



NOTICE and AGENDA for
Kalamazoo County Consolidated Dispatch Authority
FINANCE COMMITTEE
April 24, 2023

PLEASE TAKE NOTICE that a REGULAR Meeting of the Kalamazoo County Consolidated Dispatch Authority Finance Committee will be held on **Monday, April 24th**, at 11:00 a.m. in the Chief Switalski Meeting Room at Kalamazoo County Consolidated Dispatch Authority, 7040 Stadium Drive, Kalamazoo Michigan for consideration of items, namely, on this Agenda.

ITEM 1 – CALL TO ORDER

ITEM 2 – ROLL CALL

KCCDA Board of Directors Treasurer – Don Martin	Township Supervisors – Randy Thompson or Tracey Locey (Alt)	
City of Portage – Victor Ledbetter	Kalamazoo Township – Bryan Ergang	
Fire Chiefs Association – Jeff VanderWiere or Matt Beauchamp (Alt)	City of Kalamazoo – Jim Ritsema or Jeff Chamberlain (Alt)	
Board of Commissioners – Kevin Catlin or John Taylor (Alt)		

ITEM 3 – APPROVAL OF MEETING MINUTES

- A. October 25, 2022 – Regular Meeting

ITEM 4 – CITIZENS’ TIME

The Committee welcome members of the public to express their ideas or concerns about issues affecting Kalamazoo County Consolidated Dispatch Authority. Members of the public wishing to speak are requested to stand at the podium and state your full name and address for the record. Each member of the public is limited to four minutes or less.

ITEM 5 – FOR CONSIDERATION

- A. Old Business
- B. New Business
 - 1. Fiscal Year 2022 Audit Presentation
 - 2. 2023 Budget Amendment – REVISION I

ITEM 6 – OTHER ITEMS

- A. Announcements and Member Comments
- B. Next regular scheduled meeting – August 29th

ITEM 7 – ADJOURNMENT



MEETING MINUTES for
Kalamazoo County Consolidated Dispatch Authority
FINANCE COMMITTEE
October 25, 2022

ITEM 1 – CALL TO ORDER

The Regular Meeting of the Finance Committee, held in the Chief Switalski Meeting Room, was called to order by Chair Don Martin at 2:00 p.m. on Tuesday, October 25, 2022.

ITEM 2 – ROLL CALL

Members Present: Don Martin, Randy Thompson, Kevin Catlin, Jim Ritsema, Matt Beauchamp (joined by phone, left at 2:33).

Others Present: Jeff Troyer, Torie Rose, Chris McComb

ITEM 3 – APPROVAL OF MEETING MINUTES

A. May 3, 2022 – Regular Meeting

“Motion by Mr. Thompson, second by Mr. Martin to approve the minutes of the May 3, 2022, meeting of the Finance Committee.”

On a voice vote, **MOTION CARRIED.**

ITEM 4 - CITIZENS TIME

There were no public comments.

ITEM 5 – FOR CONSIDERATION

A. OLD BUSINESS

There was no old business.

B. NEW BUSINESS

1. Financial Audit Quotes

Mr. Troyer stated the RFP was issued mid-summer and we received no responses. He reached out again to multiple companies/firms and was able to obtain three quotes. The low bid was from Kruggel Lawton. They perform audit services for several other authorities. Mr. Troyer recommended Kruggel Lawton.

“Motion by Mr. Ritsema, second by Mr. Catlin to approve Kruggel Lawton, CPA as the financial auditor for a term of three years beginning Fiscal Year 2022.”

On a voice vote, **MOTION CARRIED.**

2. 2022 Budget Amendment – REVISION II

Mr. Troyer presented the 2022 Budget Amendment – Revision II including a review of revenue and expenditure changes.

“Motion by Mr. Catlin, supported by Mr. Thompson to support the 2022 Budget Amendment – REVISION II and recommend Board approval.”

On a voice vote, MOTION CARRIED.

3. 2023 Budget Proposal

Mr. Troyer presented the proposed 2023 budget. He noted the Local Community Stabilization Share revenue of \$596,400 was not anticipated. KCCDA should receive an annual distribution moving forward but it is very volatile because the formula for distribution is very complicated. The Personnel Committee met and reviewed the CBA and Dispatch Supervisor group terms but did not have a quorum, so no official action was taken however, the committee members present had no objections. The budget also proposes a new Administrative Assistant position to assist the Executive Administrative Assistant and do administrative LEIN work. Mr. Troyer then reviewed employee wage increases and step changes for 2023

“Motion by Mr. Catlin, supported by Mr. Ritsema to support the 2023 Budget Proposal and recommend Board approval.”

On a voice vote, MOTION CARRIED.

ITEM 6 - OTHER ITEMS

1. Member Comments

Mr. Martin stated that having cameras in parking areas are a great help.

2. Next Meeting

The next regular scheduled meeting of the KCCDA Finance Committee is to be determined.

ITEM 7 - ADJOURNMENT

The meeting was adjourned at 3:10 p.m.



Kalamazoo County Consolidated Dispatch Authority



April 24, 2023

Kruggel, Lawton & Company, LLC
526 Upton Drive
St. Joseph, MI 49085

This representation letter is provided in connection with your audit of the financial statements of Kalamazoo County Consolidated Dispatch Authority, which comprise the respective financial position of the governmental activities and the major fund as of December 31, 2022 and the respective changes in financial position for the period then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material because of qualitative factors.

We confirm, to the best of our knowledge and belief, as of April 24, 2022, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 6, 2023, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.



Kalamazoo County Consolidated Dispatch Authority



- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Guarantees, whether written or oral, under which the Authority is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 10) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the Authority from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 11) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 13) We have no knowledge of any fraud or suspected fraud that affects the Authority and involves—
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the Authority's financial statements communicated by employees, former employees, regulators, or others.
- 15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 16) We have disclosed to you the identity of the Authority has related parties and all the related party relationships and transactions of which we are aware.



Kalamazoo County Consolidated Dispatch Authority



Government-specific

- 17) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 18) We have a process to track the status of audit findings and recommendations.
- 19) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 20) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- 21) The Authority has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 22) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 23) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 24) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 25) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 26) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 27) As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 28) The Authority has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.



Kalamazoo County Consolidated Dispatch Authority



- 29) The Authority has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 30) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 31) The financial statements properly classify all funds and activities in accordance with [GASBS No. 34](#), as amended, and [GASBS No. 84](#).
- 32) All funds that meet the quantitative criteria in [GASBS Nos. 34](#) and [37](#) for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 33) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 34) Provisions for uncollectible receivables have been properly identified and recorded.
- 35) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 36) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 37) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 38) Deposits, investment securities, and derivative instruments are properly classified as to risk and are properly disclosed.
- 39) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 40) We have appropriately disclosed the Authority's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 41) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 42) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 43) With respect to the supplementary information:



Kalamazoo County Consolidated Dispatch Authority



- a) We acknowledge our responsibility for presenting the of the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
- b) If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- 44) All lease documents have been provided and leases have been properly disclosed in the financials for implementation of GASB 87.
- 45) We have reviewed and approve for issuance a draft copy of the statements.

