: Drain Commission, Maintenance, Finance and Accounting, Elections, Data Processing and Planning Commission.

Comparative analysis indicates the expenditures resulted from negotiated wage and fringe benefits and the rising cost of most goods and services purchased by the County.

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 function rather than County. The "other" expenditure category showed a significant decline because most costs were allocated to a more appropriate activity in line with the County's new performance program budgeting procedures.

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's residents. In 1978, the combined fund balance of the special revenue funds totaled \$3,168,159. Total revenues were \$21,058,790 and total expenditures were \$20,682,041.

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, veteran's trust, personnel grant, and the labor management program.

Since general revenue sharing is 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 deficit was reduced from \$576,151 in 1977 to \$308,437 in 1978, a \$267,714 improvement. The favorable change in this area has been effected by a \$250,000 federal revenue sharing appropriation 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 in future years. These realignments from fiscal necessity have occurred without reducing the level or quality of services to the community.

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, 1978, were as follows:

	<u>Amount</u>	<u>Ratio of debt to equalized value (50% of present market)</u>	<u>Ratio of debt to present market value</u>	<u>Debt per capita</u>
Net direct bond debt	\$ 62,936,820	7.69%	3.85%	\$399.79
Overlapping debt	<u>38,931,527</u>	<u>4.75</u>	<u>2.37</u>	<u>247.30</u>
Net direct and overlapping debt	<u>\$101,868,347</u>	<u>12.44%</u>	<u>6.22%</u>	<u>\$647.09</u>

Outstanding general obligation bonds at December 31, 1978, totaled \$62,936,820 of which \$62,311,820 were 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 \$625,000 is considered to be net direct tax supported debt because a referendum to construct a 218 bed skilled medical 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 May, 1980.

During the past year, \$5,295,000 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 dollars</u>
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
10-01-77	9,500,000	15.79	6.0495	.9554
11-01-77	8,850,000	10.35	5.6415	.5840
02-01-78	2,150,000	12.95	5.9544	.7714
09-01-78	500,000	10.92	6.3494	.6934
09-01-78	2,800,000	15.60	6.2732	.9785

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 and surplus general fund revenues are accounted for in the capital projects funds until improvement projects are completed. At the the end of each year, completed projects are transferred to appropriate fixed asset accounts. The combined fund balance at year end was \$1,000,761. These funds were invested in certificates of deposit, commercial paper and notes receivable.

The current most significant project in progress is the jail remodeling program. During 1978, no projects financed by general obligations bonds were completed.

As of December 31, 1978, 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, 1978, the general fixed assets of the County amounted to \$11,050,007. This is the third year that general fixed assets have been included in the County's financial statements. The fixed asset total represents the original costs of these assets and is considerably less than their current value.

Enterprise Funds

The County's enterprise funds together show a decline in retained earnings. The most significant decline was in the Wastewater Management System Fund, where the retained earnings deficit increased from \$320,659 in 1977 to \$652,867 in 1978, a \$332,208 loss, which is due primarily to dramatically increasing energy costs as well as the rising costs of most other goods and services, and a low user charge rate. The user charge rate was raised effective January 1, 1979 by thirty dollars per million gallons, which is the first increase since 1974, and will partially remedy the deficit. The following three year comparative table is presented to illustrate our position in our Wastewater Management Fund:

	<u>1976</u>	<u>1977</u>	<u>1978</u>
Average gallon per day	27,700,000	27,350,000	27,160,000
Operating revenues	\$2,890,581	\$2,498,707	\$2,520,514
Expenditures	<u>2,228,025</u>	<u>2,222,807</u>	<u>2,648,108</u>
Operating profit or (loss)	<u>\$ 662,556</u>	<u>\$ 275,900</u>	<u>\$ (127,594)</u>

The Solid Waste Management System has improved and increased its revenue by over 200 percent, (\$9,659 in 1977 to \$29,320 in 1978). Its operating profit improved by over 150 percent (\$3,907 in 1977 to \$10,013 in 1978). The Solid Waste transfer station which was funded during this year will contribute more volume.

Since this site meets all environmental standards and is the only one that does in the County, we anticipate future growth.

The County Airport's retained earnings decreased by \$69,949 from a good balance of \$31,735 in 1977 to a deficit of \$38,214 in 1978. Operating revenues totaled \$430,896 and operating expenses totaled \$596,329, resulting in an operating loss before depreciation of \$165,433. The County appropriated \$99,996 from its general fund during the year.

The Muskegon Area Transit System results for the year indicate that subsidies and revenue were less than operating costs by \$15,718. Revenues and subsidies totaled \$600,082 and expenses totaled \$615,800. Ridership increased from 351,040 in 1977 to 372,017 in 1978, a 6.0 percent increase.

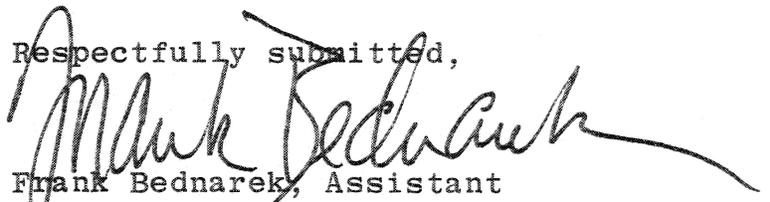
Independent Audit

The County is not required by ordinance or statute to have an independent audit. In 1978, however, independent auditors were engaged for the fourth consecutive fiscal year to make an annual audit of the County's books of accounts, financial records and transactions. Their opinion is 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

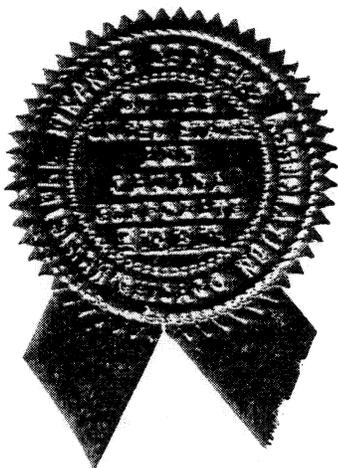
Certificate of Conformance in Financial Reporting

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 year ended December 31, 1978 (year ended September 30, 1978 for Mental Health, Foster Grandparents, Substance Abuse, Comprehensive Employment Training Act, Governor's Grant and 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.

In our opinion, 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, 1978 (September 30, 1978 for Mental Health, Foster Grandparents, Substance Abuse, Comprehensive Employment Training Act, Governor's Grant and 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 year 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 61 through 81 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.

The statistical data shown on pages 83 through 101, is not considered necessary for a fair presentation of financial position, results of operations, and changes in financial position, but is presented solely as supplementary information. This data has been summarized from the County's records and was not subjected to the audit procedures applied in the examination of the basic financial statements. Accordingly, we do not express an opinion on such data.

Alexander Grant & Company

Muskegon, Michigan
March 21, 1979

XX111

County of Muskegon

NOTES TO FINANCIAL STATEMENTS

December 31, 1978

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.

Revenues considered susceptible to accrual are those revenues that are both measurable and available as a resource to finance operations during the year, such as state and federal revenue sharing entitlements, state and federal grants, fines and forfeits, and charges for services and sales - revenues not susceptible to accrual are property taxes.

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, 1978

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).

6. Grant Revenues

Requests for grant payments are submitted to the various federal and state grantor agencies periodically and recorded as revenues at that time. These requests are based on qualifying program expenditures as determined by the County and are subject to audits by the grantor agencies. Final settlements made for a program period is charged or credited to current operations in the period made.

7. Patient Service Revenues

Patient service revenues under contractual arrangements with third-party payors by the County Medical Care Facility are recorded at prospective rates and provisions are made at the end of the year to adjust such revenues to the reimbursable cost expected to be received. Adjustments required upon final settlements are recorded in the period of settlement.

County of Muskegon

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 1978

NOTE B - 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 C - 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 (not received) to 1980 and the balance of \$1,001,701 on May 1, 1981.

The note is owned jointly by the general, public improvement, capital improvement and self-insurance funds and is included in the balance sheets at the 1975 face amount. Accrued interest from January 1, 1976 will be recorded 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 D - FEDERAL AND STATE GRANTS AND THIRD-PARTY COST REIMBURSEMENTS

During the year major federal and state grant receivables as well as third-party payor cost reimbursements of prior years have been settled with the appropriate grantor agencies and program intermediaries. The grant receivables by the Muskegon County Wastewater Management System - Number One were collected at \$349,113 less than the amounts carried in the books. The difference was charged to contributions in aid of construction. The Brookhaven Medical Care Facility received a \$125,000 cost reimbursement settlement under the medicaid program from the State of Michigan. This amount was recorded as revenue in the capital improvement fund and is designated for future capital improvements of the facility.

County of Muskegon
 NOTES TO FINANCIAL STATEMENTS - CONTINUED
 December 31, 1978

NOTE E - PROPERTY AND EQUIPMENT

Property and equipment of the Solid Waste Management fund consists of:

	1978	1977
Land improvements	\$ 188,159	\$ 188,159
Less accumulated depreciation	3,187	3,187
	\$ 184,972	\$ 184,972

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

	1978	1977
Land improvements	\$2,279,531	\$2,167,568
Buildings	1,813,838	1,756,583
Machinery and equipment	344,092	292,710
	4,437,461	4,216,861
Less accumulated depreciation	2,314,178	2,171,464
	2,123,283	2,045,397
Land	2,150,420	2,147,707
Construction in progress	-	45,737
	\$4,273,703	\$4,238,841

Property and equipment of the Muskegon Area Transit System fund consists of:

	1978	1977
Vehicles	\$ 259,342	\$ 259,342
Equipment	46,227	46,227
	305,569	305,569
Less accumulated depreciation	85,879	40,638
	\$ 219,690	\$ 264,931

County of Muskegon

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 1978

NOTE E - PROPERTY AND EQUIPMENT - Continued

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

	<u>1978</u>	<u>1977</u>
Lagoons and other land improvements	\$11,071,194	\$11,069,672
Buildings	1,125,152	1,077,267
Machinery and equipment	2,807,476	2,785,416
Wastewater collection and distribution system	18,525,619	18,505,420
Capitalized interest and engineering costs	3,193,866	3,193,866
	<u>36,723,307</u>	<u>36,631,641</u>
Less accumulated depreciation	6,173,552	5,021,048
	<u>30,549,755</u>	<u>31,610,593</u>
Land	6,662,228	6,655,228
Construction in progress	236,348	-
	<u>\$37,448,331</u>	<u>\$38,265,821</u>

NOTE F - RESTRICTED ASSETS AND RESERVE

The funds shown below are required by the bond indenture for debt service of the Muskegon County Wastewater Management System - Number One. At December 31, the restricted assets consist of:

	<u>1978</u>	<u>1977</u>
Cash and certificates of deposits	\$ 846,639	\$ 547,476
User fees receivable	263,835	123,319
Accrued interest receivable	865	593
	<u>1,111,339</u>	<u>671,388</u>
Amount available for current debt service	838,563	400,000
	<u>\$ 272,776</u>	<u>\$ 271,388</u>

County of Muskegon

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 1978

NOTE G - LONG-TERM DEBT

Enterprise Funds

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 \$425,000 in 1979 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.

Intragovernmental Service Funds

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 4.00% to 4.60% and mature as follows:

Maturity date	Delinquent tax revolving fund		
	1975	1976	1977
May 1, 1979	\$1,310,000	\$1,440,000	\$1,890,000
May 1, 1980	-	1,440,000	1,400,000
May 1, 1981	-	-	1,400,000
	<u>\$1,310,000</u>	<u>\$2,880,000</u>	<u>\$4,690,000</u>

Special Assessment Funds

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, Whitehall Leather, Inc., Egelston Township, Muskegon Township, Laketon Township, Fruitport Township, Village of Fruitport, City of Muskegon and the County Road Commission for the financing of additional sewage collection and disposal and water supply 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 \$100,000 in 1979 to \$30,000 in 1990 with interest from 4.25% to 4.7%.

County of Muskegon

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 1978

NOTE G - LONG-TERM DEBT - Continued

- (b) The Muskegon County Sewage Collection and Disposal System No. 1, Series II bonds are payable in increasing annual installments ranging from \$25,000 in 1979 to \$100,000 in 2004 with interest from 6.00% to 8.00%.
- (c) The Muskegon County Sewage Collection and Disposal System No. 1, Series III bonds are payable in increasing annual installments ranging from \$25,000 in 1979 to \$75,000 in 1997 with interest from 7.25% to 8.00%.
- (d) The Muskegon County Sewage Collection and Disposal System No. 1, Series IV bonds are payable in increasing annual installments ranging from \$400,000 in 1980 to \$750,000 in 1994 with interest from 5.00% to 7.00%.
- (e) The Muskegon County Special Assessment Wastewater System No. 1 Improvement bonds are payable in annual installments of \$150,000 from 1979 to 1981 with interest at 5.10%.
- (f) The Muskegon County Wastewater Management System No. 1 Egelston Township Extension bonds are payable in increasing annual installments ranging from \$75,000 in 1981 to \$125,000 in 2000 with interest from 5.00% to 7.00%.
- (g) The Muskegon County Wastewater Management System No. 1 Muskegon Township Extension bonds are payable in increasing annual installments ranging from \$200,000 in 1982 to \$600,000 in 2002 with interest from 5.00% to 7.00%.
- (h) The Muskegon County Wastewater Management System No. 1 Laketon Township Extension bonds are payable in increasing annual installments ranging from \$75,000 in 1981 to \$150,000 in 2004 with interest from 5.70% to 7.00%.
- (i) The Muskegon County Water Supply System No. 1 bonds are payable in increasing annual installments ranging from \$100,000 in 1979 to \$300,000 in 2003 with interest from 5.00% to 7.00%.
- (j) The Muskegon County Water Supply System No. 2 bonds are payable in increasing annual installments ranging from \$100,000 in 1979 to \$400,000 in 1994 with interest from 5.05% to 7.00%.

County of Muskegon

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 1978

NOTE G - LONG-TERM DEBT - Continued

- (k) The Muskegon County Solid Waste Management No. 2 Transfer Station bonds are payable in annual installments of \$25,000 from 1980 to 1999 with interest from 5.35% to 6.50%.
- (l) The Muskegon County 1975 Motor Vehicle Highway bonds are payable in increasing annual installments ranging from \$200,000 in 1979 to \$225,000 in 1985 with interest from 4.5% to 5.10%.

General Long-term Debt

The County Medical Care Facility bonds are payable in annual installments of \$300,000 in 1979 and \$325,000 in 1980 with interest from 4.00% to 4.10%. The bonds are being retired through tax levy. Cash in the debt service fund is restricted for the purpose of meeting interest and principal maturities on the bonds.

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.

The County is acquiring a building from the Muskegon County Road Commission for \$400,000. \$133,000 was paid in 1978 and \$133,000 and \$134,000 is payable on January 3, 1979 and 1980.

NOTE H - PENSION PLAN

Total pension expense for all County operations was approximately \$923,000 for the year ended December 31, 1978. As of December 31, 1977, the date of the last actuarial valuation, the pension fund assets exceeded the actuarially computed value of vested benefits by approximately \$247,000.

