

# CITIZENS GUIDE

## COUNTY OF OTTAWA, MICHIGAN

The Citizens Guide and Performance Dashboard for the County of Ottawa is intended to provide the citizens and shareholders with a brief presentation on the finances of the County. The information in this guide represents the most recent local financials for 2015 (with recognition of unfunded liabilities), the forecasted amounts for 2016 and the projected budget for 2017, with an explanation of the assumptions used for the projections. The complete 2016 budget is available on the County's website at [www.miottawa.org](http://www.miottawa.org). The budget for 2016 was adopted by the Board of County Commissioners on September 27, 2016

### Budget and Forecast Assumptions

**County of Ottawa, Michigan**  
**Budgeted Revenues and Expenses**  
**Budget Assumptions Adopted 2016 to Requested 2017**  
**General Fund**

Revenues:	2016	2017	Difference	% Δ	
Tax	\$ 37,060,592	\$ 48,334,169	\$ 11,273,577	30.4%	↑ Increase from Central Dispatch (E-911) and Road Commission taxes processed as a pass thru in the General Fund in 2017 (\$9.7 million), offsetting increase in expense line). Remaining tax increase based on equalization assumptions for 2017
Intergovernmental Revenue	8,765,624	8,842,002	76,378	0.9%	↔ No significant change to note
Charges for Services	13,615,969	13,476,562	(139,407)	-1.0%	↔ No significant change to note
Fines and Forfeits	76,400	85,600	9,200	12.0%	↑ Budget 17 closer to expected actuals for 16, anticipated 17
Interest on Investments	352,070	391,136	39,066	11.1%	↑ Increase based on anticipated interest
Rental	2,264,153	2,272,411	8,258	0.4%	↔ No significant change to note
Licenses and Permits	291,822	308,225	16,403	5.6%	↑ Budget 17 closer to expected actuals for 16, anticipated 17
Other Revenue	599,964	851,916	251,952	42.0%	↑ Planning reimbursement for time related to Great Lakes Ag Tech
Transfers In	2,250,000	3,663,917	1,413,917	62.8%	↑ Additional amount from DC/DC Fund to cover increase in MERS benefits unfunded liability expense
<b>Total Revenue</b>	<u>\$65,276,594</u>	<u>\$78,225,938</u>	<u>\$12,949,344</u>		
<b>Expenditures:</b>					
Salaries & Wages	\$24,246,392	\$24,379,222	\$ 132,830	0.5%	↑ COLA increase , personnel changes to correct funding source
Benefits	11,891,900	12,867,637	975,737	8.2%	↑ Increase in MERS unfunded rate
Supplies	2,611,625	2,638,947	27,322	1.0%	↔ No significant change to note
Other Services and Charges	17,071,062	27,970,867	10,899,805	63.8%	↑ Offsetting expenditure for Central Dispatch and Road Commission tax payout (\$9.7 million). Other differences based on changes in various contracts throughout the County
Debt Service	539,485	-	(539,485)	-100.0%	↓ Debt Service Processed through Transfers to Debt Fund
Contingency	406,621	500,000	93,379	23.0%	↑ Adjusted throughout year for unplanned projects that may come up during year
Other Financing Uses	9,651,214	11,450,149	1,798,935	18.6%	↑ **
<b>Total Expenditure</b>	<u>\$66,418,299</u>	<u>\$79,806,822</u>	<u>\$13,388,523</u>		
<b>Revenue Over (Under)</b>	<u>\$ (1,141,705)</u>	<u>\$ (1,580,884)</u>			

\*\* Increases in Other Financing Uses - Transfers Out of Funds

- 1.) 1.1 million Public Health - They used Fund Balance in 2016 to cover the \$500,000 shortage. MERS increase increased this to \$1.1 to be covered by General Fund
- 2.) \$500,000 Debt Fund, moved from Debt Service expense to Transfer Out to Debt Fund
- 3.) \$472,000 Transfer to Capital Project Fund, use of reserves for Election Machine Replacement & Aerial Photography

## Operations at a Glance

The County provides many valued services to its citizens accounted for in several funds. The General Fund is the main operating fund of the County and is used to account for all revenues and expenditures applicable to general operations of the County except for those required or determined to be more appropriately accounted for in another fund. Revenue in the General Fund is primarily from property tax, intergovernmental revenues and charges for services.