Signature: Jeffery Troyer
Jeffery Troyer, Executive Director



KALAMAZOO COUNTY CONSOLIDATED DISPATCH AUTHORITY
(A Component Unit of Kalamazoo County)

FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022



Kalamazoo County Consolidated Dispatch Authority
Kalamazoo, Michigan
December 31, 2022

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Kalamazoo County Consolidated Dispatch Authority
Kalamazoo, Michigan

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities and the major fund of the Kalamazoo County Consolidated Dispatch Authority (the Authority), a discretely presented component unit Governmental Fund of the County of Kalamazoo, Michigan (the County), as of and for the year ended December 31, 2022, and the related notes to the financial statements, as listed in the contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund information of the Authority, as of December 31, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As discussed in Note 10 to the financial statements, in 2022 the Authority adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

INDEPENDENT AUDITOR'S REPORT, CONTINUED

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Emphasis of Matter

As described in Note 1 to the financial statements, the basic financial statements referred to above include only the Authority and do not purport to, and do not, present fairly the financial position of the County, as of December 31, 2022, the change in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

INDEPENDENT AUDITOR'S REPORT, CONCLUDED

Required Supplementary Information

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

Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 24, 2023, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Respectfully submitted,

Certified Public Accountants

St. Joseph, MI
April 24, 2023

The following discussion and analysis is intended as a narrative overview of the Kalamazoo County Consolidated Dispatch Authority's (the Authority) financial activities for the fiscal year ended December 31, 2022. Please read it in conjunction with the Authority's financial statements.

Financial Highlights

- The Authority's total net position increased \$2,371,963 as a result of this year's activities.
- Of the \$13,137,276 total net position reported, \$3,645,445 (27 percent) is available to be used at the Authority's discretion, without constraints established by debt covenants, enabling legislation, or other legal requirements.
- The General Fund's unassigned fund balance at the end of the fiscal year was \$3,509,980, which represents 39 percent of the actual total General Fund expenditures for the current fiscal year.

Overview of the Financial Statements

The Authority's annual report is comprised of three parts: management's discussion and analysis, the basic financial statement, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the Authority:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Authority's overall financial status.
- The remaining statements are fund financial statement that focus on individual parts of the Authority, reporting the Authority's operations in more detail than the government-wide financial statements.
 - Governmental funds statement explain how government services, like general government and public safety, are financed in the short-term, as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The financial statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

A comparative analysis of the government-wide financial statements for 2022 and 2021 is also presented.

Government-Wide Financial Analysis

The government-wide financial statements report information about the Authority as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the Authority's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

The two government-wide statements report the Authority's net position and how it has changed. Net position (the difference between the Authority's assets and liabilities) is one way to measure the Authority's financial health, or position.

- Over time, increases or decreases in the Authority's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Authority, you need to consider additional nonfinancial factors, such as the condition of the Authority's capital assets.

The government-wide financial statements present governmental activities. These activities include functions most commonly associated with government (e.g., public safety). Contributions from local units and surcharge/9-1-1 fee revenues generally fund these services.

Fund Financial Statements

The fund financial statements provide more detailed information about the Authority's most significant fund – not the Authority as a whole. Funds are accounting devices that the Authority uses to keep track of specific sources of funding and spending for particular purposes. The Authority lone fund, its General Fund, accounts for the expenses involved in providing services to the Authority patrons, with the majority of funding coming from contributions from local units and surcharges/9-1-1 fees to cover the costs of operation. This fund uses the modified accrual basis of accounting.

Financial Analysis of the Authority as a Whole

In a condensed format, the following table below shows a breakdown of the net position for the years ended December 31:

	<u>Governmental Activities</u>	
	<u>2022*</u>	<u>2021</u>
Current and Other Assets	\$ 4,023,566	\$ 4,910,196
Noncurrent Assets	13,448,145	11,008,030
Total Assets	\$ 17,471,711	\$ 15,918,226
Current Liabilities	\$ 221,558	\$ 125,051
Non-current Liabilities	4,112,877	5,017,974
Total Liabilities	\$ 4,334,435	\$ 5,143,025
Net assets		
Net Investment in Capital Assets	\$ 9,317,208	\$ 5,990,056
Restricted	174,623	2,480,385
Unrestricted	3,645,445	2,304,760
Total Net Position	\$ 13,137,276	\$ 10,775,201

*The 2022 figures have been updated for the adoption of GASB 87

Changes in Net Position

The Authority’s total revenues of \$7,950,000 in 2022 were approximately \$277,000 higher than total revenues in 2021 (\$7,672,835). In 2022, the Authority received \$6,216,601 in local contributions (a County tax levy), which accounts for the majority of the current increase. Total 2022 expenses of \$5,578,037 were approximately \$2,438,000 lower than the total 2021 expenses (\$8,015,724). Expenses decreased primarily due to a decrease in payments to member units for reimbursements of original start-up costs during fiscal year ending December 31, 2022.

Financial Analysis of the Authority as a Whole, Concluded

The following table represents the condensed financial information about the Authority’s revenues and expenses:

	<u>Governmental Activities</u>	
	<u>2022*</u>	<u>2021</u>
Program Revenues:		
Charges for services	\$ 1,708,093	\$ 1,689,380
Operating grants and contributions	6,216,601	5,980,246
General revenues - interest	25,306	3,209
Total revenues	<u>\$ 7,950,000</u>	<u>\$ 7,672,835</u>
Public safety expenses	\$ 5,578,037	\$ 8,015,724
Change in net position	2,371,963	(342,889)
Net position at beginning of year - as restated	<u>\$ 10,765,313</u>	<u>\$ 10,432,312</u>
Net position at end of year	<u>\$ 13,137,276</u>	<u>\$ 10,775,201</u>

*The 2022 figures have been updated for the adoption of GASB 87

Financial Analysis of the Authority’s Fund

The Authority’s is a single purpose entity and only has the General Fund. The General Fund, which is the Authority’s operating fund, uses the modified accrual method of accounting, which provides a short-term perspective that measures the flow of financial resources. The fund balance decreased by \$967,577, as revenues of \$7,950,000, were less than total expenditures of \$8,917,577, which includes \$2,496,370 in capital outlay expenditures in the current year.

General Fund Budgetary Highlights

The Authority amended the budget by increasing revenues by \$426,117, primarily due to a projected increase of federal grants. The expenditure budget was decreased by \$331,221, primarily due to a projected decrease in employee benefit expenditures.

Revenues were \$230,467 lower than budgeted, with the primary difference occurring in federal grants. Expenditures were \$779,143 lower than the amounts appropriated, which was primarily due to lower than anticipated operating and capital outlay costs.

The total variances resulted in a \$548,676 positive budget variance, with an actual decrease in fund balance of \$967,577 compared to a budget that anticipated a decrease of \$1,516,253 in fund balance.

Capital Assets and Debt Administration

Capital Assets

The Authority's investment in capital assets as of December 31, 2022, totals \$13,448,145 (net of accumulated depreciation/amortization). Capital assets consist of buildings and improvements, equipment, right of use assets, and land. The net increase in capital assets totaled \$2,111,949, including additions of \$2,454,977, which was offset by \$343,028 in depreciation/amortization expense. Major capital asset additions during the year include the following:

- CIP Equipment Motorola Contract for \$2,318,366
- Equipment Vesta Controller Project for \$55,500

More detailed information about the Authority's capital assets is presented in the notes to the basic financial statements.

Debt

The Authority reported long-term debt at the end of the year in the amount of \$3,809,376, a reduction of \$1,208,598 from the prior year as all principal and payments were made in a timely manner.

More detailed information about the Authority's long-term obligations is presented in Note 6 of the notes to the basic financial statements.

Economic Factors and Next Year's Budget and Rates

The Authority's Board of Directors and management consider many factors when setting the annual budget. One of the most important factors affecting the budget is ensuring sufficient funds are available to meet ongoing costs of operation.