NOTE I - VACATION AND SICK PAY

The County records vacation and sick pay as an expense when paid (note A1). At December 31, 1978 unused vacation and sick pay approximated \$460,000 and \$575,000, respectively.

County of Muskegon
 COMBINED BALANCE SHEET - ALL FUNDS
 December 31, 1978

ASSETS AND OTHER DEBITS	General fund	Special revenue funds	Debt service fund
✓ Cash	\$ 21,840	\$2,601,170	\$130,631
Restricted cash	-	13,985	-
✓ Certificates of deposit	22,499,473	-	-
✓ Commercial paper	4,800,331	-	-
Accounts receivable	423,049	2,503,464	-
Due from other funds	65,821	306,417	-
Drain assessments receivable	-	-	-
Delinquent taxes receivable	-	-	-
Unlevied assessment receivable	-	-	-
Inventories	-	40,756	-
Prepaid expenses	12,985	-	-
Long-term advances to other funds	91,500	-	-
Note receivable	36,480	-	-
Restricted assets	-	-	-
Property and equipment (net of depreciation)	-	-	-
Other assets	-	-	-
General fixed assets	-	-	-
Amount available for retirement of general long-term debt	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-
	<u>\$27,951,479</u>	<u>\$5,465,792</u>	<u>\$130,631</u>

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

Capital project funds	Enterprise funds	Intra-governmental service funds	Trust and agency funds	Special assessment funds	General fixed assets group of accounts	General long-term debt group of accounts	Combined total (memorandum only)
\$ 200,761	\$ 700	\$ 6,648,109	\$1,117,727	\$16,515,670	\$ -	\$ -	\$ 27,236,608
-	838,563	-	-	-	-	-	852,548
-	-	-	46,837	-	-	-	22,546,310
332,050	1,376,398	24,435	51,077	42,395,601	-	-	4,800,331
-	-	-	-	-	-	-	47,106,074
-	-	-	-	122,954	-	-	372,238
-	-	3,778,352	-	-	-	-	122,954
-	-	27,148	-	-	-	-	3,778,352
-	518,126	22,338	-	-	-	-	27,148
-	122,659	-	-	-	-	-	581,220
-	-	-	-	-	-	-	135,644
800,000	-	200,000	-	-	-	-	91,500
-	272,776	-	-	-	-	-	1,036,480
-	42,126,696	-	-	-	-	-	272,776
-	155,694	-	-	-	-	-	42,126,696
-	-	-	-	-	-	-	155,694
-	-	-	-	-	11,050,007	-	11,050,007
-	-	-	-	-	-	176,568	176,568
-	-	-	-	-	-	807,253	807,253
<u>\$1,332,811</u>	<u>\$45,411,612</u>	<u>\$10,700,382</u>	<u>\$1,215,641</u>	<u>\$59,034,225</u>	<u>\$11,050,007</u>	<u>\$983,821</u>	<u>\$163,276,401</u>

County of Muskegon
 COMBINED BALANCE SHEET - ALL FUNDS - CONTINUED
 December 31, 1978

LIABILITIES AND FUND EQUITY	General fund	Special revenue funds	Debt service fund
Liabilities			
Cash overdraft	\$26,022,636	\$ 936,112	\$ -
Current maturities of long-term debt	-	-	-
Accounts payable	871,085	1,045,783	-
Drain orders payable	-	-	-
Advances payable	-	-	-
Due to State of Michigan	-	227,307	-
Due other governmental units	-	-	-
Due other funds	-	74,446	-
Trust deposits	-	13,985	-
Accrued liabilities	-	-	-
Undistributed current taxes	-	-	-
Undistributed delinquent taxes	-	-	-
Unallocated receipts	-	-	-
Long-term advances from general fund	-	-	-
Long-term debt	-	-	-
	26,893,721	2,297,633	-
Fund equity			
Investment in general fixed assets	-	-	-
Reserve for debt service	-	-	-
Contributions in aid of construction	-	-	-
Retained earnings (deficit)	-	-	-
Appropriated	-	-	-
Unappropriated	-	-	-
Fund balance			
Appropriated	91,500	2,863,407	-
Unappropriated	966,258	304,752	130,631
	1,057,758	3,168,159	130,631
	\$27,951,479	\$5,465,792	\$130,631

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

Capital project funds	Enterprise funds	Intra-governmental service funds	Trust and agency funds	Special assessment funds	General fixed assets group of accounts	General long-term debt group of accounts	Combined total (memorandum only)
\$ 332,050	\$ 1,812,667	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,103,465
-	425,000	-	-	-	-	-	425,000
-	38,295	92,750	-	-	-	-	2,047,913
-	152,090	-	-	113,199	-	-	113,199
-	-	-	321,809	-	-	-	152,090
-	-	-	159,807	-	-	-	549,116
-	-	-	-	300,000	-	-	159,807
-	-	-	230,551	-	-	-	374,446
-	573,298	62,666	284,469	47,357	-	-	244,536
-	-	-	88,252	-	-	-	683,321
-	-	-	130,753	-	-	-	284,469
-	-	-	-	-	-	-	88,252
-	-	91,500	-	-	-	-	130,753
-	13,875,000	8,880,000	-	39,040,000	-	983,821	91,500
<u>332,050</u>	<u>16,876,350</u>	<u>9,126,916</u>	<u>1,215,641</u>	<u>39,500,556</u>	<u>-</u>	<u>983,821</u>	<u>62,778,821</u>
-	-	-	-	-	11,050,007	-	11,050,007
-	272,776	-	-	-	-	-	272,776
-	28,922,188	-	-	-	-	-	28,922,188
-	-	134,516	-	-	-	-	134,516
-	(659,702)	1,438,950	-	-	-	-	779,248
-	-	-	-	-	-	-	2,954,907
1,000,761	-	-	-	19,533,669	-	-	21,936,071
<u>1,000,761</u>	<u>28,535,262</u>	<u>1,573,466</u>	<u>-</u>	<u>19,533,669</u>	<u>11,050,007</u>	<u>-</u>	<u>66,049,713</u>
<u>\$1,332,811</u>	<u>\$45,411,612</u>	<u>\$10,700,382</u>	<u>\$1,215,641</u>	<u>\$59,034,225</u>	<u>\$11,050,007</u>	<u>\$983,821</u>	<u>\$163,276,401</u>

County of Muskegon

COMBINED STATEMENT OF CHANGES IN FUND EQUITY - ALL FUNDS

Year ended December 31, 1978

	General fund	Special revenue funds	Debt service fund	Capital project funds	Enterprise funds	Intra-governmental service funds	Special assessment funds	General fixed assets group of accounts	Combined total (memorandum only)
Balances at January 1, 1978	\$ 975,409	\$2,791,410	\$154,261	\$ 818,003	\$29,696,585	\$1,229,835	\$ 2,235,576	\$10,432,415	\$48,333,494
Revenues over (under) expenditures for the year	82,349	376,749	(23,630)	182,758	(1,555,516)	343,631	17,298,093	-	16,704,434
Contributions in aid of construction	-	-	-	-	394,193	-	-	-	394,193
Changes in general fixed assets	-	-	-	-	-	-	-	666,775	666,775
Additions	-	-	-	-	-	-	-	(49,183)	(49,183)
Retirements	-	-	-	-	-	-	-	617,592	617,592
Balances at December 31, 1978	\$1,057,758	\$3,168,159	\$130,631	\$1,000,761	\$28,535,262	\$1,573,466	\$19,533,669	\$11,050,007	\$66,049,713

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

County of Muskegon

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

Year ended December 31, 1978

	General fund		Special revenue funds		Combined total (memorandum only)	
	Budget	Actual	Budget	Actual	Budget	Actual
Revenues						
Taxes	\$ 5,629,330	\$ 5,599,377	\$ (29,953)	\$ -	\$ 5,629,330	\$ 5,599,377
Licenses and permits	128,200	144,769	16,569	-	128,200	144,769
Intergovernmental revenue	1,789,450	1,570,750	(218,700)	-	19,642,007	19,423,307
Charges for services - costs	681,141	799,789	118,648	-	681,141	799,789
Charges for services - sales	161,879	198,154	36,275	-	3,027,723	3,063,998
Fines and forfeits	362,775	351,563	(11,212)	-	461,139	449,927
Interest earned	150,000	194,449	44,449	-	259,322	303,771
Rentals	80,500	166,836	86,336	-	80,500	166,836
Reimbursements	48,150	58,045	9,895	-	156,702	166,597
Contributions and donations from private sources	-	-	-	-	24,151	24,151
Total revenues	9,031,425	9,083,732	52,307	-	30,090,215	30,142,522
Expenditures						
Legislative	116,125	115,118	(1,007)	-	116,125	115,118
Judicial	1,824,333	1,826,237	1,904	-	1,824,333	1,826,237
General County government	2,719,750	2,794,181	74,431	-	4,722,599	4,491,172
Public safety	2,137,950	2,178,538	40,588	-	2,398,121	2,440,657
Health	781,200	821,122	39,922	-	9,116,097	9,035,521
Welfare	921,543	784,297	(137,246)	-	11,005,909	10,878,698
Culture	274,975	239,017	(35,958)	-	613,593	615,259
Recreation	28,000	24,996	(3,004)	-	65,889	62,885
Other	227,549	217,877	(9,672)	-	227,549	217,877
Total expenditures	9,031,425	9,001,383	(30,042)	-	30,090,215	29,683,424
EXCESS OF REVENUES OVER EXPENDITURES	\$ -	\$ 82,349	\$ 82,349	\$ 376,749	\$ -	\$ 459,098

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

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

STATEMENT OF CHANGES IN FUND BALANCE

Year ended December 31, 1978

	<u>Appropriated</u>	<u>Unappropriated</u>	<u>Total</u>
Fund balance at January 1, 1978	\$91,500	\$ 883,909	\$ 975,409
Excess of revenues over expenditures for the year			
Revenues	-	9,083,732	9,083,732
Expenditures	-	9,001,383	9,001,383
	<u>-</u>	<u>82,349</u>	<u>82,349</u>
Fund balance at December 31, 1978	<u>\$91,500</u>	<u>\$ 966,258</u>	<u>\$1,057,758</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, 1978

	<u>Budget</u>	<u>Actual</u>	<u>Actual over (under) budget</u>
Taxes	\$5,629,330	\$5,599,377	\$ (29,953)
Licenses and permits	128,200	144,769	16,569
Federal and state grants	1,789,450	1,570,750	(218,700)
Charges for services - costs	681,141	799,789	118,648
Charges for services - sales	161,879	198,154	36,275
Fines and forfeits	362,775	351,563	(11,212)
Interest earned	150,000	194,449	44,449
Rentals	80,500	166,836	86,336
Reimbursements	48,150	58,045	9,895
TOTAL REVENUES	<u>\$9,031,425</u>	<u>\$9,083,732</u>	<u>\$ 52,307</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, 1978

	Original budget	Amended budget	Actual	Actual (over) under amended budget
Legislative	\$ 123,125	\$ 116,125	\$ 115,118	\$ 1,007
Board of commissioners				
Judicial				
Circuit court	348,150	310,150	307,668	2,482
Friend of the court	235,500	244,101	242,422	1,679
District court	593,390	580,132	579,107	1,025
Probate court	223,200	231,200	232,145	(945)
Probate juvenile court	310,375	323,375	329,135	(5,760)
Jury commission	8,800	8,300	8,837	(537)
State probation	39,075	39,075	40,054	(979)
Public defender	88,000	88,000	86,869	1,131
	<u>1,846,490</u>	<u>1,824,333</u>	<u>1,826,237</u>	<u>(1,904)</u>
General county government				
Administrator	114,575	109,575	112,864	(3,289)
Corporate counsel	20,050	20,050	23,756	(3,706)
Finance and accounting	204,025	211,025	215,306	(4,281)
County clerk	205,275	199,275	204,165	(4,890)
Office services	19,725	20,725	27,753	(7,028)
Courthouse and grounds	445,725	445,725	481,618	(35,893)
Drain commissioner	84,325	84,325	86,740	(2,415)
Elections	36,450	33,450	45,082	(11,632)
Equalization	198,700	183,700	183,458	242
Personnel	87,325	100,325	98,437	1,888
Human resources	43,275	43,275	44,794	(1,519)
Plat board	2,125	2,125	2,004	121
Prosecuting attorney	329,250	332,250	336,153	(3,903)
Equipment pool	18,200	27,200	30,448	(3,248)
Register of deeds	137,875	119,875	122,498	(2,623)
Addressograph	29,200	29,200	29,575	(375)
County treasurer	178,600	181,600	182,756	(1,156)
Electronic data processing	178,850	173,850	176,434	(2,584)
Planning commission	119,775	114,775	117,678	(2,903)
Building security	29,175	33,300	34,185	(885)
County properties	173,275	130,275	140,746	(10,471)
Public works	134,950	109,950	93,086	16,864
Urban corps program	6,900	13,900	4,645	9,255
	<u>2,797,625</u>	<u>2,719,750</u>	<u>2,794,181</u>	<u>(74,431)</u>

County of Muskegon
General Fund

STATEMENT OF APPROPRIATIONS AND EXPENDITURES - CONTINUED

Year ended December 31, 1978

	Original budget	Amended budget	Actual	Actual (over) under amended budget
Public safety				
Animal shelter	\$ 172,825	\$ 175,625	\$ 178,340	\$ (2,715)
Appropriation for civil defense	26,225	35,225	33,055	2,170
Sheriff	1,734,425	1,897,925	1,939,767	(41,842)
Marine safety	21,175	29,175	27,376	1,799
	<u>1,954,650</u>	<u>2,137,950</u>	<u>2,178,538</u>	<u>(40,588)</u>
Health				
Medical examiner and coroner	50,900	80,000	84,734	(4,734)
State institutions	87,000	79,000	140,180	(61,180)
Contagious disease	22,500	48,500	47,512	988
Appropriation for health department	483,700	483,700	458,696	25,004
Appropriation for mental health	90,000	90,000	90,000	
	<u>734,100</u>	<u>781,200</u>	<u>821,122</u>	<u>(39,922)</u>
Welfare				
Veterans burial	36,000	36,000	39,715	(3,715)
Appropriations	6,300	6,300	6,943	(643)
Soldiers and sailors relief	450,000	375,000	234,905	140,095
Social services	493,385	421,243	440,021	(18,778)
Child care	38,000	77,000	57,713	19,287
Child haven	6,000	6,000	5,000	1,000
Foster child care	1,029,685	921,543	784,297	137,246
Cultural				
Cooperative extension	99,150	99,150	99,901	(751)
Appropriations	-	7,000	7,587	(587)
Law library	119,825	156,825	120,446	36,379
Library	12,000	12,000	11,083	917
Museum	230,975	274,975	239,017	35,958
Recreation				
Appropriation for parks	25,000	28,000	24,996	3,004
Other				
Miscellaneous contingencies	91,775	34,049	37,019	(2,970)
Insurance	75,000	75,000	62,500	12,500
Community Economic Development Corporation	8,000	3,500	3,362	138
Appropriations	100,000	100,000	99,996	4
Airport	15,000	15,000	15,000	-
Transit system	289,775	227,549	217,877	9,672
	<u>\$9,031,425</u>	<u>\$9,031,425</u>	<u>\$9,001,383</u>	<u>\$ 30,042</u>
TOTAL EXPENDITURES				

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

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

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.