The other category is compiled of twenty-one Special Revenue Funds, a Debt Service Fund, as well as a Capital Project Fund. The Special Revenue Funds are used to account for revenue from specific revenue sources (other than expendable trusts or major capital projects) and related expenditures which are restricted for specific purpose by administrative action or law.

**County of Ottawa, Michigan**  
**Most Recent Audited Financials - All Funds**  
**Fiscal 2015**

<b>Revenues:</b>	<b>General Fund</b>	<b>Other</b>	<b>Total</b>
Tax	\$ 40,643,909	\$ 3,092,705	\$ 43,736,614
Intergovernmental Revenue	8,583,706	58,014,498	66,598,204
Charges for Services	13,276,393	4,489,929	17,766,323
Fines and Forfeits	69,428	-	69,428
Interest on Investments	132,391	177,029	309,420
Rental	2,239,378	2,032,722	4,272,101
Licenses and Permits	379,902	891,256	1,271,158
Other Revenue	795,949	1,543,542	2,339,491
<b>Total Revenue</b>	<b>\$ 66,121,057</b>	<b>\$ 70,241,683</b>	<b>\$ 136,362,740</b>
<b>Expenditures:</b>			
Salaries & Wages	\$ 23,028,926	\$ 24,041,147	\$ 47,070,073
Benefits	10,974,356	11,214,552	22,188,908
Supplies	2,136,916	2,041,207	4,178,123
Other Services & Charges	19,885,657	36,684,086	56,569,743
Debt Service	553,355	17,423,729	17,977,084
Contingency	-	-	-
Capital Projects	-	3,917,638	3,917,638
<b>Total Expenditure</b>	<b>\$ 56,579,210</b>	<b>\$ 95,322,359</b>	<b>\$ 151,901,569</b>
<b>Other Financing Sources (uses)</b>			
Transfers from other funds	\$ 15,717	\$ 14,295,425	\$ 14,311,142
Transfer to other funds	(12,132,024)	(1,071,707)	(13,203,731)
Issuance of Bonds		11,955,000	11,955,000
Premiums on Bonds Issued		1,744,362	1,744,362
<b>Total Other financing sources (uses)</b>	<b>\$ (12,116,307)</b>	<b>\$ 26,923,080</b>	<b>\$ 14,806,773</b>
<b>Net Change in fund balances</b>	<b>\$ (2,574,460)</b>	<b>\$ 1,842,404</b>	<b>\$ (732,056)</b>
<b>Fund balance, beginning of year</b>	<b>\$ 20,645,675</b>	<b>\$ 33,916,248</b>	<b>\$ 54,561,923</b>
<b>Fund balance, end of year</b>	<b>\$ 18,071,215</b>	<b>\$ 35,758,652</b>	<b>\$ 53,829,867</b>