Contacting the Authority's Financial Management

Questions regarding any information provided in this report or requests for additional financial information should be addressed to:

Kalamazoo County Consolidated Dispatch Authority
7040 Stadium Drive
Kalamazoo, MI 49009

KALAMAZOO COUNTY CONSOLIDATED DISPATCH AUTHORITY**STATEMENT OF NET POSITION
December 31, 2022****Assets**

Current assets:

Cash and cash equivalents	\$	1,570,994
Investments		1,335,947
Accounts receivable		811,241
Deposit		162,019
Prepaid expenses		143,365
Total current assets	\$	<u>4,023,566</u>

Noncurrent assets:

Capital assets not being depreciated	\$	8,478,302
Capital assets net of accumulated depreciated		4,969,843
Total noncurrent assets	\$	<u>13,448,145</u>
Total Assets	\$	<u><u>17,471,711</u></u>

Liabilities

Current liabilities:

Accounts payable	\$	59,055
Accrued liabilities		83,907
Accrued interest payable		7,900
Current portion - note payable		1,238,692
Current portion - lease payable		18,060
Total current liabilities	\$	<u>1,407,614</u>

Noncurrent liabilities:

Notes payable, due in more than one year	\$	2,570,684
Lease payable, due in more than one year		303,501
Total Liabilities	\$	<u>4,281,799</u>

Deferred Inflows of Resources

Future lease revenue	\$	<u>52,636</u>
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Net Position

Net Investment in Capital Assets	\$	9,317,208
Restricted - for capital project		162,019
Restricted - for training		12,604
Unrestricted		3,645,445
Total Net Position	\$	<u><u>13,137,276</u></u>

The Notes to Financial Statements are an integral part of this statement.

KALAMAZOO COUNTY CONSOLIDATED DISPATCH AUTHORITY**STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022**

Operating Revenues	
Charges for services	\$ 1,708,093
Operating grants and contributions	6,216,601
Total operating revenues	\$ 7,924,694
Operating Expenses	
Public safety:	
Dispatch services	\$ 5,112,561
Depreciation/amortization	343,028
Interest	122,448
Total operating expenses	\$ 5,578,037
Net operating income	\$ 2,346,657
Non operating income	
Investment return	\$ 25,306
Change in net position	\$ 2,371,963
Net Position-Beginning of year - as restated	10,765,313
Net Position-Ending	\$ 13,137,276

The Notes to Financial Statements are an integral part of this statement.

KALAMAZOO COUNTY CONSOLIDATED DISPATCH AUTHORITY**GENERAL FUND - BALANCE SHEET
December 31, 2022****Assets:**

Cash and cash equivalents	\$	1,570,994
Investments		1,335,947
Accounts receivable		811,241
Deposit		162,019
Prepaid expenses		143,365
Total Assets	\$	<u>4,023,566</u>

Liabilities:

Accounts payable	\$	59,055
Accrued payroll		83,907
Total Liabilities	\$	<u>142,962</u>

Deferred Inflows of Resources:

Future lease revenue	\$	<u>52,636</u>
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Fund Balances:

Nonspendable	\$	143,365
Restricted for capital project		162,019
Restricted for training		12,604
Unassigned		3,509,980
Total Fund Balance	\$	<u>3,827,968</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$	<u>4,023,566</u>

The Notes to Financial Statements are an integral part of this statement.

KALAMAZOO COUNTY CONSOLIDATED DISPATCH AUTHORITY

**RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
For the Year Ended December 31, 2022**

Total Governmental Fund Balances	\$ 3,827,968
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, net of accumulated depreciation/amortization used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds	13,448,145
Interest payable on long-term debt does not require current financial resources and as a result, interest payable is not reported as a liability in the governmental funds balance sheet.	(7,900)
Long-term liabilities are not due and payable in the current period and, therefore, they are reported in the governmental funds balance sheet:	
Installment purchase agreement	(3,809,376)
Tower leases	(321,561)
Net Position of Governmental Activities	<u><u>\$ 13,137,276</u></u>

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The Notes to Financial Statements are an integral part of this statement.

KALAMAZOO COUNTY CONSOLIDATED DISPATCH AUTHORITY

**STATEMENT OF REVENUES, EXPENDITURES, AND GENERAL FUND
CHANGES IN FUND BALANCES
For the Year Ended December 31, 2022**

Revenues:

Federal grants	\$	78,235
Charges for services		1,700,755
Contributions from local units		6,138,366
Interest and rentals		32,506
Other		138
Total Revenues	\$	<u>7,950,000</u>

Expenditures:

Public Safety	\$	5,087,661
Debt service:		
Principal		1,208,598
Interest		124,948
Capital outlay		2,496,370
Total Expenditures	\$	<u>8,917,577</u>

Deficit of Revenues Under Expenditures \$ (967,577)

Net Change in Fund Balance \$ (967,577)
Fund Balance-Beginning of Year 4,795,545
Fund Balance-End of Year \$ 3,827,968

The Notes to Financial Statements are an integral part of this statement.

KALAMAZOO COUNTY CONSOLIDATED DISPATCH AUTHORITY

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022**

Net Change in Fund Balances - Total Governmental Funds	\$ (967,577)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures in the Statement of Activities; these costs are allocated over their estimated useful lives and reported as follows:	
Assets acquired	2,454,977
Depreciation expense	(319,847)
Amortization of right of use asset	(23,181)
Lease payment principle portion	16,493
Repayment of bond principal is an expenditure in the governmental funds, but reduces the liability in the Statement of Net Position	1,208,598
Change in other assets/liabilities - increase in accrued interest payable	<u>2,500</u>
Net Change in Net Position of Governmental Activities	<u><u>\$ 2,371,963</u></u>

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The Notes to Financial Statements are an integral part of this statement.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Kalamazoo County Consolidated Dispatch Authority (the “Authority”) conform to accounting principles generally accepted in the United States of America (“GAAP”) as applicable to governmental units. In accordance with these guidelines, there are no component units to be included in these financial statements. The following is a summary of the significant accounting policies.

A. REPORTING ENTITY

The Authority is a discretely presented component unit Governmental Fund of the County of Kalamazoo, Michigan (the County). The Authority works to provide dispatch and integrated communication of emergency police, fire, and medical services within Kalamazoo County.

The basic financial statements of the Authority do not include other operations of the County.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the Authority. Governmental activities are normally supported by contributions from local units and surcharge revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Interest and other items not properly included among program revenues are reported instead as general revenues.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available if they are collected within the current period, or soon enough thereafter, to pay liabilities of the current period. For this purpose, the Authority generally considers revenues to be available if they are expected to be collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

Grants, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the Authority.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

The Authority reports a single major governmental fund, its General Fund. This fund accounts for all financial resources of the Authority.

Amounts reported as program revenues include: (1) charges to customers or applicants for goods, services, or privileges provided and (2) operating and capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues.

D. ASSETS, LIABILITIES, AND EQUITY

Cash and investments - Cash is considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are reported at fair value.

Receivables - All receivables are considered to be fully collectible and are due within one year.

Prepaid items - Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items.

Capital assets - Capital assets, which include property, equipment, and vehicles, are defined by the Authority as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value as of the date received. Right of use assets of the Authority are amortized using the straight-line method over the shorter of the lease period or the estimated useful lives. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings and improvements	40 years
Equipment	5 to 15 years
Software	6 years
Right of use - leased equipment	3 to 20 years

Net position - Net position represents the difference between assets and liabilities. The Authority currently reports two categories of net position, net investment in capital assets and unrestricted net position.

Leases

Lessee - The Authority is a lessee for four leases of towers. The Authority recognizes a lease liability and an intangible right-of-use lease asset in the government-wide financial statements. The Authority recognizes lease liabilities with an initial, individual value of \$10,000 or more.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

At the commencement of a lease, the Authority initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgements related to leases include how the Authority determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Authority uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Authority generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Authority is reasonably certain to exercise.

The Authority monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term obligations on the statement of net position.