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.

SPECIAL REVENUE FUNDS - CONTINUED

Specific Funds - Continued

Law Library

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

Township Police Service

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

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.

Library Survey

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

Brookhaven Medical Care Facility

This fund is used to account for revenues received from, and expenditures for, the operation of the County medical care facility. The major sources of revenue include charges for services rendered to patients and paid for by medicare, medicaid, private insurance or patients or their representatives.

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 revenue is state grants.

SPECIAL REVENUE FUNDS - CONTINUED

Specific Funds - Continued

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 System

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 and implementing a computerized information system.

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.

Labor Management Program

This fund is used to account for monies granted to the County by the Economic Development Administration of the State of Michigan for the purpose of establishing good labor-management relationships.

Federal Revenue Sharing

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

SPECIAL REVENUE FUNDS - CONTINUED

Specific Funds - Continued

Work Opportunity Resource Corps - Youth Employment 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.

Day Camp

This fund is used to account for monies granted by the County for the operation of the day camp program for disadvantaged youth in Muskegon County.

Soldiers and Sailors Relief

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. The funding for this program has been discontinued in the current year.

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.

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.

SPECIAL REVENUE FUNDS - CONTINUED

Specific Funds - Continued

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.

Comprehensive Employment & Training Act (CETA)

This fund is used to account for federal funds received by the County as a prime sponsor for Muskegon and Oceana Counties under the Comprehensive Employment & Training Act. These funds are targeted for training and employment programs for the underemployed 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.

Governors Grant

This fund is used to account for federal funds received by the County as a subgrantee of the Michigan Department of Labor under the Comprehensive Employment & Training Act. The purpose of this grant is to provide manpower services to unemployed, underemployed and disadvantaged individuals of the County.

Muskegon County Economic Development Commission

This fund is used to account for federal and state grants received for the purpose, among others, of encouraging business expansion in the County.

County of Muskegon
Special Revenue Funds

COMBINING BALANCE SHEET

December 31, 1978

ASSETS	Cooperative Reimbursement Friend of the Court	Cooperative Reimbursement Prosecutor	Civil Defense	Marine Safety	Health Department	Law Library	Township Police Service	Library	Library Survey	Brookhaven Medical Care Facility
Cash	\$ -	\$ -	\$ 25	\$ -	\$ 200	\$ -	\$ -	\$ 145	\$ 1,340	\$ 100
Restricted cash-patient deposits	-	-	-	-	-	-	-	-	-	13,985
Accounts receivable	-	-	-	-	-	-	-	-	-	387,480
Patients	18,519	13,979	11,342	29,379	272,461	3,000	4,698	93,238	-	-
Federal and state agencies	-	-	-	-	-	-	-	-	-	-
Local municipalities and private enterprise	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	-
Inventory of supplies	-	-	-	-	-	-	-	-	-	40,756
	<u>\$18,519</u>	<u>\$13,979</u>	<u>\$11,367</u>	<u>\$29,379</u>	<u>\$272,661</u>	<u>\$3,000</u>	<u>\$4,698</u>	<u>\$93,383</u>	<u>\$1,340</u>	<u>\$442,321</u>
LIABILITIES										
Cash overdraft (note B)	\$18,519	\$ 8,420	\$11,367	\$29,379	\$120,619	\$3,000	\$4,698	\$129,196	\$ -	\$208,596
Accounts payable	-	-	2,180	-	4,061	-	-	-	-	2,407
Due to State of Michigan	-	-	-	-	130,900	-	-	-	-	-
Due other funds	-	-	-	-	28,500	-	-	-	-	-
Patient trust deposits	-	-	-	-	-	-	-	-	-	13,985
Fund balance	18,519	8,420	13,547	29,379	284,080	3,000	4,698	129,196	-	234,988
Appropriated	-	-	-	-	-	-	-	-	-	-
Unappropriated	-	5,559	(2,180)	-	(11,419)	-	-	(35,813)	1,340	217,333
	<u>\$18,519</u>	<u>\$13,979</u>	<u>\$11,367</u>	<u>\$29,379</u>	<u>\$272,661</u>	<u>\$3,000</u>	<u>\$4,698</u>	<u>\$93,383</u>	<u>\$1,340</u>	<u>\$442,321</u>

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

County of Muskegon
Special Revenue Funds

COMBINING BALANCE SHEET - CONTINUED

December 31, 1978

ASSETS	Child Care Facility	Veterans Trust	Personnel Grant	Criminal Justice System	Sewage Facilities Step One	Sewage Facilities Step Two	Labor Management Program	Federal Revenue Sharing	Mental Health (September 30, 1978)	Foster Grandparents (September 30, 1978)
Cash	\$ -	\$6,736	\$3,095	\$ -	\$47,615	\$7,128	\$3,659	\$2,303,557	\$ 150	\$12,334
Restricted cash-patient deposits	-	-	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	-	-	-
Patients	107,225	-	4,489	11,080	-	-	-	292,934	69,323	12,875
Federal and state agencies	-	-	-	-	-	-	-	63,200	-	-
Local municipalities and private enterprise	-	-	-	-	-	-	-	306,417	9,605	-
Other	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	-
Inventory of supplies	-	-	-	-	-	-	-	-	-	-
	<u>\$107,225</u>	<u>\$6,736</u>	<u>\$7,584</u>	<u>\$11,080</u>	<u>\$47,615</u>	<u>\$7,128</u>	<u>\$3,659</u>	<u>\$2,966,108</u>	<u>\$ 79,078</u>	<u>\$25,209</u>
LIABILITIES										
Cash overdraft (note B)	\$ 73,597	\$ -	\$ -	\$ 2,698	\$ -	\$ -	\$ -	\$ -	\$ 137,651	\$ -
Accounts payable	-	-	-	8,382	-	-	-	69,418	175,833	9,168
Due to State of Michigan	-	-	-	-	-	-	-	-	34,502	-
Due other funds	-	-	-	-	-	-	-	-	39,529	-
Patient trust deposits	-	-	-	-	-	-	-	-	-	-
Fund balance	<u>73,597</u>	<u>-</u>	<u>-</u>	<u>11,080</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,418</u>	<u>387,515</u>	<u>9,168</u>
Appropriated	33,628	6,736	7,584	-	47,615	7,128	3,659	2,863,407	(308,437)	16,041
Unappropriated	<u>\$107,225</u>	<u>\$6,736</u>	<u>\$7,584</u>	<u>\$11,080</u>	<u>\$47,615</u>	<u>\$7,128</u>	<u>\$3,659</u>	<u>\$2,966,108</u>	<u>\$ 79,078</u>	<u>\$25,209</u>

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

County of Muskegon
Special Revenue Funds

COMBINING BALANCE SHEET - CONTINUED

December 31, 1978

	Substance Abuse Program (September 30, 1978)	Comprehensive Employment Training Act (September 30, 1978)	Governors Grant (September 30, 1978)	Muskegon County Economic Development Commission (September 30, 1978)	Combined total
ASSETS					
Cash	\$ -	\$ 213,581	\$ -	\$ 1,505	\$ 2,601,170
Restricted cash-patient deposits	-	-	-	-	13,985
Accounts receivable	-	-	-	-	387,480
Patients	-	-	-	-	1,584,641
Federal and state agencies	111,925	484,110	32,971	11,093	1,489,826
Local municipalities and private enterprise	-	-	-	426,626	41,517
Other	-	31,912	-	-	306,417
Due from other funds	-	-	-	-	40,756
Inventory of supplies	-	-	-	-	-
	<u>\$ 111,925</u>	<u>\$ 729,603</u>	<u>\$ 32,971</u>	<u>\$ 439,224</u>	<u>\$ 5,465,792</u>
LIABILITIES					
Cash overdraft (note B)	\$ 156,025	\$ -	\$ 32,347	\$ -	\$ 936,112
Accounts payable	44,082	729,603	624	25	1,045,783
due to State of Michigan	61,905	-	-	-	227,307
due other funds	-	-	-	6,417	74,446
Patient trust deposits	-	-	-	-	13,985
Fund balance	<u>262,012</u>	<u>729,603</u>	<u>32,971</u>	<u>6,442</u>	<u>2,297,633</u>
Appropriated	-	-	-	-	2,863,407
Unappropriated	<u>(150,087)</u>	<u>-</u>	<u>-</u>	<u>432,782</u>	<u>304,752</u>
	<u>\$ 111,925</u>	<u>\$ 729,603</u>	<u>\$ 32,971</u>	<u>\$ 439,224</u>	<u>\$ 5,465,792</u>

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

County of Muskegon
Special Revenue Funds

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

Year ended December 31, 1978

	Cooperative Reimbursement Friend of the Court	Cooperative Reimbursement Prosecutor	Civil Defense	Marine Safety	Health Department	Law Library	Township Police Service	Library	Library Survey	Brookhaven Medical Care Facility
Revenues										
State grants	\$102,875	\$56,880	\$ 23,301	\$29,379	\$1,035,230	\$ -	\$ -	\$ 62,750	\$ -	\$ -
Federal grants	-	-	-	-	182,043	-	-	8,117	-	-
Grants from local units	-	-	-	-	-	-	-	44,046	-	-
Charges for services rendered	-	-	-	51	71,784	-	24,000	4,916	-	2,671,838
Reimbursements	-	-	51,638	-	1,724	-	-	132	-	-
Appropriations from general fund	1,647	-	33,055	27,376	458,696	7,587	-	120,446	-	-
Contributions and donations from private sources	-	-	-	-	450	-	-	2,847	-	8,603
Fines and forfeits	-	-	-	-	-	3,000	-	95,364	-	-
Interest earned	-	-	-	-	-	-	-	-	-	-
	104,522	56,880	107,994	56,806	1,749,927	10,587	24,000	338,618	-	2,680,441
Expenditures										
Personal services	96,763	51,324	36,253	51,237	1,391,327	-	24,000	303,260	-	-
Supplies	8,326	2,258	7,540	3,307	154,016	3	-	15,983	-	-
Medical care services	-	-	-	-	-	-	-	-	-	2,926,688
Mental health services	-	-	-	-	-	-	-	-	-	-
Employment and training	3,803	3,351	51,843	2,262	183,957	221	-	31,254	-	-
Other services and charges	-	-	14,306	-	12,384	10,363	-	25,745	-	-
Capital outlay	108,892	56,933	109,942	56,806	1,741,584	10,587	24,000	376,242	-	2,926,688
	(4,370)	(53)	(1,948)	-	8,243	-	-	(37,624)	-	(246,247)
Fund balances (deficits) at beginning of year	4,370	5,612	(232)	-	(19,662)	-	-	1,811	1,340	463,580
Fund balances (deficits) at end of year	\$ -	\$ 5,559	\$ (2,180)	\$ -	\$ (11,419)	\$ -	\$ -	\$ (35,813)	\$ 1,340	\$ 217,333

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

County of Muskegon
Special Revenue Funds

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - CONTINUED

Year ended December 31, 1978

	Child Care Facility	Veterans Trust	Personnel Grant	Criminal Justice System	Sewage Facilities Step One	Sewage Facilities Step Two	Labor Management Program	Federal Revenue Sharing	Work Opportunity Resource Corps Youth Employment Program	Day Camp
Revenues	\$420,759	\$ 59,535	\$ -	\$ 2,249	\$ 6,853	\$ 18,602	\$ -	\$ -	\$ -	\$ -
State grants	-	-	21,713	45,223	150,416	82,505	35,092	1,133,168	-	20,056
Federal grants	-	-	-	-	-	17,119	-	-	-	-
Grants from local units	-	-	-	-	-	-	-	-	-	-
Charges for services rendered	37,573	-	-	-	-	-	730	-	-	7,133
Reimbursements	-	-	-	-	-	-	-	-	-	-
Appropriations from general fund	440,021	-	32,325	13,312	-	-	-	-	-	-
Contributions and donations from private sources	-	-	-	-	-	-	11,751	-	-	500
Fines and forfeits	-	-	-	-	-	-	-	101,210	-	-
Interest earned	-	-	-	-	805	15	-	1,234,378	-	27,689
	898,353	59,535	54,038	60,784	158,074	118,241	47,573	-	-	-
Expenditures	272,588	16,119	42,796	52,953	-	-	33,465	-	-	13,239
Personal services	24,884	40	115	143	-	-	617	-	-	7,519
Supplies	-	-	-	-	-	-	-	-	-	-
Medical care services	-	-	-	-	-	-	-	-	-	-
Mental health services	-	-	-	-	-	-	-	-	-	-
Employment and training	-	-	-	-	-	-	-	-	-	-
Other services and charges	544,066	46,879	3,543	6,614	118,545	119,287	9,832	635,629	2,109	6,931
Capital outlay	2,612	-	-	1,074	-	-	-	651,253	-	-
	844,150	63,038	46,454	60,784	118,545	119,287	43,914	1,286,882	2,109	27,689
REVENUES OVER (UNDER)	54,203	(3,503)	7,584	-	39,529	(1,046)	3,659	(52,504)	(2,109)	-
EXPENDITURES FOR THE YEAR										
Fund balances (deficits) at beginning of year	(20,575)	10,239	-	-	8,086	8,174	-	2,949,194	2,109	-
Fund balances (deficits) at end of year	\$ 33,628	\$ 6,736	\$ 7,584	\$ -	\$ 47,615	\$ 7,128	\$ 3,659	\$ 2,896,690	\$ -	\$ -

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

County of Muskegon
Special Revenue Funds

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - CONTINUED

Year ended December 31, 1978

	Federal Revenue Sharing - Anti-Recession	Summer Recreation Program	Mental Health (September 30, 1978)	Foster Grandparents (September 30, 1978)	Substance Abuse Program (September 30, 1978)	Comprehensive Employment Training Act (September 30, 1978)	Governors Grant (September 30, 1978)	Muskegon County Economic Development Commission (September 30, 1978)	Combined total
Revenues									
State grants	\$ -	\$ -	\$ 1,430,391	\$ 21,236	\$ 404,356	\$ -	\$ 33,015	\$ 43,438	\$ 3,750,849
Federal grants	142,702	10,200	473,585	128,876	-	9,823,471	-	473,428	12,730,595
Grants from local units	-	-	168,540	-	-	-	-	-	229,705
Charges for services rendered	-	-	93,255	-	-	-	-	-	2,865,844
Reimbursements	-	-	9,622	-	-	-	-	-	108,552
Appropriations from general fund	6,943	-	-	-	-	-	-	-	1,141,408
Contributions and donations from private sources	-	-	-	-	-	-	-	-	24,151
Fines and forfeits	-	-	-	-	-	-	-	-	98,364
Interest earned	1,781	-	-	-	-	-	-	5,511	109,322
	6,943	10,200	2,175,393	150,112	404,356	9,823,471	33,015	522,377	21,058,750
Expenditures									
Personal services	3,801	-	-	135,674	50,971	-	28,456	66,743	2,670,969
Supplies	34	-	-	976	14	-	1,098	4,530	231,403
Medical care services	-	-	-	-	-	-	-	-	2,926,688
Mental health services	-	-	1,907,679	-	-	-	-	-	1,907,679
Employment and training	-	-	-	-	-	9,823,471	-	-	9,823,471
Other services and charges	3,108	10,200	-	13,462	353,992	-	3,302	17,055	2,401,398
Capital outlay	-	-	-	-	1,277	-	159	1,260	720,433
	6,943	10,200	1,907,679	150,112	406,254	9,823,471	33,015	89,588	20,882,041
REVENUES OVER (UNDER) EXPENDITURES FOR THE YEAR	(65,670)	-	267,714	-	(1,898)	-	-	432,789	376,749
Fund balances (deficits) at beginning of year	-	-	(576,151)	16,041	(148,189)	-	-	(7)	2,791,410
Fund balances (deficits) at end of year	\$ -	\$ -	\$ (308,437)	\$ 16,041	\$ (150,087)	\$ -	\$ -	\$ 432,782	\$ 3,168,159

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

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

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

Year ended December 31, 1978

Revenues	
Tax collections	\$265,322
Payments in lieu of taxes	37,559
Interest earned	<u>5,114</u>
	307,995
Expenditures	
Amounts expended for debt obligation	
Bonds	300,000
Interest	<u>31,625</u>
	<u>331,625</u>
EXCESS OF EXPENDITURES OVER REVENUES FOR THE YEAR	(23,630)
Fund balance at January 1, 1978	<u>154,261</u>
Fund balance at December 31, 1978	<u>\$130,631</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

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 Improvement

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 Jail Remodeling

This fund is used to account for resources used for major remodeling of the County jail. The fund was established with a grant from the Economic Development Administration.