## Current Fiscal Year Projections

**County of Ottawa, Michigan**  
**Most Current Year Projected Financials - All Funds**  
**Fiscal 2016**

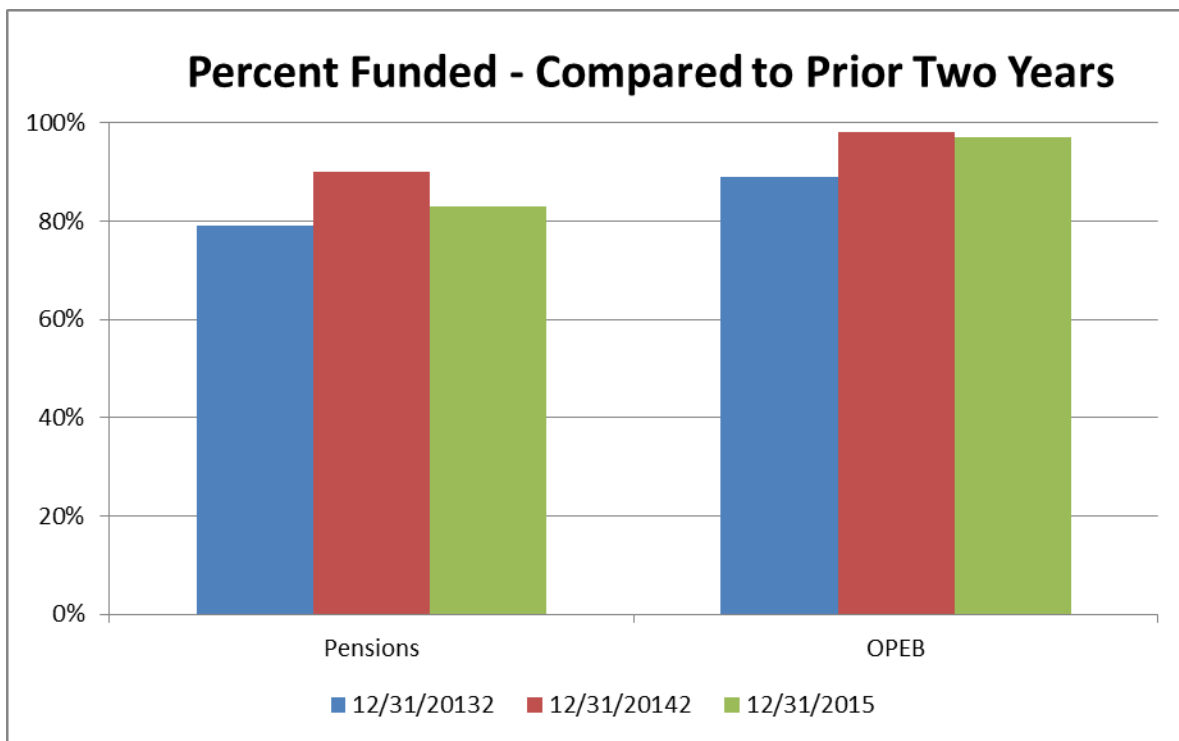
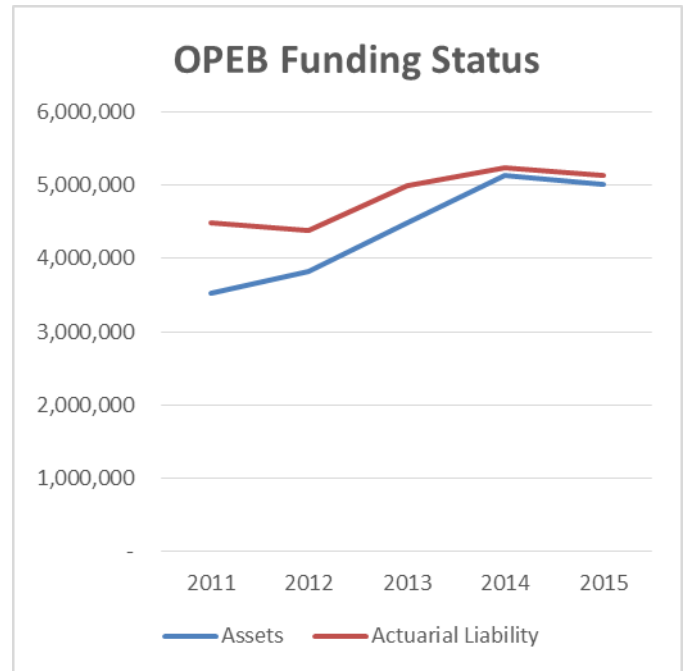
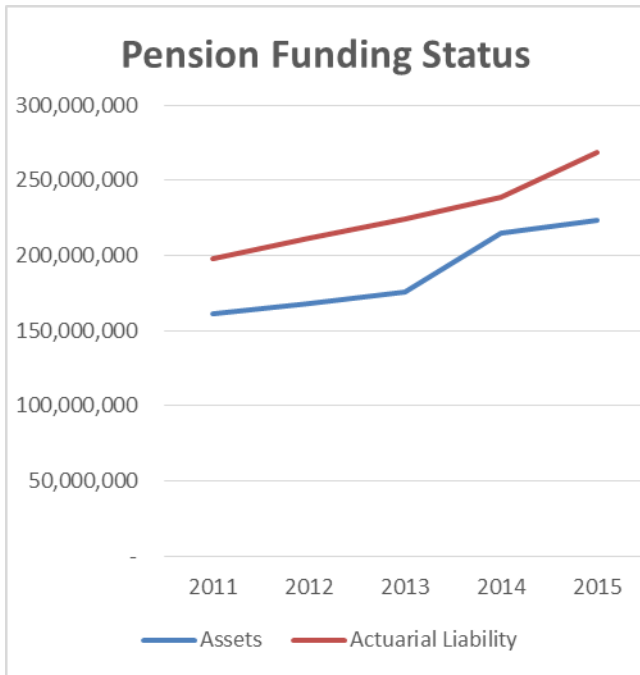
<b>Revenues:</b>	<b>General Fund</b>	<b>Other</b>	<b>Total</b>
Tax	\$ 43,409,154	\$ 3,258,632	\$ 46,667,786
Intergovernmental Revenue	6,427,041	54,898,872	61,325,913
Charges for Services	9,787,854	3,848,666	13,636,520
Fines and Forfeits	55,175	-	55,175
Interest on Investments	264,053	114,875	378,928
Rental	1,689,115	104,043	1,793,158
Licenses and Permits	218,867	815,962	1,034,829
Other Revenue	719,938	2,684,709	3,404,647
<b>Total Revenue</b>	<b>\$ 62,571,195</b>	<b>\$ 65,725,759</b>	<b>\$ 128,296,954</b>
<b>Expenditures:</b>			
Salaries & Wages	\$ 16,378,413	\$ 22,198,328	\$ 38,576,741
Benefits	8,819,840	9,539,266	18,359,106
Supplies	2,199,207	2,511,605	4,710,812
Other Services & Charges	23,362,633	38,457,741	61,820,374
Debt Service	-	1,151,768	1,151,768
Contingency	289,325	-	289,325
Capital Projects	-	5,692,357	5,692,357
<b>Total Expenditure</b>	<b>\$ 51,049,418</b>	<b>\$ 79,551,065</b>	<b>\$ 130,600,483</b>
<b>Other Financing Sources (uses)</b>			
Transfers from other funds	\$ -	\$ 10,898,879	\$ 10,898,879
Transfer to other funds	(9,948,144)	(403,157)	(10,351,301)
<b>Total Other financing sources (uses)</b>	<b>\$ (9,948,144)</b>	<b>\$ 10,495,722</b>	<b>\$ 547,578</b>
<b>Net Change in fund balances</b>	<b>\$ 1,573,633</b>	<b>\$ (3,329,584)</b>	<b>\$ (1,755,951)</b>
<b>Fund balance, beginning of year</b>	<b>\$ 18,071,215</b>	<b>\$ 35,758,652</b>	<b>\$ 53,829,867</b>
<b>Fund balance, end of year</b>	<b>\$ 19,644,848</b>	<b>\$ 32,429,068</b>	<b>\$ 52,073,916</b>