Lessor - The Authority is a lessor for a lease of an ATM site rental agreement. The Authority recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the Authority initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payment received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term. Key estimates and judgements include how the Authority determines (1) the discount rate is uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Authority uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONCLUDED

The Authority monitors changes in circumstances that would require a remeasurement of this lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Deferred outflows of resources - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Deferred inflows of resources - In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of sources (revenue) until that time. The Authority reports one deferred inflow of resources from one source: leases. These amounts are long-term leases entered into by the Authority in which the Authority is the lessor for one, and the lessee for the other four. These amounts are recognized over the term of the lease agreements.

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

Fund equity - Governmental funds report nonspendable fund balances for amounts that cannot be spent because they are either (a) not in spendable form or (b) legally required to be maintained intact. Restricted fund balances are reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws and regulations of other governments. Committed fund balance is imposed by formal action of the Authority's Board. The Authority Board retains the authority to assign fund balances as to purpose. Unassigned fund balances are amounts that do not fall into any other category above. When the Authority incurs an expenditure for purposes for which various fund balance classifications can be used, it is the Authority's policy to use the restricted fund balance first, followed by committed fund balance, then assigned fund balance and, finally, unassigned fund balance.

Use of estimates - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Accordingly, actual results could differ from those estimates.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary information - An annual budget is adopted on a basis consistent with GAAP for the General Fund. The budget document presents information by function and line-item. The legal level of budgetary control adopted by the governing body is the function level. Budget appropriations are considered to be spent once the goods are delivered or the services rendered. All annual appropriations lapse at the end of the fiscal year. There were no reportable budgetary variances at December 31, 2022.

NOTE 3 – CASH AND INVESTMENTS

Deposits - State statutes and the Authority's investment policy authorize the Authority to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations. The Authority's deposits are in accordance with statutory authority. As of December 31, 2022, the Authority had deposits with a carrying amount of \$1,570,994.

Custodial credit risk is the risk that, in the event of the failure of a financial institution, the Authority will not be able to recover its deposits. The Authority's investment policy does not specifically address custodial credit risk for deposits. At December 31, 2022, \$1,320,944 of the Authority's bank balances of \$1,570,944 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Investments - State statutes and the Authority's investment policy authorize the Authority to invest in a) obligations of the U.S. Treasury, agencies, and instrumentalities; b) commercial paper rated within the two (2) highest rate classifications, which mature not more than 270 days after the date of purchase; c) repurchase agreements, collateralized by U.S. governmental securities; d) bankers' acceptances; e) mutual funds composed of otherwise legal investments; and f) investment pools organized under the local government investment pool act.

Credit risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Authority's investment policy does not contain requirements that would limit exposure to credit risk for investments. The credit quality ratings of the Authority's investments are as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
Michigan CLASS Investment Pool	\$ 1,335,947	AAAm	Standard and Poor's

Investments in entities that calculate net asset value per share - The Authority holds shares in an investment pool where the fair value of the investment is measured on a recurring basis using net asset value per share of the investment pool as a practical expedient. At December 31, 2022, the fair value, unfunded commitments, and redemption rules of these investments are as follows:

	<u>Michigan CLASS</u>
Fair value at December 31, 2022	\$ 1,335,947
Unfunded commitments	none
Redemption frequency	n/a
Notice period	none

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2022, was as follows:

	As Restated Beginning Balance	Additions	Disposals	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 294,273	\$ 35,033	\$ -	\$ 329,306
Construction in progress	5,830,630	2,318,366	-	8,148,996
Subtotal	<u>\$ 6,124,903</u>	<u>\$ 2,353,399</u>	<u>\$ -</u>	<u>\$ 8,478,302</u>
Capital assets being depreciated/amortized				
Buildings and improvements	\$ 2,581,994	\$ 39,254	\$ -	\$ 2,621,248
Equipment and furnishings	3,352,051	62,324	-	3,414,375
Right of use - leased equipment	430,196	-	-	430,196
Subtotal	<u>\$ 6,364,241</u>	<u>\$ 101,578</u>	<u>\$ -</u>	<u>\$ 6,465,819</u>
Less: Accumulated depreciation/amortization				
Buildings and improvements	\$ (363,143)	\$ (99,568)	\$ -	\$ (462,711)
Equipment and furnishings	(687,775)	(220,279)	-	(908,054)
Right of use - leased equipment	(102,030)	(23,181)	-	(125,211)
Subtotal	<u>\$ (1,152,948)</u>	<u>\$ (343,028)</u>	<u>\$ -</u>	<u>\$ (1,495,976)</u>
Total capital assets being depreciated/amortized	<u>\$ 5,211,293</u>			<u>\$ 4,969,843</u>
Governmental activities capital assets, net	<u>\$ 11,336,196</u>			<u>\$ 13,448,145</u>

All depreciation/amortization expense was charged to the public safety function.

NOTE 5 – RISK MANAGEMENT

The Authority is exposed to various risks of loss related to property loss, torts, errors and omissions, employee injuries (workers' compensation) and medical benefits provided to employees. The Authority has purchased commercial insurance for each of these claims and is neither self-insured, nor participates in a shared-risk pool. During the past period, settlements did not exceed insurance coverage.

NOTE 6 – LONG-TERM OBLIGATIONS

Governmental Activities:

Direct Borrowing and Direct Replacement

In 2020, the Authority entered into an installment purchase agreement for \$6,200,975 due in annual installments of \$1,333,546 through 12/1/2025. \$ 3,809,376

In 2021, the Authority entered into a twenty-year tower lease due in annual installments of \$2,400 increasing by (2%) after the first three years and every three years thereafter through 2063. 68,020

In 2021, the Authority entered into a twenty-year tower lease due in annual installments of \$2,400 through 2041. 34,899

In 2021, the Authority entered into a twenty-year tower lease due in annual installments of \$1,200 through 2041. 17,449

In 2015, the Authority entered into a twenty-year tower lease due in monthly installments of \$1,500 for first five years then annual (4%) increases for the next five years, then annual (3%) increases for the two remaining five year terms. 201,193

Total direct borrowing and direct placement \$ 4,130,937

Total long-term debt \$ 4,130,937

Long-term obligation activity for the year ended December 31, 2022, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Direct Borrowings and Direct Placement					
Installment purchase agreement	\$ 5,017,974	\$ -	\$ (1,208,598)	\$ 3,809,376	\$ 1,238,692
Tower leases	338,054	-	(16,493)	321,561	18,060
Total Direct Borrowings and Direct Placement	<u>\$ 5,356,028</u>	<u>\$ -</u>	<u>\$ (1,225,091)</u>	<u>\$ 4,130,937</u>	<u>\$ 1,256,752</u>

NOTE 6 – LONG-TERM OBLIGATIONS, CONCLUDED

Debt service requirements at December 31, 2022, are as follows:

Year Ended December 31,	Direct Borrowing and Direct Placement	
	Principal	Interest
2023	\$ 1,256,752	\$ 102,654
2024	1,288,052	71,354
2025	1,319,594	39,283
2026	18,911	6,419
2027	19,387	5,943
2028-2032	104,873	22,120
2033-2037	59,262	10,293
2038-2042	17,661	6,547
2043-2047	8,732	5,162
2048-2052	10,364	3,978
2053-2057	12,229	2,574
2058-2062	15,120	920
Totals	<u>\$ 4,130,937</u>	<u>\$ 277,247</u>

All outstanding debt of the Authority is direct placement or direct borrowing debt.

NOTE 7 – DEFINED CONTRIBUTION PENSION PLAN

The Authority provides pension benefits for the Executive Director through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. The executive director is eligible to participate after the date of hire. The Authority contributes an amount equal to 10% and the executive director has the option to contribute. The Authority's contributions for the executive director (and interest allocated to the employee's account) are fully vested upon entering the plan. The Authority made the required contributions of \$12,387, for the year ended December 31, 2022. At December 31, 2022, the Authority reported no accrued liability as part of the contributions to the plan. The Authority is not a trustee of the plan, nor is the Authority responsible for investment management of plan assets.