County of Muskegon
Capital Project Funds

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

Year ended December 31, 1978

	Mental Health Capital Projects	Public Improvement	Capital Improvement	County Jail Remodeling	Combined total
Revenues	\$ -	\$ -	\$ -	\$ 768,827	\$ 768,827
Federal grants	-	2,312	-	-	2,312
Charges for services	-	34,720	17,650	-	52,370
Interest earned	-	50,378	-	-	50,378
Contributions from other funds	-	-	-	-	-
Settlement of Brookhaven Medical Care Facility	-	-	125,000	-	125,000
Medicaid cost reimbursement (note D)	-	87,410	142,650	768,827	998,887
Expenditures	-	43,016	-	768,827	811,843
Other services and charges	-	-	-	-	-
Capital outlay	-	4,286	-	-	4,286
Interest paid	-	47,302	-	768,827	816,129
EXCESS OF REVENUES OVER EXPENDITURES	-	40,108	142,650	-	182,758
FOR THE YEAR	-	-	-	-	-
CJ Fund balances at January 1, 1978	2,130	505,829	310,044	-	818,003
Transfer to capital improvement fund	(2,130)	-	2,130	-	-
Fund balances at December 31, 1978	\$ -	\$ 545,937	\$ 454,824	\$ -	\$ 1,000,761

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

County of Muskegon
Capital Project Funds
COMBINING BALANCE SHEET

December 31, 1978

ASSETS	Public Improvement	Capital Improvement	County Jail Remodeling	Combined total
Cash	\$ 45,937	\$154,824	\$ -	\$ 200,761
Accounts receivable	-	-	330,750	330,750
Federal agency	-	-	1,300	1,300
Other	500,000	300,000	-	800,000
Note receivable (note C)	<u>\$545,937</u>	<u>\$454,824</u>	<u>\$332,050</u>	<u>\$1,332,811</u>
LIABILITIES				
Cash overdraft (note B)	\$ -	\$ -	\$332,050	\$ 332,050
Fund balance	<u>545,937</u>	<u>454,824</u>	<u>-</u>	<u>1,000,761</u>
	<u>\$545,937</u>	<u>\$454,824</u>	<u>\$332,050</u>	<u>\$1,332,811</u>

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

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 Highway and Transportation (paying 33% of the operating costs) and the Urban Mass Transportation Administration (paying 50% of the operating costs).

Muskegon County Wastewater Management System - Number One

The Muskegon County Wastewater Management System - Number One 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

COMBINING BALANCE SHEET

December 31, 1978

ASSETS	Muskegon County					1977 Combined Total
	Solid Waste Management	Muskegon County Airport	Muskegon Area Transit System	Wastewater Management System - Number One	Combined total	
CURRENT ASSETS						
Cash	\$ 50	\$ 150	\$ 150	\$ 350	\$ 700	\$ 600
Accounts receivable	39,589	9,858	312,511	1,014,440	1,376,398	1,750,802
Inventories (note A2)	-	-	-	518,126	518,126	589,740
Prepaid expenses	-	4,809	19,162	98,688	122,659	120,575
Restricted assets available for debt service	-	-	-	838,563	838,563	400,000
Total current assets	39,639	14,817	331,823	2,470,167	2,856,446	2,861,717
PROPERTY AND EQUIPMENT - AT COST,						
less accumulated depreciation (notes A3 and E)	184,972	4,273,703	219,690	37,448,331	42,126,696	42,954,565
RESTRICTED ASSETS (note F)	-	-	-	272,776	272,776	271,388
OTHER ASSETS	-	-	-	155,694	155,694	169,690
	<u>\$224,611</u>	<u>\$4,288,520</u>	<u>\$551,513</u>	<u>\$40,346,968</u>	<u>\$45,411,612</u>	<u>\$46,257,360</u>
LIABILITIES						
CURRENT LIABILITIES						
Cash overdraft (note B)	\$173,410	\$ 81,155	\$243,047	\$ 1,315,055	\$ 1,812,667	\$ 1,465,523
Current maturities of long-term debt	-	-	-	425,000	425,000	400,000
Accounts payable	-	6,063	-	32,232	38,295	109,508
Advances payable	-	11,607	-	140,483	152,090	154,650
Accrued liabilities	231	-	11,402	561,665	573,298	131,094
Total current liabilities	173,641	98,825	254,449	2,474,435	3,001,350	2,260,775
LONG-TERM DEBT, less current maturities (note G)	-	-	-	13,875,000	13,875,000	14,300,000
RESERVE FOR DEBT SERVICE (note F)	-	-	-	272,776	272,776	271,388
CONTRIBUTIONS IN AID OF CONSTRUCTION	-	4,227,909	316,655	24,377,624	28,922,188	29,778,560
RETAINED EARNINGS (DEFICIT)	50,970	(38,214)	(19,591)	(652,867)	(659,702)	(353,363)
	<u>\$224,611</u>	<u>\$4,288,520</u>	<u>\$551,513</u>	<u>\$40,346,968</u>	<u>\$45,411,612</u>	<u>\$46,257,360</u>

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

County of Muskegon
Enterprise Funds

COMBINED STATEMENT OF OPERATIONS

Year ended December 31, 1978

	Solid Waste Management	Muskegon County Airport	Muskegon Area Transit System	Muskegon County Wastewater Management System - Number One	1977 Combined total
Operating revenues	\$ 29,320	\$ 430,896	\$ 85,372	\$ 2,520,514	\$ 3,066,102
Operating expenses	19,307	596,329	570,559	2,648,108	3,834,303
Operating profit (loss) before depreciation and amortization	10,013	(165,433)	(485,187)	(127,594)	(768,201)
Depreciation and amortization	-	4,512	252	163,337	168,101
On assets acquired with own funds	-	144,501	44,989	1,061,075	1,250,565
On assets acquired from contributions in aid of construction	-	149,013	45,241	1,224,412	1,418,666
Operating profit (loss)	10,013	(314,446)	(530,428)	(1,352,006)	(2,186,867)
Other (income) or deductions	-	(99,996)	(15,000)	-	(114,996)
Appropriations from general fund	(56,534)	-	(499,710)	-	(556,244)
Operating subsidies	-	-	-	(818,237)	(818,237)
User fees for debt service	-	-	-	891,138	891,138
Interest expense	-	-	-	(33,012)	(33,012)
Other (net)	(56,534)	(99,996)	(514,710)	39,889	(631,351)
NET EARNINGS (LOSS)	\$ 66,547	\$ (214,450)	\$ (15,718)	\$ (1,391,895)	\$ (1,555,516)
Disposition of net earnings (loss)	\$ 66,547	\$ (214,450)	\$ (15,718)	\$ (1,391,895)	\$ (1,555,516)
Net earnings (loss)	-	144,501	44,989	1,061,075	1,250,565
Transfer of depreciation and amortization to contributions in aid of construction	-	-	-	-	-
Income (loss) transferred to retained earnings	\$ 66,547	\$ (69,949)	\$ 29,271	\$ (330,820)	\$ (304,951)
					\$ 124,653

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

County of Muskegon
Enterprise Funds

COMBINING STATEMENT OF RETAINED EARNINGS AND
CONTRIBUTIONS IN AID OF CONSTRUCTION

Year ended December 31, 1978

	Solid Waste Management	Muskegon County Airport	Muskegon Area Transit System	Muskegon County Wastewater Management System - Number One	1977 Combined Total
Retained earnings (deficit) at beginning of year	\$ (15,577)	\$ 31,735	\$ (48,862)	\$ (320,659)	\$ (571,041)
Net earnings (loss) for the year	66,547	(214,450)	(15,718)	(1,391,895)	(1,089,486)
Transfer of depreciation and amortization to contributions in aid of construction	-	144,501	44,989	1,061,075	1,214,139
Transfer (to) from reserve for debt service	-	-	-	(1,388)	93,025
Retained earnings (deficit) at end of year	\$ 50,970	\$ (38,214)	\$ (19,591)	\$ (652,867)	\$ (353,363)

STATEMENT OF RETAINED EARNINGS

Retained earnings (deficit) at beginning of year	\$ (15,577)
Net earnings (loss) for the year	66,547
Transfer of depreciation and amortization to contributions in aid of construction	-
Transfer (to) from reserve for debt service	-
Retained earnings (deficit) at end of year	\$ 50,970

STATEMENT OF CONTRIBUTIONS IN AID
OF CONSTRUCTION

Contributions in aid of construction at beginning of year	\$ -	\$ 4,210,817	\$ 361,644	\$ 25,206,099	\$ 29,778,560	\$ 30,144,831
Contributions in aid of construction	-	161,593	-	232,600	394,193	847,868
Depreciation and amortization on assets acquired from contributions in aid of construction	-	(144,501)	(44,989)	(1,061,075)	(1,250,565)	(1,214,139)
Contributions in aid of construction at end of year	\$ -	\$ 4,227,909	\$ 316,655	\$ 24,377,624	\$ 28,922,188	\$ 29,778,560

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

County of Muskegon
Enterprise Funds

COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 1978

	Solid Waste Management	Muskegon County Airport	Muskegon Area Transit System	Muskegon County Wastewater Management System - Number One	1977 Combined total
Sources of working capital					
From operations	\$ 66,547	\$(214,450)	\$(15,718)	\$(1,391,895)	\$(1,089,486)
Net earnings (loss) for the year	-	149,013	45,241	1,210,752	1,359,078
Charges to operations not using working capital	-	-	-	13,660	13,660
Depreciation of property and equipment	-	-	-	-	-
Amortization of deferred loan issue costs	-	-	-	-	-
Working capital provided from (used for) operations	66,547	(65,437)	29,523	(167,483)	(136,850)
Disposition of equipment	-	-	-	17,470	17,470
Decrease in restricted assets	-	-	-	-	19,751
Decrease in other assets	-	-	-	336	93,025
Contributions in aid of construction	66,547	161,593	-	232,600	1,406
		96,156	29,523	82,923	394,193
					275,149
Applications of working capital					
Additions to property and equipment	-	183,875	-	410,732	594,607
Increase in restricted assets	-	-	-	1,388	1,388
Current maturities of long-term debt	-	183,875	-	425,000	400,000
				837,120	1,241,736
		(87,719)	29,523	(754,197)	(745,846)
INCREASE (DECREASE) IN WORKING CAPITAL	66,547	3,711	47,851	749,929	600,942
Working capital (deficit) at beginning of year	(200,549)	84,008	77,374	(4,268)	597,376
Working capital (deficit) at end of year	\$(134,002)	87,719	125,225	745,661	600,942

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

County of Muskegon
Enterprise Funds

COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION - CONTINUED

Year ended December 31, 1978

	Solid Waste Management	Muskegon County Airport	Muskegon Area Transit System	Muskegon County Wastewater Management System - Number One	1977 Combined total
Changes in components of working capital					
Increase (decrease) in current assets					
Cash	\$ 32,537	\$ -	\$ -	\$ 100	\$ (400)
Accounts receivable	-	(39,137)	48,786	(416,590)	(340,220)
Inventories	-	-	-	(71,614)	(5,171)
Prepaid expenses	-	(3,591)	(1,823)	7,498	49,130
Restricted assets available for debt service	32,537	(42,728)	46,963	438,563	25,000
				(42,043)	(271,661)
(Increase) decrease in current liabilities					
Cash overdraft	34,241	(57,295)	(18,732)	(305,358)	234,526
Current maturities of long-term debt	-	-	-	(25,000)	(25,000)
Accounts payable	-	9,744	2,517	58,952	80,441
Advances payable	-	2,560	-	-	2,560
Accrued liabilities	(231)	-	(1,225)	(440,748)	(17,300)
	34,010	(44,991)	(17,440)	(712,154)	(275,227)
INCREASE (DECREASE) IN WORKING CAPITAL	\$66,547	\$ (87,719)	\$ 29,523	\$ (754,197)	\$ 3,566

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

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

The delinquent tax revolving funds are used to account for monies borrowed in anticipation of delinquent taxes being collected. These funds pay to each local unit, including the County's general fund, their respective shares of property taxes returned delinquent as of March 1 of each year.