## Projected Budget – Fiscal 2017

**COUNTY OF OTTAWA**  
**Budget Projections - All Funds**  
**Fiscal 2017**

	<u>General Fund</u>	<u>Other</u>	<u>Total</u>
<b>Revenues:</b>			
Taxes	\$ 48,334,169	\$ 6,342,981	\$ 54,677,150
Intergovernmental Revenue	8,842,002	60,777,956	69,619,958
Charges for Services	13,476,562	4,216,701	17,693,263
Fines and Forfeits	85,600	-	85,600
Interest on Investments	391,136	194,902	586,038
Rental Income	2,272,411	91,568	2,363,979
Licenses and Permits	308,225	1,013,958	1,322,183
Other Revenue	851,916	3,162,558	4,014,474
<b>Total Revenue</b>	<u>\$ 74,562,021</u>	<u>\$ 75,800,624</u>	<u>\$ 150,362,645</u>
<b>Expenditures:</b>			
Salaries & Wages	\$ 24,379,222	\$ 24,730,955	\$ 49,110,177
Benefits	12,867,637	12,470,231	25,337,868
Supplies	2,638,947	2,321,051	4,959,998
Other Services & Charges	27,970,867	40,829,033	68,799,900
Debt Service	-	5,034,126	5,034,126
Contingency	500,000	-	500,000
Capital Projects	-	8,593,891	8,593,891
<b>Total Expenditure</b>	<u>\$ 68,356,673</u>	<u>\$ 93,979,287</u>	<u>\$ 162,335,960</u>
<b>Other Financing Sources (uses)</b>			
Transfers from other funds	\$ 3,663,917	\$ 18,664,546	\$ 22,328,463
Transfers to other funds	(11,450,149)	(5,536,651)	(16,986,800)
<b>Total Other Financing Sources (uses)</b>	<u>\$ (7,786,232)</u>	<u>\$ 13,127,895</u>	<u>\$ 5,341,663</u>
<b>Net Change in fund balances</b>	\$ (1,580,884)	\$ (5,050,768)	\$ (6,631,652)
<b>Fund Balance, beginning of year</b>	<u>\$ 19,644,848</u>	<u>\$ 32,429,068</u>	<u>\$ 52,073,916</u>
<b>Projected Fund Balance, end of year</b>	<u>\$ 18,063,964</u>	<u>\$ 27,378,300</u>	<u>\$ 45,442,264</u>