The Authority also provides pension benefits for all employees except the Executive Director through a defined contribution plan. The employees are eligible to participate after the date of hire. The Authority contributes an amount equal to 5% and the employees have the option to contribute. The Authority will match employee contributions up to a maximum of an additional 3%. The Authority's contributions for the employees (and interest allocated to the employee's account) are fully vested upon the completion of two years of service. The Authority made the required contributions of \$326,694, for the year ended December 31, 2022. At December 31, 2022, the Authority reported no accrued liability as part of the contributions to the plan. The Authority is not a trustee of the plan, nor is the Authority responsible for investment management of plan assets.

Forfeitures may be used to reduce or reallocate employer contributions. There were forfeitures of \$9,296 during the current fiscal year that were used to reduce the Authorities pension expense.

NOTE 8 – DEFERRED COMPENSATION PLAN

The Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code, Section 457. The assets of the plan were held in trust (custodial accounts) as described in IRC Section 457(g) for the exclusive benefit of the participants (employees) and their beneficiaries. The custodian thereof for the exclusive benefit of the participants, holds the custodial accounts for the beneficiaries of this Section 457 plan and the assets may not be diverted to any other use. The administrators are agents of the employer for purposes of providing direction to the custodian of the custodial account from time to time for the investment of the funds held in the account, transfer of assets to or from the account, and all other matters. In accordance with the provisions of GASB Statement No. 32, plan balances and activities are not reflected in the Authority's financial statements.

NOTE 9 – UPCOMING ACCOUNTING PRONOUNCEMENTS

In May 2020, the GASB issued Statement No. 96, *Subscription-based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted during the 2022-2023 fiscal year.

NOTE 10 – CHANGE IN ACCOUNTING PRINCIPLE

For the year ended December 31, 2022, the Authority implemented the following new pronouncement: GASB Statement No. 87, *Leases*.

Summary:

Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, was issued by the GASB in June 2017. The objective of this Statement is to increase the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use the underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities.

The Authority entered into three leases in 2021 and one lease in 2015 that included four twenty-year lease agreements for towers that require annual principal and interest payments. The Authority is also the lessor for one ATM site rental agreement that began in 2017 and requires annual payments of \$7,200. There was no material impact on the Authority’s financial statement after the adoption of GASB Statement 87. The change in capital assets and long-term obligations is as follows:

	<u>Capital asset</u>	<u>Long-term obligations</u>
Balances as of January 1, 2022, as previously stated	\$ 11,008,030	\$ 5,017,974
Adoption of GASB Statement 87	<u>328,166</u>	<u>338,054</u>
Balances as of January 1, 2022, as restated	<u><u>\$ 11,336,196</u></u>	<u><u>\$ 5,356,028</u></u>

NOTE 11 – SUBSEQUENT EVENTS

The Authority has evaluated subsequent events through April 24, 2023, the date the financial statements were available to be issued. Except as noted below, no events or transactions occurred during this period which requires recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

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KALAMAZOO COUNTY CONSOLIDATED DISPATCH AUTHORITY

**BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenue:				
Federal grants	\$ -	\$ 374,395	\$ 78,235	\$ (296,160)
Charges for services	1,608,000	1,648,000	1,700,755	52,755
Contributions from local units	6,099,900	6,137,822	6,138,366	544
Interest and rentals	10,200	20,200	32,506	12,306
Other	250	50	138	88
Total revenue	\$ 7,718,350	\$ 8,180,467	\$ 7,950,000	\$ (230,467)
Expenditures:				
Public Safety:				
Personnel costs	\$ 3,597,757	\$ 3,505,788	\$ 3,138,323	\$ 367,465
Employee benefits	1,255,111	1,050,399	1,008,666	41,733
Contractual services	623,956	639,956	596,054	43,902
Professional services	41,500	34,500	22,651	11,849
Insurance	65,000	52,307	52,307	-
Repairs and maintenance	25,000	25,000	20,398	4,602
Travel	65,000	71,000	43,488	27,512
Supplies	32,500	32,500	20,792	11,708
Utilities	177,940	177,940	166,820	11,120
Miscellaneous	39,500	42,000	18,162	23,838
Debt service:				
Principal	1,208,598	1,208,598	1,208,598	-
Interest	124,949	124,949	124,948	1
Capital outlay	2,771,130	2,731,783	2,496,370	235,413
Total expenditures	\$ 10,027,941	\$ 9,696,720	\$ 8,917,577	\$ 779,143
Excess (deficiency) of revenue over (under) expenditures	\$ (2,309,591)	\$ (1,516,253)	\$ (967,577)	\$ 548,676
Fund balance - beginning	4,795,545	4,795,545	4,795,545	
Fund balance - ending	\$ 2,485,954	\$ 3,279,292	\$ 3,827,968	

COMPLIANCE LETTER

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

To the Board of Directors of
Kalamazoo County Consolidated Dispatch Authority
Kalamazoo, Michigan

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business activities of Kalamazoo County Consolidated Dispatch Authority (the “Authority”), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority’s financial statements and have issued our report thereon dated April 24, 2023.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and responses (2022-001) that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Authority's Response to Findings

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

Purpose of this Report

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

Respectfully submitted,

Certified Public Accountants

St. Joseph, MI
April 24, 2023

DRAFT

SECTION I – FINANCIAL STATEMENT FINDINGS

Finding 2022-001 Material Weakness – Preparation of GAAP Financial Statements

Condition: As is the case with many small and medium-sized governmental entities, the Kalamazoo County Consolidated Dispatch Authority (the “Authority”) has historically relied on its independent external auditors to assist in the preparation of the government-wide financial statements, fund financial statements, and notes to financial statements as part of its external financial reporting process. Accordingly, the Authority’s ability to prepare financial statements in accordance with generally accepted accounting principles (“GAAP”) is based, in part, on its reliance on its external auditors, who by definition, cannot be considered part of the Authority’s internal controls.

Criteria: All Michigan governments are required to prepare financial statements in accordance with GAAP. This is the responsibility of the Authority’s management. The preparation of financial statements in accordance with GAAP requires internal controls over both: 1) recording, processing and summarizing accounting data (maintaining internal accounting books and records); and 2) reporting government-wide and fund financial statements, including the related notes to financial statements (external financial reporting).

Cause: This condition was caused by the Authority’s decision to outsource the preparation of its annual financial statements to the auditors. This decision was based on the determination that it would be more cost effective to outsource this function rather than invest the time and incur the expense to obtain the necessary training and expertise for the Authority to prepare this information internally.

Effect: The Authority lacks internal controls over the preparation of financial statements in accordance with GAAP, and instead relies, in part, on its external auditors for assistance with this duty.

Recommendation: We recommend that the Authority’s management evaluate the cost versus benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determine if it is in the best interests of the Authority to outsource this duty to its external auditors. If the Authority continues to rely on its external auditors to prepare the financial statements, we recommend that the board designate a responsible Authority official to carefully review the draft financial statements, including the notes, prior to approving them and accepting responsibility for their content and presentation.

Management Response: Management is aware of this deficiency. However, the Authority has determined that the cost of contracting a qualified independent third party to prepare the financial statements would not be cost effective.

SECTION II - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

The Authority has spent under the \$750,000 threshold for federal expenditures and is not required to have a single audit under the Uniform Guidance.