Central Stores

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

Self-Insurance

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 workers' compensation, unemployment, dental 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

COMBINING BALANCE SHEET

December 31, 1978

	1975	1976	1977	1978	Self-Insurance	Drain Revolving	Combined total
ASSETS	Delinquent Tax Revolving	Delinquent Tax Revolving	Delinquent Tax Revolving	Delinquent Tax Revolving	Stores	Revolving	total
Cash	\$1,533,304	\$1,968,767	\$2,415,697	\$1,918	\$ 148	\$34,352	\$ 6,648,109
Accounts receivable	-	-	-	-	7,514	-	24,435
Unlevied assessments receivable	189,802	1,173,041	2,415,509	-	-	27,148	27,148
Delinquent taxes receivable	-	-	-	-	-	-	3,778,352
Inventory	-	-	-	-	22,338	-	22,338
Note receivable (note C)	-	-	-	-	-	-	200,000
	<u>\$1,723,106</u>	<u>\$3,141,808</u>	<u>\$4,831,206</u>	<u>\$1,918</u>	<u>\$30,000</u>	<u>\$61,500</u>	<u>\$10,700,382</u>
	\$ -	\$ -	\$ -	\$1,821	\$ -	\$ -	\$ 92,750
Accounts payable	9,187	19,008	34,471	-	-	-	62,666
Accrued interest payable	1,310,000	2,880,000	4,690,000	-	-	-	8,880,000
Tax anticipation notes payable (note G)	-	-	-	-	30,000	-	91,500
Long-term advances from general fund	1,319,187	2,899,008	4,724,471	1,821	30,000	61,500	9,126,916
	<u>403,919</u>	<u>242,800</u>	<u>106,735</u>	<u>97</u>	<u>-</u>	<u>-</u>	<u>134,516</u>
Retained earnings	403,919	242,800	106,735	97	-	-	685,399
Appropriated	-	-	-	-	-	-	-
Unappropriated	<u>403,919</u>	<u>242,800</u>	<u>106,735</u>	<u>97</u>	<u>-</u>	<u>-</u>	<u>1,573,466</u>
	<u>\$1,723,106</u>	<u>\$3,141,808</u>	<u>\$4,831,206</u>	<u>\$1,918</u>	<u>\$30,000</u>	<u>\$61,500</u>	<u>\$10,700,382</u>

LIABILITIES

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

County of Muskegon
Intragovernmental Service Funds

COMBINING STATEMENT OF EARNINGS AND RETAINED EARNINGS

Year ended December 31, 1978

	1974	1975	1976	1977	1978	Central Stores	Self-insurance	Combined total
	Delinquent Tax Revolving							
Operating revenues								
Penalties and interest on delinquent taxes	\$ 39,428	\$ 218,224	\$ 161,945	\$ 163,277	\$ 74	\$ -	\$ -	\$ 582,948
Tax sale fees	1,256	11,355	492	-	-	-	-	13,103
Billings to departments	-	-	63,962	69,621	23	174,006	722,649	896,655
Interest earned	5,625	57,210	226,399	232,898	97	174,006	770,151	243,943
	<u>46,309</u>	<u>286,789</u>						<u>1,736,649</u>
Operating expenses								
Personal services	-	-	-	-	-	-	27,967	27,967
Cost of materials used	-	-	-	-	-	177,207	-	177,207
Insurance benefits and claims	-	-	-	-	-	-	245,872	245,872
Insurance premiums	-	-	-	-	-	-	237,958	237,958
Interest expense	20,491	73,673	133,384	126,255	-	-	-	353,803
	<u>20,491</u>	<u>73,673</u>	<u>133,384</u>	<u>126,255</u>	-	<u>177,207</u>	<u>511,797</u>	<u>1,042,807</u>
Operating profit (loss)	25,818	213,116	93,015	106,643	97	(3,201)	258,354	693,842
Nonoperating revenue and expense								
Transfer to general fund	(353,412)	-	-	-	-	-	-	(353,412)
General fund contribution	<u>(353,412)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,201</u>	<u>-</u>	<u>(350,211)</u>
NET EARNINGS (LOSS) FOR THE YEAR	(327,594)	213,116	93,015	106,643	97	-	258,354	343,631
Retained earnings at January 1, 1978	<u>327,594</u>	<u>190,803</u>	<u>149,785</u>	<u>92</u>	-	-	<u>561,561</u>	<u>1,229,835</u>
Retained earnings at December 31, 1978	\$ -	\$ 403,919	\$ 242,800	\$ 106,735	\$ 97	\$ -	\$ 819,915	\$ 1,573,466

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

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.

Cemetery Trust

This is a trust fund to care for cemetery 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 Endowment

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.

Library Penal Fine

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.

Cooperative Extension Trust

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.

County of Muskegon
Trust and Agency Funds

COMBINING BALANCE SHEET

December 31, 1978

ASSETS	Trust and Agency	Cemetery Trust	Medical Care Facility Endowment	Library Penal Fine	Cooperative Extension Trust	Combined total
Cash	\$850,907	\$ 1,162	\$ 6,896	\$253,185	\$5,577	\$1,117,727
Certificates of deposit	-	11,837	35,000	-	-	46,837
Accounts receivable	51,077	-	-	-	-	51,077
	<u>\$901,984</u>	<u>\$12,999</u>	<u>\$41,896</u>	<u>\$253,185</u>	<u>\$5,577</u>	<u>\$1,215,641</u>
	\$284,469	\$ -	\$ -	\$ -	\$ -	\$ 284,469
Undistributed current taxes	88,252	-	-	-	-	88,252
Undistributed delinquent taxes	2,547	-	-	-	-	2,547
Due to State of Michigan	319,262	-	-	-	-	319,262
Court fines and fees						
Other						
Fines and fees due to local municipalities and libraries	24,886	-	-	134,921	-	159,807
Trust deposits	175,656	12,999	41,896	-	-	230,551
Unallocated receipts	6,912	-	-	118,264	5,577	130,753
	<u>\$901,984</u>	<u>\$12,999</u>	<u>\$41,896</u>	<u>\$253,185</u>	<u>\$5,577</u>	<u>\$1,215,641</u>

LIABILITIES

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

County of Muskegon
Trust and Agency Funds

COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

December 31, 1978

	Trust and Agency	Cemetery Trust	Medical Care Facility Endowment	Library Penal Fine	Cooperative Extension Trust	Combined Total
Cash balance at January 1, 1978	\$ 495,034	\$ 906	\$ 7,205	\$ 67,300	\$ 2,640	\$ 573,085
Receipts						
Cemetery care deposits	-	1,000	-	-	-	1,000
Interest earned	-	420	1,467	7,412	-	9,299
Penal fines and fees	2,653	-	-	178,473	-	181,126
4-H sponsored program receipts	-	-	-	-	14,627	14,627
Property and other tax collections	11,727,098	-	-	-	-	11,727,098
School tax collections	28,895	-	-	-	-	28,895
Payroll taxes and employee fringe benefits	1,356,607	-	-	-	-	1,356,607
Zoning fees collected	1,850	-	-	-	-	1,850
Trust monies for other county funds	1,142,444	-	-	-	-	1,142,444
Court specified payments	282,017	-	-	-	-	282,017
Patients and inmates funds	366,848	-	-	-	-	366,848
Bonds and other court-held monies	143,977	-	-	-	-	143,977
Other	583,781	-	-	-	-	583,781
	<u>15,636,170</u>	<u>1,420</u>	<u>1,467</u>	<u>185,885</u>	<u>14,627</u>	<u>15,839,569</u>
Total cash available	16,131,204	2,326	8,672	253,185	17,267	16,412,654
Disbursements						
Investments purchased	-	1,000	-	-	-	1,000
Maintenance	-	164	-	-	-	164
Payments of penal fines to local units and libraries	508,137	-	-	-	-	508,137
Expenses of 4-H sponsored programs	-	-	-	-	11,690	11,690
Property and other taxes	11,732,230	-	-	-	-	11,732,230
School taxes	28,895	-	-	-	-	28,895
Payroll taxes and employee fringe benefits	1,090,926	-	-	-	-	1,090,926
Zoning fees transferred	1,772	-	-	-	-	1,772
Trust monies for other county funds	1,033,505	-	-	-	-	1,033,505
Court specified payments	294,632	-	-	-	-	294,632
Patients and inmates funds	341,281	-	-	-	-	341,281
Bonds and other court-held funds	140,731	-	-	-	-	140,731
Other	108,188	-	-	-	-	108,188
	<u>15,280,297</u>	<u>1,164</u>	<u>1,776</u>	<u>-</u>	<u>11,690</u>	<u>15,294,927</u>
Cash balance at December 31, 1978	\$ 850,907	\$ 1,162	\$ 6,896	\$ 253,185	\$ 5,577	\$ 1,117,727

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

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

Muskegon County Sewage Collection and Disposal System No. 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 Sewage Collection and Disposal System No. 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 No. 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 Sewage Collection and Disposal System No. 1, Series IV

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 Special Assessment Wastewater System No. 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.

SPECIAL ASSESSMENT FUNDS - CONTINUED

Specific Funds - Continued

Muskegon County Wastewater Management System No. 1
Egelston Township Extension

This fund is used to account for the construction of sewer extensions and a transfer station in the Township of Egelston. This construction was authorized in accordance with the provisions of Act 185 of the Michigan Public Acts of 1957, as amended.

Muskegon County Wastewater Management System No. 1
Muskegon Township Extension

This fund is used to account for the construction of sewer extensions in the Township of Muskegon. This construction was authorized in accordance with the provisions of Act 185 of the Michigan Public Acts of 1957, as amended.

Muskegon County Wastewater Management System No. 1
Laketon Township Extension

This fund is used to account for the construction of sewer extensions in the Township of Laketon. This construction was authorized in accordance with the provisions of Act 185 of the Michigan Public Acts of 1957, as amended.

Muskegon County Water Supply System No. 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 No. 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 Water Supply System No. 3

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

SPECIAL ASSESSMENT FUNDS - CONTINUED

Specific Funds - Continued

Muskegon County Solid Waste Management System No. 2

This fund is used to account for construction of improvements to an existing landfill used jointly by the City of Norton Shores and the Townships of Muskegon and Egelston. This improvement was authorized in accordance with the provisions of Act 185 of Michigan Public Acts of 1957, as amended.

Muskegon County 1975 Motor Vehicle Highway

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.

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.

County of Muskegon
Special Assessment Funds
COMBINING BALANCE SHEET

December 31, 1978

	Muskegon County Sewage Collection and Disposal System No. 1 Series II	Muskegon County Sewage Collection and Disposal System No. 1 Series III	Muskegon County Sewage Collection and Disposal System No. 1 Series IV	Muskegon County Sewage Collection and Disposal System No. 1 Series I Improvement	Muskegon County Wastewater Management System No. 1 Eggeston Township Extension	Muskegon County Wastewater Management System No. 1 Muskegon Township Extension	Muskegon County Wastewater Management System No. 1 Laketon Township Extension
ASSETS							
Cash and certificates of deposit	\$ 18,863	\$ 183,514	\$ 6,425,779	\$274,602	\$ 389,494	\$ 4,018,728	\$2,852,873
Grants receivable	-	-	863,845	-	817,429	1,184,648	68,416
Federal	-	-	125,748	-	108,039	184,116	4,510
State	-	-	-	-	-	-	-
Brain assessments receivable	-	-	-	-	-	-	-
Current	-	-	-	-	-	-	-
Deferred	-	-	-	-	-	-	-
Due from local municipalities (note G)	540,000	1,150,000	8,850,000	-	2,150,000	9,500,000	2,800,000
Due from private enterprise (note G)	-	-	-	248,500	-	-	-
	<u>\$58,863</u>	<u>\$1,333,514</u>	<u>\$16,265,372</u>	<u>\$523,102</u>	<u>\$3,464,962</u>	<u>\$14,887,492</u>	<u>\$5,725,799</u>
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,137
Interest payable	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Drain orders payable	540,000	1,150,000	8,850,000	450,000	2,150,000	9,500,000	2,800,000
Bonds payable (note G)	540,000	1,150,000	8,850,000	450,000	2,150,000	9,500,000	2,838,137
Fund balances	18,863	183,514	7,415,372	73,102	1,314,962	5,387,492	2,887,662
	<u>\$58,863</u>	<u>\$1,333,514</u>	<u>\$16,265,372</u>	<u>\$523,102</u>	<u>\$3,464,962</u>	<u>\$14,887,492</u>	<u>\$5,725,799</u>
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

County of Muskegon
Special Assessment Funds

COMBINING BALANCE SHEET - CONTINUED

December 31, 1978

ASSETS	Muskegon County Water Supply System No. 1	Muskegon County Water Supply System No. 2	Muskegon County Water Supply System No. 3	Muskegon County Solid Waste Management System No. 2	Muskegon County 1975 Motor Vehicle Highway	Drain Fund	Combined total
Cash and certificates of deposit	\$1,048,851	\$ 243,773	\$ 76,443	\$ 510,662	-	\$273,853	\$16,515,670
Grants receivable	-	-	-	-	-	-	2,934,338
Federal	-	-	-	-	-	-	422,413
State	-	-	-	-	-	-	-
Drain assessments receivable	-	-	-	-	-	70,247	70,247
Current	-	-	-	-	-	52,707	52,707
Deferred	-	-	-	-	-	-	-
Due from local municipalities (note G)	5,650,000	3,750,350	300,000	500,000	1,500,000	-	38,790,350
Due from private enterprise (note G)	-	-	-	-	-	-	248,500
	<u>\$6,698,851</u>	<u>\$3,994,123</u>	<u>\$376,443</u>	<u>\$1,010,662</u>	<u>\$1,500,000</u>	<u>\$396,807</u>	<u>\$59,034,225</u>
LIABILITIES							
Interest payable	-	-	-	9,220	-	-	\$ 47,357
Due to other funds	-	-	300,000	-	-	-	300,000
Drain orders payable	5,650,000	3,850,000	-	500,000	1,500,000	113,199	113,199
Bonds payable (note G)	<u>5,650,000</u>	<u>3,850,000</u>	<u>300,000</u>	<u>509,220</u>	<u>1,500,000</u>	<u>113,199</u>	<u>39,040,000</u>
	1,048,851	144,123	76,443	501,442	-	283,608	39,500,555
Fund balances	<u>\$6,698,851</u>	<u>\$3,994,123</u>	<u>\$376,443</u>	<u>\$1,010,662</u>	<u>\$1,500,000</u>	<u>\$396,807</u>	<u>\$59,034,225</u>

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

County of Muskegon
Special Assessment Funds

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year ended December 31, 1978

	Muskegon County Sewage Collection System No. 1 Series II	Muskegon County Sewage Collection and Disposal System No. 1 Series III	Muskegon County Sewage Collection and Disposal System No. 1 Series IV	Muskegon County Special Assessment Wastewater System No. 1 Egelston Township Improvement	Muskegon County Wastewater Management System No. 1 Muskegon Township Extension	Muskegon County Wastewater Management System No. 1 Laketon Township Extension
Revenues						
Federal grants in aid of construction	\$ -	\$ -	\$ 1,886,218	\$ -	\$ 1,753,235	\$ 100,649
State grants in aid of construction	-	-	125,748	-	116,664	6,710
Contract payments by local units for debt service	126,445	176,825	-	150,000	-	-
Interest earned	-	7,210	239,841	11,311	218,219	20,663
Loan proceeds from other funds	-	-	-	-	-	-
Bond proceeds	-	-	8,850,000	-	2,150,000	2,800,000
Charges for services	126,445	184,285	11,101,807	161,311	13,264,110	2,928,022
Expenditures						
Debt retirement	100,000	25,000	-	150,000	-	-
Interest	26,445	82,050	169,979	26,775	44,835	223,286
Engineering and construction costs	-	4,600	3,453,334	240	2,682,706	7,574,971
Paying agent fees	138	184	519	130	545	37,794
Other charges and services	-	21	62,603	-	26,029	2,566
Return of unused construction funds	126,583	181,630	3,686,435	177,145	2,753,756	40,360
REVENUES OVER (UNDER)	(138)	(5,691)	7,415,372	(15,834)	1,314,962	2,887,662
EXPENDITURES FOR THE YEAR						
Fund balances at January 1, 1978	19,001	189,205	-	88,936	-	-
Fund balances at December 31, 1978	\$ 18,863	\$ 183,514	\$ 7,415,372	\$ 73,102	\$ 1,314,962	\$ 2,887,662