# Unfunded Liabilities



## Debt Schedule

County of Ottawa  
Schedule of Annual Debt Services Requirements

Budget Year	Amount Outstanding Beginning of Year	Ottawa County Building Authority 2007 Bond Issue		Qualified Energy Conservation 2013 Bond Issue		Pension Obligation Bonds 2014 Bond Issuance		General Obligan Bond Refunding Bonds, Series 2015		Total Requirements
		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2017	46,320,000	455,000	19,163	365,000	83,600	1,290,000	800,576	1,405,000	520,775	\$ 4,939,114
2018	42,805,000	475,000	20,125	365,000	160,265	1,400,000	786,989	1,465,000	463,375	\$ 5,135,754
2019	39,100,000			365,000	146,395	1,645,000	764,667	805,000	413,950	\$ 4,140,012
2020	36,285,000			365,000	132,525	1,925,000	731,365	855,000	372,450	\$ 4,381,340
2021	33,140,000			365,000	118,655	2,270,000	684,053	895,000	328,700	\$ 4,661,408
2022	29,610,000			365,000	104,785	2,705,000	620,631	940,000	282,825	\$ 5,018,241
2023	25,600,000			365,000	90,915	3,345,000	537,124	990,000	234,575	\$ 5,562,614
2024	20,900,000			365,000	77,045	2,810,000	446,605	1,035,000	183,950	\$ 4,917,600
2025	16,690,000			370,000	63,175	2,405,000	364,671	1,085,000	130,950	\$ 4,418,796
2026	12,830,000			370,000	49,210	2,355,000	285,555	1,135,000	75,450	\$ 4,270,215
2027	8,970,000			370,000	35,150	2,310,000	206,250	660,000	35,525	\$ 3,616,925
2028	5,630,000			370,000	21,090	2,295,000	125,670	685,000	11,988	\$ 3,508,748
2029	2,280,000			-	7,030	2,280,000	42,180			\$ 2,329,210
		\$ 930,000	\$ 39,288	\$ 4,400,000	\$ 1,089,840	\$ 29,035,000	\$ 6,396,336	\$ 11,955,000	\$ 3,054,513	\$ 54,570,766

All figures are as of 09/30/2016

Issue Date	Issue Amount	Project	Funding Source	% of Funding
10/2007	10,000,000	Grand Haven/ Filmore St.	Ottawa County, Michigan Insurance Authority (fund 6780)	20%, up to \$150,000/yr
			Telecommunications Fund (fund 6550)	20%, up to \$150,000/yr
			Delinquent Tax Revolving Fund (fund 5160)	20%, up to \$150,000/yr
			Infrastructure Fund (fund 2444)	17%, up to \$125,000/yr
			Capital Improvement Fund (fund 4020)	23%, remainder of payment
10/2013	5,495,000	Quality Energy Conversation	General Fund (fund 1010)	100% of payment
12/2014	29,285,000	Pension Obligation Bonds	DB/DC Conversion Fund (fund 2970)	100% of payment
12/2015	11,955,000	Refunding	Delinquent Tax Revolving Fund (fund 5160)	91% of payment
			Capital Improvement Fund (fund 4020)	9% of payment