Kalamazoo County Consolidated Dispatch Authority



DATE: April 12, 2023

TO: Finance Committee Members and Board of Directors

FROM: Jeff Troyer
KCCDA Executive Director

SUBJECT: Fiscal Year 2023 Budget Amendment – REVISION I

I hereby present to the Finance Committee and Board of Directors for consideration this budget amendment, Revision I, to the 2023 Budget. The proposed amendment reflects ARPA federal grant revenues, up-to-date personnel projections including ARPA essential work premium pay stipends and actual benefit elections, adjustments for capital projects approved in 2022 and started but carried over to 2023, a request for additional monies to be allocated for this year's capital projects and a few other minor categorical adjustments.

The following items are key aspects of this budget amendment.

REVENUES

- **Federal Grants**
\$295,307 increase in Federal Grants due to receiving American Rescue Plan Act (ARPA) subgrants from Kalamazoo County. \$13,757 of this is dedicate for reimbursement of equipment expenditures that occurred after April 2021 that were directly related to Mitigation and Prevention of COVID-19 and \$281,550 is for essential work premium pay stipends that were distributed in 2023.
NOTE – There is a corresponding personnel expenditure offsetting \$281,550 of this revenue.
- **Interest Earned**
Interest earned is increasing by \$70,000 due to the performance of KCCDA's fund balance in respective accounts. In the first three months of 2023, KCCDA has averaged \$8,500 in interest per month.

EXPENDITURES

- **Personnel Services**
This categorical has two main contributing factors resulting in an overall categorical increase of \$65,556:



Kalamazoo County Consolidated Dispatch Authority



- All costs associated to personnel have been recalculated to accurately reflect existing staff and projected new hires for the remainder of the year as well as actual expenditures for staff who have separated employment with KCCDA year to date. This recalculation resulted in savings of \$346,807.
- ARPA Essential Work Premium Pay – On March 17th KCCDA distributed \$281,550 of Essential Work Premium Pay stipends in accordance with the administrative guidelines for the program and ARPA Grant Agreement with the County.
NOTE – This expenditure is directly offset by \$281,550 of Federal Grant revenue.

- **Benefits and Taxes**

The proposed changes identified in personnel services result in corresponding cost savings in this category of \$104,585.

- **Services and Other Charges**

The contractual services line item (801.010) is increasing by \$6,600 which includes an additional \$1,000 to service provided by Republic Waste, \$2,600 for Frontline Public Safety Solutions and \$3,000 for VMWare vSphere support. The Interpreter Fees line item in this category also increases \$2,000 resulting in an overall increase in expenditures of \$8,600.

- **Equipment and Capital Outlay**

This categorical includes three main changes resulting in an overall increase of \$312,922. These expenditures are split between Equipment/Software and Facility projects.

- There were multiple capital projects approved as part of the 2022 budget that were either started and not completed or did not get started at all due to equipment and contractor shortages that need to be brought forward to this year's budget:
 - ✓ *\$42,136 – Equipment/Software 980.000*
Move County Fire VHF Haverhill Tower to the new KCCDA tower site on 12th Street and remove remaining feed lines and antennas from the Haverhill Water Tower. This project did not start in 2022 but has since been completed.
 - ✓ *\$36,828 – Equipment/Software 980.000*
Move County Fire VHF Richland site to the new KCCDA tower site on Jefferson Street in Augusta. This project did not start in 2022 nor has it started in 2023.
 - ✓ *\$3,000 – Facility 980.020*
Update Parking Lot Lights to LED. This was started in 2022 but not completed.
 - ✓ *\$7,200 – Facility 980.020*
Roofing project to prevent ice dams from forming. This was started in 2022 but not completed.

The above items total \$89,164.



Kalamazoo County Consolidated Dispatch Authority



- \$201,114 was originally allocated to 980,000 for the Dell VXRail Upgrade (capital project #2). This amount did not include the VMWare vSphere Enterprise Plus license which is required for the system. Therefore, this request includes an increase of \$10,258 for the license.
- \$250,000 is currently allocated under capital project #8 to facility capital for finding a dedicated back-up operational facility. After looking at a few facilities and discussing options with our broker, the Executive Director is requesting this allocation be doubled for a total of \$500,000.
- \$13,500 increase in facility capital to remove existing landscape mulch areas and replace with river rock and cobblestone. This includes replacement of edging where necessary and a new weed barrier. This will eliminate approximately \$2,500 per year in upkeep of the existing mulch areas.

ATTACHMENTS/REPORTS

Attached to this memorandum are four separate documents/reports to assist in explanation of the proposed line-item and categorical budgetary revisions included in this amendment:

- ✓ **POSITION BUDGETING – Compensation, Taxes & Benefits**
Pages 4 through 6 are detailed position budgeting worksheets for all current positions/classifications within the organization as well as actual costs for year-to-date former employees who have separated employment.
- ✓ **2023 Budget Amendment – REVISION I Net Changes**
This document, pages 7 through 9, shows the original adopted budget, net changes resulting from any line-item transfers (year-to-date), the proposed net changes in this amendment (Revision I), and the new revised budget.
- ✓ **10 Year Operational Budget and Fund Balance Forecast**
Page 10 is a categorical budget and fund balance forecast for years 2022 (year-end actuals) through 2031.

SUMMARY

The proposed budget amendment, Revision I, increases revenues by \$365,307 overall expenditures by \$332,194, equating to a surplus net change in this amendment of \$33,113. The amendment results in revised total expenditures of \$8,905,250 and an anticipated surplus at year's end totaling \$105,186.

I recommend adoption of the proposed fiscal year 2023 Budget Amendment – REVISION I.