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

County of Muskegon
Special Assessment Funds

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - CONTINUED
Year ended December 31, 1978

	Muskegon County Water Supply System No. 1	Muskegon County Water Supply System No. 2	Muskegon County Water Supply System No. 3	Muskegon County Solid Waste Management System No. 2	Muskegon County 1975 Motor Vehicle Highway	Drain Fund	Fison Corporation Construction	Combined Total
Revenues								
Federal grants in aid of construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,064,925
State grants in aid of construction	-	-	-	-	-	-	-	470,190
Contract payments by local units for debt service	444,840	315,400	-	-	256,144	-	-	1,576,704
Interest earned	39,624	2,988	4,960	3,643	2,810	11,499	-	619,047
Loan proceeds from other funds	-	-	300,000	-	-	-	-	300,000
Bond proceeds	-	-	-	500,000	-	-	-	23,800,000
Charges for services	484,464	318,388	304,960	503,643	258,954	700	-	33,831,566
Expenditures								
Debt retirement	100,000	100,000	-	-	175,000	-	-	675,000
Interest	344,613	218,550	-	-	80,963	794	-	1,370,115
Engineering and construction costs	96,756	14,588	215,500	-	149,980	-	-	14,243,069
Paying agent fees	423	302	-	-	182	-	-	2,888
Other charges and services	12,764	1,854	13,017	2,201	-	38,837	225	237,955
Return of unused construction funds	-	-	-	-	-	-	4,446	4,446
	554,556	335,294	228,517	2,201	406,125	39,631	4,671	16,533,473
REVENUES OVER (UNDER) EXPENDITURES								
FOR THE YEAR	(70,092)	(16,906)	76,443	501,442	(147,171)	(27,432)	(4,671)	17,298,093
Fund balances at January 1, 1978	1,118,943	161,029	-	-	147,171	311,040	4,671	2,235,576
Fund balances at December 31, 1978	\$1,048,851	\$144,123	\$ 76,443	\$501,442	\$ -	\$283,608	\$ -	\$19,533,669

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

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 Group of Accounts

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS

Year ended December 31, 1978

	Balance January 1, 1978	Additions	Retirements	Balance December 31, 1978
General fixed assets				
Land	\$ 565,456	-	-	\$ 565,456
Land improvements	13,147	-	-	13,147
Buildings	8,043,131	400,000	18,729	8,424,402
Building additions and improvements	568,736	-	-	568,736
Machinery and equipment	81,396	14,679	9,536	86,539
Vehicles	224,746	63,126	-	287,872
Office furniture and fixtures	935,803	186,780	20,918	1,101,665
Ordinances and accessories	-	2,190	-	2,190
	<u>\$10,432,415</u>	<u>\$666,775</u>	<u>\$49,183</u>	<u>\$11,050,007</u>
Investment in general fixed assets				
General fund	\$ 958,445	\$ 85,854	\$15,494	\$ 1,014,941
Special revenue funds	18,955	1,074	-	20,029
Capital project funds				
General obligation bonds	6,943,600	-	-	6,943,600
Federal grants	2,283,028	567,488	33,689	2,830,691
State grants	228,387	12,359	-	240,746
	<u>9,455,015</u>	<u>579,847</u>	<u>33,689</u>	<u>10,015,037</u>
	<u>\$10,432,415</u>	<u>\$666,775</u>	<u>\$49,183</u>	<u>\$11,050,007</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
General Long-Term Debt Group of Accounts

STATEMENT OF CHANGES IN GENERAL LONG-TERM DEBT

Year ended December 31, 1978

	Balance January 1, 1978	General obligation debt issued	General obligation debt retired	Debt service operation	Balance December 31, 1978
Amount available					
Debt service fund	\$ 154,261	\$ -	\$ -	\$(23,630)	\$130,631
Public improvement fund	117,535	-	-	(71,598)	45,937
	<u>271,796</u>	<u>-</u>	<u>-</u>	<u>(95,228)</u>	<u>176,568</u>
Amount to be provided for general obligation debt	<u>770,739</u>	<u>267,000</u>	<u>325,714</u>	<u>95,228</u>	<u>807,253</u>
	<u>\$1,042,535</u>	<u>\$267,000</u>	<u>\$325,714</u>	<u>\$ -</u>	<u>\$983,821</u>
General obligation debt payable (note G)	\$ 925,000	\$ -	\$300,000	\$ -	\$625,000
County medical care facility bonds	117,535	-	25,714	-	91,821
5.5% land contract payable	-	267,000	-	-	267,000
Due to Muskegon county road commission	<u>\$1,042,535</u>	<u>\$267,000</u>	<u>\$325,714</u>	<u>\$ -</u>	<u>\$983,821</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

STATEMENT OF REVENUES - ESTIMATED AND ACTUAL

Year ended September 30, 1978

	Original budget	Amended budget	Actual	Actual over (under) amended budget
Federal staffing grant	\$ 139,443	\$ 139,443	\$ 132,090	\$ (7,353)
P.A.C. grant	38,373	53,821	56,001	2,180
C.E.T.A.	89,302	89,302	91,495	2,193
Earned contract	15,600	15,600	-	(15,600)
Excess local matching	60,593	60,593	33,810	(26,783)
Local matching	143,337	134,730	134,730	-
Fees	65,748	65,748	93,255	27,507
Medicaid	3,500	3,500	-	(3,500)
Title XX	69,700	69,700	69,700	-
State formula allocation	1,504,209	1,413,885	1,281,082	(132,803)
Child abuse grant	-	44,200	23,608	(20,592)
Federal revenue sharing	-	-	250,000	250,000
Other	3,048	3,048	9,622	6,574
	<u>\$2,132,853</u>	<u>\$2,093,570</u>	<u>\$2,175,393</u>	<u>\$ 81,823</u>

County of Muskegon
Mental Health Fund

STATEMENT OF APPROPRIATIONS AND EXPENDITURES

Year ended September 30, 1978

	Original budget	Amended budget	Actual	Actual (over) under amended budget
Life consultation	\$ 176,880	\$ 161,730	\$ 150,987	\$ 10,743
Goodwill program	105,399	116,777	103,702	13,075
Catholic social services	12,700	19,870	16,003	3,867
Child and Family Services	7,300	14,700	13,192	1,508
Residential service	36,479	36,479	24,174	12,305
Barnard Center	109,642	119,740	115,577	4,163
Terrace Center	220,870	296,602	288,196	8,406
West Shore Clinic	460,642	430,642	368,097	62,545
Inpatient services	547,269	369,884	374,707	(4,823)
Adult activity	109,679	109,679	98,855	10,824
Northshore school	33,974	33,974	30,353	3,621
Child abuse program	-	44,200	24,377	19,823
Board administration	273,646	285,472	251,509	33,963
P.A.C. grant program	38,373	53,821	47,950	5,871
	<u>\$2,132,853</u>	<u>\$2,093,570</u>	<u>\$1,907,679</u>	<u>\$185,891</u>

County of Muskegon
Foster Grandparents Fund

STATEMENT OF REVENUES - ESTIMATED AND ACTUAL

Year ended September 30, 1978

	<u>Original budget</u>	<u>Actual</u>	<u>Actual over (under) budget</u>
Federal grant	\$137,123	\$128,876	\$(8,247)
State grant	<u>20,000</u>	<u>21,236</u>	<u>1,236</u>
	<u>\$157,123</u>	<u>\$150,112</u>	<u>\$(7,011)</u>

County of Muskegon
Foster Grandparents Fund

STATEMENT OF APPROPRIATIONS AND EXPENDITURES

Year ended September 30, 1978

	<u>Original budget</u>	<u>Actual</u>	<u>Actual (over) under budget</u>
Administration			
Salaries and wages	\$ 25,958	\$ 27,555	\$(1,597)
Fringe benefits	6,156	8,211	(2,055)
Travel	1,000	-	1,000
Supplies	150	486	(336)
Other administrative expenses	1,225	-	1,225
	<u>34,489</u>	<u>36,252</u>	<u>(1,763)</u>
 Volunteers			
Stipends	103,881	99,908	3,973
Fringe benefits	1,067	-	1,067
Travel	17,261	13,462	3,799
Supplies and other	425	490	(65)
	<u>122,634</u>	<u>113,860</u>	<u>8,774</u>
	<u>\$157,123</u>	<u>\$150,112</u>	<u>\$ 7,011</u>

County of Muskegon
Substance Abuse Program Fund

STATEMENT OF REVENUES - ESTIMATED AND ACTUAL

Year ended September 30, 1978

	<u>Original budget</u>	<u>Actual</u>	<u>Actual over (under) budget</u>
State grant	<u>\$419,150</u>	<u>\$404,356</u>	<u>\$(14,794)</u>
	<u>\$419,150</u>	<u>\$404,356</u>	<u>\$(14,794)</u>

County of Muskegon
Substance Abuse Program Fund

STATEMENT OF APPROPRIATIONS AND EXPENDITURES

Year ended September 30, 1978

	<u>Original budget</u>	<u>Amended budget</u>	<u>Actual</u>	<u>Actual (over) under amended budget</u>
Salaries and wages	\$ 38,025	\$ 38,025	\$ 42,015	\$(3,990)
Fringe benefits	9,599	9,599	8,956	643
Travel	1,730	1,730	585	1,145
Supplies and materials	868	868	14	854
Sub-contracts	359,650	359,650	346,535	13,115
Equipment	-	1,300	1,277	23
Consultant services	3,680	2,380	954	1,426
Rental and leases	3,175	3,175	2,948	227
Communication costs	2,000	2,000	2,383	(383)
Other	423	423	587	(164)
	<u>\$419,150</u>	<u>\$419,150</u>	<u>\$406,254</u>	<u>\$12,896</u>

County of Muskegon
Solid Waste Management Fund

BALANCE SHEET

December 31

ASSETS	<u>1978</u>	<u>1977</u>
CURRENT ASSETS		
Cash	\$ 50	\$ 50
Accounts receivable	<u>39,589</u>	<u>7,052</u>
Total current assets	39,639	7,102
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>\$224,611</u>	<u>\$192,074</u>
LIABILITIES		
CURRENT LIABILITIES		
Cash overdraft	\$173,410	\$207,651
Accrued payroll	<u>231</u>	<u>-</u>
Total current liabilities	173,641	207,651
RETAINED EARNINGS (DEFICIT)	<u>50,970</u>	<u>(15,577)</u>
	<u>\$224,611</u>	<u>\$192,074</u>

County of Muskegon
Solid Waste Management Fund

STATEMENT OF EARNINGS AND RETAINED EARNINGS

Year ended December 31

	<u>1978</u>	<u>1977</u>
Operating revenues	\$ 29,320	\$ 9,659
Operating expenses	<u>19,307</u>	<u>5,752</u>
Operating profit	10,013	3,907
Operating subsidy from other governmental units	<u>56,534</u>	<u>-</u>
NET EARNINGS FOR THE YEAR	66,547	3,907
Accumulated deficit at beginning of year	<u>(15,577)</u>	<u>(19,484)</u>
Retained earnings (deficit) at end of year	<u>\$ 50,970</u>	<u>\$(15,577)</u>

County of Muskegon
Solid Waste Management Fund

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31

	1978	1977
Sources of working capital		
From operations		
Net earnings for year	\$ <u>66,547</u>	\$ <u>3,907</u>
INCREASE IN WORKING CAPITAL	66,547	3,907
Working capital deficit at beginning of year	(200,549)	(204,456)
Working capital deficit at end of year	<u>\$(134,002)</u>	<u>\$(200,549)</u>
Changes in components of working capital		
Increase (decrease) in current assets		
Accounts receivable	\$ <u>32,537</u>	\$ (26,172)
	32,537	(26,172)
(Increase) decrease in current liabilities		
Cash overdraft	34,241	30,079
Accrued payroll	(231)	-
	<u>34,010</u>	<u>30,079</u>
INCREASE IN WORKING CAPITAL	\$ <u>66,547</u>	\$ <u>3,907</u>

County of Muskegon
Muskegon County Airport Fund

BALANCE SHEET

December 31

ASSETS

	1978	1977
CURRENT ASSETS		
Cash	\$ 150	\$ 150
Accounts receivable	9,858	48,995
Prepaid insurance	4,809	8,400
Total current assets	14,817	57,545
PROPERTY AND EQUIPMENT - AT COST	4,273,703	4,238,841
	\$4,288,520	\$4,296,386
LIABILITIES		
CURRENT LIABILITIES		
Cash overdraft	\$ 81,155	\$ 23,860
Accounts payable	6,063	15,807
Advance from state	11,607	14,167
Total current liabilities	98,825	53,834
CONTRIBUTIONS IN AID OF CONSTRUCTION		
Federal government	1,740,257	1,621,956
State government	400,125	356,833
Muskegon County	2,391,115	2,391,115
Private sources	120,597	120,597
Depreciation charged against grants	(424,185)	(279,684)
	4,227,909	4,210,817
RETAINED EARNINGS (DEFICIT)	(38,214)	31,735
	\$4,288,520	\$4,296,386

County of Muskegon
Muskegon County Airport Fund

STATEMENT OF OPERATIONS

Year ended December 31

	<u>1978</u>	<u>1977</u>
Operating revenues from concessions, rentals, commissions and use charges		
Airfield	\$ 193,673	\$ 171,330
Hangars	59,816	58,016
Terminal	142,891	132,724
Other service areas	<u>34,516</u>	<u>34,958</u>
	<u>430,896</u>	<u>397,028</u>
Operating expenses		
Airfield	394,751	291,729
Hangars	40,548	39,549
Terminal	119,939	105,760
Other service areas	<u>41,091</u>	<u>41,725</u>
	<u>596,329</u>	<u>478,763</u>
Operating loss before depreciation	(165,433)	(81,735)
Depreciation		
On assets acquired with own funds	4,512	1,712
On assets acquired from contributions in aid of construction	<u>144,501</u>	<u>117,040</u>
	<u>149,013</u>	<u>118,752</u>
Operating loss	(314,446)	(200,487)
Other income		
Appropriations from general fund	<u>99,996</u>	<u>97,001</u>
NET LOSS	<u>\$(214,450)</u>	<u>\$(103,486)</u>
Disposition of net loss		
Net loss	\$(214,450)	\$(103,486)
Transfer of depreciation to contributions in aid of construction	<u>144,501</u>	<u>117,040</u>
Income (loss) transferred to retained earnings	<u>\$ (69,949)</u>	<u>\$ 13,554</u>