POSITION BUDGETING - *Current* Employee Compensation, Taxes & Benefits

#	Position/Title	Wage Line Item	Emp. ID or Vacant (V)	Regular Wages	Overtime	Holiday Premium	Allow & Comps	Social Sec	Medi-care	MERS DC	MERS 457	MERS HCSP	Work Comp	Medical Ins.	HSA Contr.	Dental	Vision	Life Ins.	Disab. Ins.
01	ECO-I	702.024	037	\$49,275		\$3,009	\$4,550	\$3,524	\$824	\$4,547		\$986	\$204	OptOut		\$1,137	\$189	\$161	\$660
02	ECO-I	702.024	045	\$49,275		\$3,009	\$4,550	\$3,524	\$824	\$4,547		\$986	\$204	OptOut		\$583	\$130	\$161	\$660
03	ECO-I	702.024	079	\$44,741		\$2,732	\$3,250	\$3,145	\$735	\$4,058		\$895	\$185	OptOut		OptOut	OptOut	\$161	\$660
04	ECO-I	702.024	080	\$42,474		\$2,593		\$2,794	\$653	\$3,605		\$849	\$176	\$13,912	\$2,800	\$1,137	\$189	\$161	\$660
05	ECO-I	702.024	083	\$42,474		\$2,593		\$2,794	\$653	\$3,605		\$849	\$176	\$5,240	\$1,400	\$291	\$124	\$161	\$660
06	ECO-I	702.024	084	\$42,474		\$2,593		\$2,794	\$653	\$3,605		\$849	\$176	\$5,240	\$1,400	\$291	\$65	\$161	\$660
07	ECO-I	702.024	085	\$42,474		\$2,593	\$1,950	\$2,915	\$682	\$3,761		\$849	\$176	OptOut		OptOut	OptOut	\$161	\$660
08	ECO-I	702.024	086	\$35,395		\$2,593		\$2,355	\$551	\$3,039		\$849	\$148	\$9,346	\$2,100	\$437	\$98	\$121	\$495
09	ECO-I	702.024	V (8)	\$26,869		\$1,637		\$1,767	\$413	\$2,280		\$804	\$111	\$6,956	\$1,400	\$583	\$130	\$81	\$330
10	ECO-I	702.024	V (8)	\$26,869		\$1,637		\$1,767	\$413	\$2,280		\$804	\$111	\$6,231	\$1,400	\$1,137	\$189	\$81	\$330
11	ECO-I	702.024	V (8)	\$26,869		\$1,637		\$1,767	\$413	\$2,280		\$804	\$111	\$2,620	\$700	\$0	\$0	\$81	\$330
12	ECO-I	702.024	V (5)	\$16,817		\$1,023		\$1,106	\$259	\$1,427		\$804	\$70	OptOut		\$0	\$0	\$40	\$165
13	ECO-II	702.023	014	\$60,965		\$3,722		\$4,011	\$938	\$5,175		\$1,219	\$252	\$12,462	\$2,800	\$517	\$124	\$161	\$660
14	ECO-II	702.023	021	\$60,965		\$3,722	\$4,550	\$4,293	\$1,004	\$5,539		\$1,219	\$252	OptOut		\$583	\$130	\$161	\$660
15	ECO-II	702.023	022	\$60,965		\$3,722		\$4,011	\$938	\$5,175		\$1,219	\$252	\$13,912	\$2,800	\$1,137	\$189	\$161	\$660
16	ECO-II	702.023	023	\$60,965		\$3,722		\$4,011	\$938	\$5,175		\$1,219	\$252	\$13,912	\$2,800	\$1,137	\$189	\$161	\$660
17	ECO-II	702.023	024	\$60,965		\$3,722	\$4,550	\$4,293	\$1,004	\$5,539		\$1,219	\$252	OptOut		\$1,137	\$189	\$161	\$660
18	ECO-II	702.023	025	\$60,965		\$3,722		\$4,011	\$938	\$5,175		\$1,219	\$252	\$13,912	\$2,800	\$1,137	\$189	\$161	\$660
19	ECO-II	702.023	026	\$60,965		\$3,722		\$4,011	\$938	\$5,175		\$1,219	\$252	\$13,912	\$2,800	\$1,137	\$189	\$161	\$660
20	ECO-II	702.023	027	\$60,965		\$3,722		\$4,011	\$938	\$5,175		\$1,219	\$252					\$161	\$660
21	ECO-II	702.023	030	\$60,965		\$3,722		\$4,011	\$938	\$5,175		\$1,219	\$252	\$18,606		\$1,137	\$189	\$161	\$660
22	ECO-II	702.023	031	\$60,965		\$3,722		\$4,011	\$938	\$5,175		\$1,219	\$252	\$13,912	\$2,800	\$1,137	\$189	\$161	\$660
23	ECO-II	702.023	032	\$60,965		\$3,722		\$4,011	\$938	\$5,175		\$1,219	\$252	\$13,912	\$2,800	\$1,137	\$189	\$161	\$660
24	ECO-II	702.023	033	\$60,965		\$3,722		\$4,011	\$938	\$5,175		\$1,219	\$252	\$5,240	\$1,400	\$291	\$65	\$161	\$660
25	ECO-II	702.023	034	\$60,965		\$3,722		\$4,011	\$938	\$5,175		\$1,219	\$252	\$5,240	\$1,400	\$291	\$65	\$161	\$660
26	ECO-II	702.023	035	\$60,965		\$3,722	\$4,550	\$4,293	\$1,004	\$5,539		\$1,219	\$252	OptOut		\$291	\$65	\$161	\$660
27	ECO-II	702.023	049	\$54,558		\$3,331	\$4,550	\$3,871	\$905	\$4,995		\$1,091	\$226	OptOut		OptOut	OptOut	\$161	\$660
28	ECO-II	702.023	057	\$54,558		\$3,331	\$3,250	\$3,791	\$887	\$4,891		\$1,091	\$226	OptOut		OptOut	OptOut	\$161	\$660
29	ECO-II	702.023	059	\$48,131		\$2,939		\$3,166	\$741	\$4,086		\$963	\$199	ER Cost	Deductible	DENTAL	VISION	\$161	\$660
30	ECO-II	702.023	061	\$48,131		\$2,939		\$3,166	\$741	\$4,086		\$963	\$199	\$16,666		\$517	\$124	\$161	\$660
31	ECO-II	702.023	062	\$51,355		\$3,136	\$4,550	\$3,661	\$856	\$4,723		\$1,027	\$213	OptOut		\$583	\$130	\$161	\$660
32	ECO-II	702.023	063	\$51,355		\$3,136	\$3,250	\$3,580	\$837	\$4,619		\$1,027	\$213	OptOut		\$583	\$124	\$161	\$660
33	ECO-II	702.023	070	\$48,131		\$2,939	\$1,950	\$3,287	\$769	\$4,086		\$963	\$199	OptOut		OptOut	OptOut	\$161	\$660
34	ECO-II	702.023	075	\$44,907		\$2,742		\$2,954	\$691	\$3,812		\$898	\$186	\$12,462	\$2,800	\$583	\$130	\$161	\$660