County of Muskegon
Muskegon County Airport Fund

STATEMENT OF RETAINED EARNINGS AND CONTRIBUTIONS
IN AID OF CONSTRUCTION

Year ended December 31

	1978		1977	
	Retained earnings	Contributions in aid of construction	Retained earnings	Contributions in aid of construction
Balances at beginning of year	\$ 31,735	\$4,210,817	\$18,181	\$4,189,895
Net loss for the year	(69,949)	(144,501)	13,554	(117,040)
Contributions in aid of construction				
Federal government	-	118,301	-	137,962
State government	-	43,292	-	-
Balances at end of year	<u>\$(38,214)</u>	<u>\$4,227,909</u>	<u>\$31,735</u>	<u>\$4,210,817</u>

County of Muskegon
Muskegon County Airport Fund

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31

	<u>1978</u>	<u>1977</u>
Sources of working capital		
From operations		
Net loss for the year	\$(214,450)	\$(103,486)
Charges to operations not using working capital		
Depreciation of property and equipment	<u>149,013</u>	<u>118,752</u>
Working capital provided from (used for) operations	(65,437)	15,266
Contributions in aid of construction	<u>161,593</u>	<u>137,962</u>
	96,156	153,228
Applications of working capital		
Additions to property and equipment	<u>183,875</u>	<u>140,864</u>
INCREASE (DECREASE) IN WORKING CAPITAL	(87,719)	12,364
Working capital (deficit) at beginning of year	<u>3,711</u>	<u>(8,653)</u>
Working capital (deficit) at end of year	<u>\$ (84,008)</u>	<u>\$ 3,711</u>
Changes in components of working capital		
Increase (decrease) in current assets		
Accounts receivable	\$ (39,137)	\$ 8,989
Prepaid expenses	(3,591)	(4,045)
	<u>(42,728)</u>	<u>4,944</u>
(Increase) decrease in current liabilities		
Cash overdraft	(57,295)	8,300
Accounts payable	9,744	(3,440)
Advance from state	2,560	2,560
	<u>(44,991)</u>	<u>7,420</u>
INCREASE (DECREASE) IN WORKING CAPITAL	<u>\$ (87,719)</u>	<u>\$ 12,364</u>

County of Muskegon
Muskegon Area Transit System Fund

BALANCE SHEET

December 31

ASSETS

	1978	1977
CURRENT ASSETS		
Cash	\$ 150	\$ 150
Subsidies receivable from federal and state agencies	312,511	263,725
Prepaid insurance	19,162	20,985
Total current assets	331,823	284,860
PROPERTY AND EQUIPMENT - AT COST		
Vehicles and equipment	305,569	305,569
Less accumulated depreciation	85,879	40,638
	219,690	264,931
	\$551,513	\$549,791
LIABILITIES		
CURRENT LIABILITIES		
Cash overdraft	\$243,047	\$224,315
Due other government units	-	2,517
Accrued payroll and benefits	11,402	10,177
Total current liabilities	254,449	237,009
CAPITAL CONTRIBUTIONS BY OTHER GOVERNMENTAL UNITS		
State	100,444	109,442
Federal	166,211	202,202
County of Muskegon	50,000	50,000
	316,655	361,644
ACCUMULATED DEFICIT	(19,591)	(48,862)
	\$551,513	\$549,791

County of Muskegon
Muskegon Area Transit System Fund

STATEMENT OF OPERATIONS

Year ended December 31

	<u>1978</u>	<u>1977</u>
Operating revenues	\$ 85,372	\$ 77,382
Operating expenses	<u>570,559</u>	<u>497,886</u>
Operating loss before depreciation	(485,187)	(420,504)
Depreciation		
On assets acquired with own funds	252	86
On assets acquired from capital contributions by other governmental units	<u>44,989</u>	<u>37,358</u>
	<u>45,241</u>	<u>37,444</u>
Operating loss	(530,428)	(457,948)
Other income		
Subsidies from other governmental units	499,710	444,137
Appropriations from general fund	<u>15,000</u>	<u>20,000</u>
	<u>514,710</u>	<u>464,137</u>
SUBSIDIES OVER (UNDER) OPERATING LOSS	<u>\$ (15,718)</u>	<u>\$ 6,189</u>
Disposition of results of operations		
Subsidies over (under) operating loss	\$ (15,718)	\$ 6,189
Transfer of depreciation to state and and federal contributions	<u>44,989</u>	<u>37,358</u>
Income transferred to accumulated deficit	<u>\$ 29,271</u>	<u>\$ 43,547</u>

County of Muskegon
Muskegon Area Transit System Fund

STATEMENT OF ACCUMULATED DEFICIT
AND CAPITAL CONTRIBUTIONS

Year ended December 31

	1978	Capital contributions	Accumulated deficit	1977	Capital contributions
Balances at beginning of year	\$(48,862)	\$361,644	\$(92,409)	\$111,629	
Subsidies over (under) operating loss for the year	29,271	(44,989)	43,547	(37,358)	
Capital contributions	-	-	-	57,475	
State	-	-	-	229,898	
Federal	-	-	-	-	
Balances at end of year	\$(19,591)	\$316,655	\$(48,862)	\$361,644	\$111,629

County of Muskegon
Muskegon Area Transit System Fund

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31

	<u>1978</u>	<u>1977</u>
Sources of working capital		
From operations		
Subsidies over (under) operating loss for the year	\$(15,718)	\$ 6,189
Depreciation of equipment	<u>45,241</u>	<u>37,444</u>
Working capital provided from operations	29,523	43,633
Capital contributions	<u>-</u>	<u>287,373</u>
	29,523	331,006
Applications of working capital		
Additions to property and equipment	<u>-</u>	<u>289,142</u>
INCREASE IN WORKING CAPITAL	29,523	41,864
Working capital at beginning of year	<u>47,851</u>	<u>5,987</u>
Working capital at end of year	<u>\$ 77,374</u>	<u>\$ 47,851</u>
Changes in components of working capital		
Increase (decrease) in current assets		
Cash	\$ -	\$ (500)
Subsidies receivable	48,786	23,522
Prepaid insurance	<u>(1,823)</u>	<u>3,976</u>
	46,963	26,998
(Increase) decrease in current liabilities		
Cash overdraft	(18,732)	18,815
Accounts payable	2,517	(1,263)
Accrued payroll and benefits	<u>(1,225)</u>	<u>(2,686)</u>
	<u>(17,440)</u>	<u>14,866</u>
INCREASE IN WORKING CAPITAL	<u>\$ 29,523</u>	<u>\$ 41,864</u>

County of Muskegon
Muskegon County Wastewater Management System - Number One

BALANCE SHEET

December 31

	1978	1977	1978	1977
ASSETS				
CURRENT ASSETS				
Cash	\$ 350	\$ 250		
Accounts receivable	427,916	972,312		
Federal and state grants	586,524	458,718		
User fees	115,349	97,140		
Inventories	402,777	492,600		
Supplies	98,688	91,190		
Farm crop				
Prepaid expenses				
Restricted assets available for debt service	838,563	400,000		
Total current assets	2,470,167	2,512,210		
PROPERTY AND EQUIPMENT - AT COST	37,448,331	38,265,821		
RESTRICTED ASSETS				
Debt service fund	846,639	547,476		
Cash and certificates of deposit	263,835	123,319		
User fees receivable	865	593		
Accrued interest receivable	1,111,335	671,388		
Amount available for current debt service	838,563	400,000		
	<u>272,776</u>	<u>271,388</u>		
OTHER ASSETS				
Unamortized loan issue costs	139,926	153,586		
Mortgage contracts receivable	15,768	16,104		
	<u>155,694</u>	<u>169,690</u>		
	\$40,346,968	\$41,219,109		
LIABILITIES				
CURRENT LIABILITIES				
Cash overdraft			\$ 1,315,055	\$ 1,009,697
Current maturities of long-term debt			425,000	400,000
Accounts payable			32,232	91,184
Advances from users			140,483	140,483
Accrued liabilities				
Salaries and wages			110,356	88,649
Tax reimbursements due townships			37,746	32,268
Interest			413,563	-
Total current liabilities			2,474,435	1,762,281
LONG-TERM DEBT				
5% - 6% general obligation bonds of 1972 payable serially to 1997			14,300,000	14,700,000
Less current maturities			425,000	400,000
			<u>13,875,000</u>	<u>14,300,000</u>
RESERVE FOR DEBT SERVICE			272,776	271,388
CONTRIBUTIONS IN AID OF CONSTRUCTION			24,377,624	25,206,099
ACCUMULATED DEFICIT			<u>(652,867)</u>	<u>(320,659)</u>
			\$40,346,968	\$41,219,109

County of Muskegon
Muskegon County Wastewater Management System - Number One

STATEMENT OF OPERATIONS

Year ended December 31

	1978	1977
Operating revenues		
User fees	\$ 1,806,813	\$1,808,264
Crop revenues		
Crop sales	703,863	562,477
Change in value of unsold crops held at end of year	(89,823)	(23,068)
Federal and state grants (note E)	-	105,478
Laboratory fees	89,485	39,269
Miscellaneous	10,176	6,287
	<u>2,520,514</u>	<u>2,498,707</u>
Operating expenses		
Operation	1,587,382	1,270,579
Laboratory and monitoring	221,894	214,841
Agricultural	552,181	485,083
Administration	145,390	130,385
Maintenance	141,261	121,919
	<u>2,648,108</u>	<u>2,222,807</u>
Operating profit (loss) before depreciation and amortization	(127,594)	275,900
Depreciation and amortization		
On assets acquired with own funds	163,337	156,801
On assets acquired from contributions in aid of construction	1,061,075	1,059,741
	<u>1,224,412</u>	<u>1,216,542</u>
Operating loss	(1,352,006)	(940,642)
Other (income) or deductions		
Sale of machinery and equipment	15,535	(4,195)
Interest earned	(48,988)	(39,246)
User fees for debt service (net)	(818,237)	(837,953)
Interest expense	891,138	935,794
Miscellaneous (net)	441	1,054
	<u>39,889</u>	<u>55,454</u>
NET LOSS	<u>\$ (1,391,895)</u>	<u>\$ (996,096)</u>
Disposition of net loss		
Net loss	\$ (1,391,895)	\$ (996,096)
Transfer of depreciation and amortization to contributions in aid of construction	1,061,075	1,059,741
Income (loss) transferred to accumulated deficit	<u>\$ (330,820)</u>	<u>\$ 63,645</u>

County of Muskegon
Muskegon County Wastewater Management System - Number One
STATEMENT OF ACCUMULATED DEFICIT AND CONTRIBUTIONS
IN AID OF CONSTRUCTION

Year ended December 31

	1978		1977	
	Accumulated deficit	Contributions in aid of construction	Accumulated deficit	Contributions in aid of construction
Balances at beginning of year	\$(320,659)	\$25,206,099	\$(477,329)	\$25,843,307
Net loss for the year	(330,820)	(1,061,075)	63,645	(1,059,741)
Contributions in aid of construction				
Users	-	400,000	-	375,000
Federal revenue sharing	-	-	-	47,533
Federal and state grants	-	181,713	-	-
Adjustment of grant receivables from federal and state agencies	-	(349,113)	-	-
Transfer (to) from reserve for debt service	(1,388)	-	93,025	-
Balances at end of year	<u>\$(652,867)</u>	<u>\$24,377,624</u>	<u>\$(320,659)</u>	<u>\$25,206,099</u>

County of Muskegon
Muskegon County Wastewater Management System - Number One

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31

	1978	1977
Sources of working capital		
From operations		
Net loss for the year	\$(1,391,895)	\$ (996,096)
Charges to operations not using working capital	1,210,752	1,202,882
Depreciation of property and equipment	<u>13,660</u>	<u>13,660</u>
Amortization of deferred loan issue costs	(167,483)	220,446
Working capital provided from (used for) operations	232,600	422,533
Contributions in aid of construction	17,470	1,406
Decrease in mortgage contracts receivable	-	19,751
Disposition of equipment	<u>82,923</u>	<u>93,025</u>
Decrease in restricted assets	410,732	411,730
Applications of working capital	1,388	-
Additions to property and equipment	425,000	400,000
Increase in restricted assets	<u>837,120</u>	<u>811,730</u>
Current maturities of long-term debt	(754,197)	(54,569)
DECREASE IN WORKING CAPITAL	<u>749,929</u>	<u>804,498</u>
Working capital at beginning of year	\$ (4,268)	\$ 749,929
Working capital (deficit) at end of year	\$ 100	\$ 100
Changes in components of working capital	(416,590)	(346,559)
Increase (decrease) in current assets	(71,614)	(5,171)
Cash	7,498	49,199
Accounts receivable	438,563	25,000
Inventories	<u>(42,043)</u>	<u>(277,431)</u>
Prepaid expenses	(305,358)	177,332
Restricted assets available for debt service	(25,000)	4,964
(Increase) decrease in current liabilities	58,952	(25,000)
Cash overdraft	(440,748)	80,180
Notes payable	<u>(712,154)</u>	<u>(14,614)</u>
Current maturities of long-term debt	(754,197)	(54,569)
Accounts payable		
Accrued liabilities		
DECREASE IN WORKING CAPITAL	\$ (54,569)	\$ (54,569)

STATISTICAL SECTION

County of Muskegon

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION

Ten years ended December 31, 1978
(Unaudited)

Year ended December 31	Legislative	Judicial	General County government	Public safety	Health	Welfare	Cultural	Recreation	Other	Total
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
1978	115,118	1,826,237	2,794,181	2,178,538	821,122	784,297	239,017	24,996	217,877	9,001,383

County of Muskegon

SUMMARY OF REVENUES

Ten years ended December 31, 1978
(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
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
1978	5,599,377	144,769	351,563	361,285	1,570,750	799,789	198,154	58,045	-	-	9,083,732

County of Muskegon

PROPERTY TAX LEVIES AND COLLECTIONS

Ten years ended December 31, 1978
(Unaudited)

Year ended December 31	Total tax levy	Current tax collections	Percent 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
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	4,720,454	4,144,728	87.80	566,037	4,710,765	99.79	9,689	.21
1978	5,122,644	*	*	*	*	*	*	*

* Tax collections are not received from other local units until after December 31, 1978 and are not delinquent until March 1, 1979.

County of Muskegon
 ASSESSED AND EQUALIZED VALUE OF TAXABLE PROPERTY
 Ten years ended December 31, 1978
 (Unaudited)

Year ended December 31	Real property		Personal property	Total* equalized value
	Assessed	Equalized	Assessed and equalized	
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
1978	703,403,074	716,326,993	102,482,161	818,809,154

* 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

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

Ten years ended December 31, 1978
(Unaudited)

Year ended December 31	Population	Equalized value	Net bonded debt	Ratio of bonded debt to equalized value	Net bonded debt per capita
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
1978	157,426*	818,809,154	625,000	.08	3.97

x = Based on 1960 Census

* = Based on 1970 Census

County of Muskegon

STATEMENT OF DIRECT AND OVERLAPPING DEBT

December 31, 1978
(Unaudited)

	<u>Net debt outstanding</u>	<u>Percentage applicable to this governmental unit</u>	<u>Share of debt</u>
County at large	\$ 10,046,820	100%	\$ 10,046,820
School districts	31,291,300	97	30,352,561
Cities and villages	7,360,000	100	7,360,000
County issued bonds paid by local municipalities	52,890,000	100	52,890,000
Muskegon Community College and Intermediate School District	<u>1,218,966</u>	100	<u>1,218,966</u>
	<u>\$102,807,086</u>		<u>\$101,868,347</u>

County of Muskegon
STATEMENT OF LEGAL DEBT MARGIN

December 31, 1978
(Unaudited)

State equalized value		<u>\$818,809,154</u>
Debt limit 10 percent of equalized value		\$ 81,880,915
Amount of debt applicable to debt limit		
Total bonded debt	\$62,845,000	
Other debt	91,820	
	<u>62,936,820</u>	
Less assets available for debt retirement	<u>44,674,024</u>	
		<u>18,262,796</u>
Total amount of debt applicable to debt limit		<u>18,262,796</u>
Legal debt margin		<u>\$ 63,618,119</u>

County of Muskegon

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

Ten years ended December 31, 1978
(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>
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
1978	300,000	31,625	331,625	9,001,383	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, 1978
(Unaudited)

Year ended December 31	General bonded debt	Sewage disposal system bonds	Special assessments	Motor vehicle highway bonds	Delinquent tax notes	Total
1979	\$319,475	\$1,252,125	\$2,769,377	\$272,212	\$4,922,046	\$9,535,235
1980	331,662	1,251,625	3,196,864	262,212	2,964,351	8,006,714
1981		1,249,625	3,352,614	253,212	1,432,200	6,287,651
1982		1,246,125	3,283,114	269,212		4,798,451
1983		1,241,125	3,342,789	258,525		4,842,439
1984		1,259,625	3,259,739	247,725		4,767,089
1985		1,250,125	3,300,249	236,475		4,786,849
1986		1,264,125	3,361,200			4,625,325
1987		1,250,125	3,336,964			4,587,089
1988		1,261,312	3,353,663			4,614,975
1989		1,244,625	3,243,109			4,487,734
1990		1,251,500	3,333,305			4,584,805
1991		1,255,500	3,500,994			4,756,494
1992		1,254,500	3,390,169			4,644,669
1993		1,250,500	3,253,419			4,503,919
1994		1,268,500	3,139,231			4,407,731
1995		1,257,000	1,956,093			3,213,093
1996		1,267,500	1,900,013			3,167,513
1997		1,260,000	1,840,981			3,100,981
1998			1,680,613			1,680,613
1999			1,600,888			1,600,888
2000			1,496,838			1,496,838
2001			1,300,250			1,300,250
2002			1,238,363			1,238,363
2003			591,400			591,400
2004			260,800			260,800

County of Muskegon

DEBT SERVICE REQUIREMENTS TO MATURITY - SUMMARY

December 31, 1978
(Unaudited)

<u>Fiscal year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1979	\$6,065,000	\$3,470,235	\$9,535,235
1980	4,795,000	3,211,714	8,006,714
1981	3,280,000	3,007,651	6,287,651
1982	1,940,000	2,858,451	4,798,451
1983	2,105,000	2,737,439	4,842,439
1984	2,155,000	2,612,089	4,767,089
1985	2,305,000	2,481,849	4,786,849
1986	2,280,000	2,345,325	4,625,325
1987	2,380,000	2,207,089	4,587,089
1988	2,555,000	2,059,975	4,614,975
1989	2,580,000	1,907,734	4,487,734
1990	2,830,000	1,754,805	4,584,805
1991	3,175,000	1,581,494	4,756,494
1992	3,250,000	1,394,669	4,644,669
1993	3,300,000	1,203,919	4,503,919
1994	3,400,000	1,007,731	4,407,731
1995	2,400,000	813,093	3,213,093
1996	2,500,000	667,513	3,167,513
1997	2,575,000	525,981	3,100,981
1998	1,300,000	380,613	1,680,613
1999	1,300,000	300,888	1,600,888
2000	1,275,000	221,838	1,496,838
2001	1,150,000	150,250	1,300,250
2002	1,150,000	88,363	1,238,363
2003	550,000	41,400	591,400
2004	250,000	10,800	260,800

County of Muskegon

SCHEDULE OF INSURANCE IN FORCE

December 31, 1978
(Unaudited)

Type of coverage Name of company	Policy number	Policy period From To	Annual premium	Details of Coverage	Liability limits
Auto Fleet Michigan Mutual Insurance Co.	13-0-522290	5/ 1/78 5/ 1/79	\$ 31,431	Auto insurance	\$500,000 per person \$500,000 per occurrence \$100,000 property damage
Aviation United State Fire Insurance	AC-21191	3/31/78 3/31/79	490	Aviation insurance for aircraft pilots	\$100,000 per person \$300,000 per occurrence
Boiler and machinery American Motorist Insurance	8XM36223	3/ 7/78 3/ 7/81	5,738	Blanket items like generators, electric motors, transformers, combustion engines, etc.	\$2,000,000 accident \$5,000 deductible
Dental Self-Insurance	017801	Runs indefinitely	-	Employee dental work	\$2.50 Single \$8.00 Married \$600 per year per individual
Depositors Forgery Lumberman's Mutual	3F268-886	1/ 1/78 1/ 1/81	62	Losses due to forgery or alteration	\$25,000 occurrence
Disability	79444426	3/ 1/79 12/31/79	-	Long-term disability	\$.48 per \$100 of insured monthly earnings. 60% of insured monthly earnings up to a maximum monthly indemnity of \$1,500 for period of 1 year.
Employee Fidelity Bonds Lumberman's Mutual Casualty	35268-887	3/16/77 3/16/81	302	Employee blanket	\$5,000 employee (departments not covered; Sheriff, Road, Medical Care Facility, Parks, Register of Probate, Social Services, except those covered in special endorsement.)
Employee Fidelity Bonds Lumberman's Mutual Casualty	5S262-746	3/16/78 3/16/79	295	Separate bond for Brookhaven employees	\$5,000 per employee.

County of Muskegon

SCHEDULE OF INSURANCE IN FORCE - CONTINUED

December 31, 1978
(Unaudited)

Type of coverage Name of company	Policy number	Policy period		Annual premium	Details of coverage	Liability limits
		From	To			
Fire Insurance Lumberman's Mutual Ins. Co.	21-15-83-67	3/ 7/78	3/ 7/81	\$ 8,610	Fire and extended coverage	\$12,349,081 per statement of values, blanket building and personal property.
Fire Insurance for Grain Center First State Insurance Co.	GC-807904	10/10/78	10/10/79	2,819	Fire coverage for Grain Center located at Wastewater site.	\$322,000 building \$460,000 contents
General liability Guaranty National Ins. Co.	GLA-0042774	1/20/79	1/20/80	70,000	Comprehensive	\$500,000 combined single limit \$500,000 annual aggregate
General liability - Brookhaven Hartford Fire Insurance	81SMP103581	9/ 1/78	9/ 1/81	17,819	Comprehensive to include Brookhaven facility, boiler house, and service building, Childhaven.	\$5,825,000 building and content \$300,000 per occurrence.
Commercial Umbrella Liability Beliefonte Insurance Co.	UL3065276	8/23/76	8/23/79	20,634	Umbrella coverage	\$1,000,000 limit per occurrence with \$10,000 self-insurance retention.
Law Library Badger or State Mutual Casualty	IM5688	8/23/76	8/23/79	122	Coverage on law books	Contents; valuable papers, books and records - \$50,000.
Library General Library policy Hartford Group	81-SLP-620003	2/1/79	2/ 1/80	2,072	Equipment (general)	Books and library materials - \$227,719.59; Equipment - \$38,343.88; Office supplies - \$2,300 - total value \$268,363. \$250 deductible. Film inspecting Machine - \$7,545, full value.
Library - Inland Marine Hartford Group	81-1C875670	2/ 1/79	2/ 1/80	185	Specific equipment located at Muskegon Hts. branch	\$4,273.60 - Audio visual equipment.

County of Muskegon

SCHEDULE OF INSURANCE IN FORCE - CONTINUED

December 31, 1978
(Unaudited)

Type of coverage Name of company	Policy number	Policy period From To	Annual premium	Details of coverage	Liability Limits
Money and Security Bonds Lumberman's Mutual Insurance Co.	7B510741	1/ 1/77 1/ 1/81	\$ 2,329	Covers employees which have access to County money	Monies and security coverage inside and outside of the building - Various amounts; \$100,000 each for Accounting Director, Deputy Treasurer; \$500,000 money orders and counterfeit paper currency coverage. Excludes Social Services, Co. Parks, Road Commission and Medical Care Facility.
Public Official Bonds Lumberman's Mutual Ins.	7S268-885	1/ 1/77 1/ 1/81	532	Covers elected officials	Individual bonds of various amounts covering elected officials. Example: Dr. Commissioner, \$5,000, Treasurer, \$200,000.
Tax Collection Bonds (short-term) Wolverine Insurance Co.	B128276	12/ 1/78 3/31/79	2,842	Bonds - municipal Treasurers Collect. Co. taxes	Percentage of Tax Roll
Transit Insurance Transit Casualty Co.	GLA-76-03-98	9/30/78 9/30/79	25,549	Bus fleet coverage	\$250,000 each person \$1,000,000 each occurrence \$100,000 occurrence/property damage.
Travel Insurance Continental Casualty	SR68041580	3/ 1/78 3/ 1/79	175	Death benefit	\$100,000 each \$500,000 aggregate limit.
Workmen's Compensation (1) Self-Insurance (2) Employer's Reinsurance Corp.	C-16705	7/ 1/78 7/ 1/79	106,113	Excess worker's compensation coverage	\$150,000 each occurrence \$1,000,000 excess, \$500,000 personal injury. Aggregate excess \$393,413 Retention: \$2,000,000

County of Muskegon

SCHEDULE OF INSURANCE IN FORCE - CONTINUED

December 31, 1978
(Unaudited)

Type of coverage Name of company	Policy number	Policy period From to	Annual premium	Details of coverage	Liability limits
Airport Liability U. S. Aircraft Insurance Co.	LG-15937	11/19/78 11/19/81	\$ 2,882	General liability	Bodily and personal injury \$5,000,000; Aggregate - Total liability of company
Liability American Centennial Co.	CC-00-20-41	9/24/78 9/24/79	720	Excess police prof.	\$1,000,000 occurrence \$1,000,000 aggregate
Liability American Home Assoc.	PPL-35087567	9/24/78 9/24/70	1,600	Police professional	\$300,000 each incident \$100,000 each person
Boilers and machinery American Motors Ass.	7XM10910	10/ 9/77 10/ 9/80	214	Blanket boilers	\$300,000 per accident
Mental Health Comprehensive Business Continental Ins. Co.	CBP110167	11/ 7/76 11/ 7/79	6,951	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	\$100,000/\$300,000
				Public employer Blanket bond	\$10,000

County of Muskegon

SALARIES AND SURETY BONDS OF PRINCIPLE OFFICIALS

Year ended December 31, 1978
(Unaudited)

<u>Name and Title of Official</u>	<u>Annual Salary</u>	<u>Amount of Surety Bond</u>
Frank Bednarek - Assistant Administrator	\$30,690	\$100,000
Russell Vanderwier - Friend of the Court	26,665	150,000
Marion Calkins - Sheriff	29,100	10,000
Annabelle Ferenz - Probate Register	13,863	5,000
Margaret Greenwood - County Clerk	19,629	30,000
John Hosko - Register of Deeds	19,629	30,000
Martin Hulka - County Drain Commission	16,445	5,000
Kurt Humphrey - Accounting Director	22,154	100,000
Tom Best - Deputy Treasurer	11,987	100,000
Ralph Precious - Administrator	37,583	5,000
Paul Vitek Jr. - Treasurer	19,629	225,000
Gerald Warner - Prosecutor	31,391	5,000

County of Muskegon

LABOR AGREEMENTS

December 31, 1978
(Unaudited)

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

Building Employees	Expiration Date 12-31-79
Wastewater Employees	Expiration Date 12-31-79

Michigan Licensed Practical Nurses Association:

Brookhaven Practical Nurses	Expiration Date 12-31-78
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Local 570, Council 11, American Federation of State, County and Municipal Employees, AFL-CIO:

Brookhaven Employees	Expiration Date 12-31-79
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Teamsters Local 214, Affiliated with the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America:

Airport Security Officers	Expiration Date 12-31-79
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, 1978
(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 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 27,160,000 Gallons per day
Plant Capacity 42,000,000 Gallons per day
Data on Distribution System 60% Industrial 40% Residential

Airport:

Number of users 173,232 Passengers Annually
Data on use 96,348 Landings and Take Offs Annually
Present Capacity 350,000 Passengers Annually

Solid Waste:

Number of users 1,403
Data on use 32,000 Cubic Yards Filled
Plant Capacity 22,000,000 Cubic Yards

Transit:

Number of users 372,017
Data on use 476,488 Miles Traveled
Number of Buses 16

Employees as of December 31, 1978: 1,280

County of Muskegon

MISCELLANEOUS STATISTICAL DATA - CONTINUED

December 31, 1978
(Unaudited)

Election:

Number of Registered Voters:	90,841
Number of Votes Cast In:	
Last General Election:	55,817
Last County Election:	15,337

Percentage of Registered Voters Voting

In:	
Last General Election:	61%
Last County Election:	20%

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.

<u>Population County for Last U.S. Census (1970):</u>	157,426
<u>Estimated Current Population:</u>	158,000

Age Distribution of Population (1970 Census)

	Male	Female
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

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
1977	482,246,000

(Source: Muskegon Area Chamber of Commerce)

County of Muskegon

MISCELLANEOUS STATISTICAL DATA - CONTINUED

December 31, 1978
(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 - 1978

<u>Taxpayer</u>	<u>Equalized Value</u>
Consumers Power	\$52,576,462
Teledyne Continental Motors	12,461,330
S. D. Warren	10,645,700
Michigan Consolidated Gas Company	9,222,620
Campbell, Wyant and Cannon Company	8,301,200
Misco, Inc.	6,582,712
Hooker Chemical Company	5,230,050
Sealed Power Company	4,880,075
Kaydon Bearing Division	3,970,500
Dresser Industries	3,381,800

Equalized Value: \$818,809,154

By Use

Residential	60.27%
Commerical	15.80%
Industrial	17.51%
Agricultural	3.09%
Utilities	3.23%
Timber and Cut-over	.10%

By Class

Real Property	87.48%
Personal Property	12.52%

Largest Employers

<u>Company</u>	<u>Approximate Number of Employees</u>
Campbell, Wyant and Cannon Co.	2,900
Misco, Inc.	2,300
Teledyne Continental Motors	2,100
Sealed Power Corporation	1,500
Muskegon Schools	1,300
General Telephone Co.	1,300
County of Muskegon	1,300
Shaw-Walker Co.	1,000