POSITION BUDGETING - *Current* Employee Compensation, Taxes & Benefits

#	Position/Title	Wage Line Item	Emp. ID or Vacant (V)	Regular Wages	Overtime	Holiday Premium	Allow & Comps	Social Sec	Medicare	MERS DC	MERS 457	MERS HCSP	Work Comp	Medical Ins.	HSA Contr.	Dental	Vision	Life Ins.	Disab. Ins.
35	ECO-II	702.023	064	\$44,907		\$2,742		\$2,954	\$691	\$3,812		\$898	\$186	\$10,434	\$2,100	\$853	\$142	\$161	\$660
36	ECO-II	702.023	078	\$44,907		\$2,056		\$2,912	\$681	\$3,757		\$898	\$183	\$6,231	\$1,400	\$291	\$65	\$121	\$495
37	ECO-II	702.023	087	\$36,375		\$2,221		\$2,393	\$560	\$3,088		\$727	\$151	\$2,620	\$700	\$146	\$33	\$121	\$495
38	ECO-II	702.023	088	\$36,375		\$2,221		\$2,393	\$560	\$3,088		\$727	\$151	\$4,869	\$1,400	\$398	\$66	\$81	\$330
39	ECO-II	702.023	V (6)	\$22,454		\$1,371		\$1,477	\$345	\$1,906		\$449	\$93	\$6,956	\$1,400	\$568	\$94	\$81	\$330
40	ECO-II	702.023	V (6)	\$22,454		\$1,371		\$1,477	\$345	\$1,906		\$449	\$93						
41	ECO-II	702.023	V (6)	\$22,454		\$1,371		\$1,477	\$345	\$1,906		\$449	\$93	\$102	\$33	\$0	\$0	\$81	\$330
42	ECO-II	702.023	V (0)	\$0		\$0		\$0	\$0	\$0		\$0	\$0						
43	ECO-II	702.023	V (0)	\$0		\$0		\$0	\$0	\$0		\$0	\$0						
44	ECO-II (filled w/PT-Pool)	702.023	013	\$15,007		\$586		\$967	\$226				\$61						
45	ECO-II (filled w/PT-Pool)	702.023	029	\$15,241		\$586		\$981	\$229				\$62						
46	ECO-II (filled w/PT Pool)	702.023	041	\$27,279		\$839		\$1,743	\$408				\$110						
47	ECO-II (filled w/PT'er)	702.023	055	\$20,517		\$938		\$1,330	\$311	\$1,716			\$84						
48	ECO-II (filled w/PT'er)	702.023	056	\$20,517		\$938		\$1,330	\$311	\$1,716			\$84						
49	ECO - Part Time	702.023	020	\$30,482		\$938		\$1,948	\$456	\$2,514			\$123						
50	ECO - Part Time	702.023	040	\$43,321		\$889		\$2,741	\$641	\$3,537			\$172						
51	ECO - Part Time	702.023	043	\$45,724		\$938		\$2,893	\$677	\$3,733			\$182						
52	ECO - Part Time	702.023	053	\$20,409		\$768		\$1,313	\$307	\$1,694			\$83						
53	Dispatch Supv. - Shift	702.022	008	\$70,286	\$7,399	\$4,517		\$5,097	\$1,192	\$6,576	\$1,644	\$1,480	\$292	\$12,462	\$2,800	\$583	\$130	\$161	\$660
54	Dispatch Supv. - Shift	702.022	009	\$70,286	\$7,399	\$4,517		\$5,097	\$1,192	\$6,576	\$1,644	\$1,480	\$292	\$12,462	\$2,800	\$583	\$130	\$161	\$660
55	Dispatch Supv. - Shift	702.022	011	\$70,286	\$7,399	\$4,517		\$5,097	\$1,192	\$6,576	\$1,644	\$1,480	\$292	\$12,462	\$2,800	\$583	\$130	\$161	\$660
56	Dispatch Supv. - Shift	702.022	017	\$65,959	\$6,943	\$4,239		\$4,783	\$1,119	\$6,171	\$1,543	\$1,389	\$274	\$12,462	\$2,800	\$583	\$130	\$161	\$660
57	Dispatch Supv. - QA	702.022	010	\$44,391	\$4,439	\$2,710		\$3,196	\$747	\$4,123	\$1,031	\$1,480	\$184	\$8,347	\$1,400	\$682	\$113	\$97	\$396
58	Dispatch Supv. - Training	702.022	007	\$73,986	\$7,399	\$4,517	\$4,550	\$5,608	\$1,312	\$6,872	\$1,809	\$1,480	\$306	OptOut		\$291	\$65	\$161	\$660
59	NEW - Admin. Assistant	702.021	V (5)	\$14,410				\$893	\$209	\$1,153		\$288	\$56	\$9,346	\$2,100	\$437	\$98	\$121	\$495
60	Exec. Admin. Assistant	702.021	004	\$57,924				\$3,591	\$840	\$4,634		\$1,158	\$226	\$13,912	\$2,800	\$1,137	\$189	\$161	\$660
61	Systems Support Spec.	702.021	003	\$65,060				\$4,034	\$943	\$5,205		\$1,301	\$254	\$13,912	\$2,800	\$1,137	\$189	\$161	\$660
62	Systems Support Spec.	702.021	076	\$62,530				\$3,877	\$907	\$5,002		\$1,251	\$244	\$7,008		\$291	\$65	\$161	\$660
63	Network/Systems Admin	702.010	005	\$92,469			\$3,250	\$5,935	\$1,388	\$7,658	\$1,914	\$1,849	\$361	OptOut		OptOut	OptOut	\$161	\$660
64	Deputy Director	702.010	002	\$95,680				\$5,932	\$1,387	\$7,654	\$1,914	\$1,914	\$373	\$12,462	\$2,800	\$517	\$124	\$161	\$660
65	Executive Director	702.010	001	\$128,197			\$8,683	\$8,487	\$1,985	\$12,820	\$5,475	\$3,846	\$500	\$13,912	\$2,800	\$1,137	\$189	\$1,361	\$4,110
Varies	OVERTIME	702.030	Various		\$325,000			\$20,150	\$4,713	\$26,000	\$3,000								
Varies	ARPA Essential Work Stipends	702.027	Various	\$281,550				\$17,456	\$4,082										

Former Employees - Year-to-date

#	Position/Title	Wage Line Item	Emp. ID or Vacant (V)	Regular Wages	Overtime	Holiday Premium	Allow & Comps	Social Sec	Medicare	MERS DC	MERS 457	MERS HCSP	Work Comp	Medical Ins.	HSA Contr.	Dental	Vision	Life Ins.	Disab. Ins.
	ECO-II	702.023	013	\$18,216	x	\$1,604		\$1,229	\$287	\$1,681		\$1,151	\$77	\$1,411	\$1,400	\$79	\$18	\$40	\$165
	ECO-II	702.023	067	\$7,587	x	\$962		\$530	\$124	\$541			\$33	\$1,606	\$700	\$132	\$22	\$13	\$55
	ECO-II	702.023	082	\$13,720	x	\$1,146		\$922	\$216	\$1,201			\$58	\$1,613	\$1,400	\$91	\$20	\$54	\$220
	ECO-II	702.023	089	\$3,454	x			\$214	\$50	\$278			\$13					\$7	\$28
	Dispatch Supv. - QA	702.023	010	\$17,541	x	\$1,553		\$1,184	\$277	\$1,751	\$379		\$74	\$3,211	\$2,800	\$263	\$44	\$40	\$165

POSITION BUDGETING - Compensation, Taxes & Benefits

#	Position/Title	Wage Line Item	Emp. ID or Vacant (V)	Regular Wages	Overtime	Holiday Premium	Allow & Comps	Social Sec	Medicare	MERS DC	MERS 457	MERS HCSP	Work Comp	Medical Ins.	HSA Contr.	Dental	Vision	Life Ins.	Disab. Ins.
TOTALS:				\$3,422,593	\$365,976	\$155,311	\$61,983	\$248,364	\$58,085	\$294,721	\$21,997	\$61,566	\$12,856	\$371,492	\$75,633	\$29,707	\$5,637	\$9,058	\$35,664
					702.030	706.000		721.000	722.000	725.010	725.020	725.030	719.000	720.010	720.060	720.020	720.030	720.040	720.070

Line Item Summary		
Salaries - Administration	702.010	\$316,346
Salaries/Wages - Regular	702.020	\$3,106,247

Line Item Summary	
712.000	\$53,300
715.010	\$8,683

Salaries/Wages - Regular Subclassifications

Administrative Support - 702.021	\$199,924
Dispatch Supervisors - 702.022	\$412,736
ECO II's - 702.023	\$1,766,034
ECO I's - 702.024	\$446,003
Incentive/Stipend Pay - 702.027	\$281,550

**Kalamazoo County Consolidated Dispatch Authority
2023 Budget Amendment - REVISION I Net Changes**

January - December 2023

	2911 - General Operations					2913 - Training					ALL BUSINESS UNITS				
	ORIGINAL Budget	YTD TXFRS	REV. I (net change)	REV. II (net change)	REVISED BUDGET	ORIGINAL Budget	YTD TXFRS	REV. I (net change)	REV. II (net change)	REVISED BUDGET	ORIGINAL Budget	YTD TXFRS	REV. I (net change)	REV. II (net change)	REVISED BUDGET
REVENUES															
400.000 Use of Fund Balance	162,019				162,019					0	162,019	0	0	0	162,019
402.000 Property Taxes	6,249,500				6,249,500					0	6,249,500	0	0	0	6,249,500
528.000 Federal Grants	0		295,307		295,307					0	0	0	295,307	0	295,307
573.000 Local Community Stabilization Share	596,400				596,400					0	596,400	0	0	0	596,400
615.010 Surcharge - State 911	484,000				484,000	45,000				45,000	529,000	0	0	0	529,000
615.020 Surcharge - Local 911	1,120,000				1,120,000					0	1,120,000	0	0	0	1,120,000
651.000 Charges for Services - User Fees	15,960				15,960					0	15,960	0	0	0	15,960
665.000 Interest Earned	15,000		70,000		85,000					0	15,000	0	70,000	0	85,000
667.000 Rent/Lease Revenue	7,200				7,200					0	7,200	0	0	0	7,200
671.000 Miscellaneous Revenue	50				50					0	50	0	0	0	50
TOTAL REVENUES	\$ 8,650,129	\$ -	\$ 365,307	\$ -	\$ 9,015,436	\$ 45,000	\$ -	\$ -	\$ -	\$ 45,000	\$ 8,695,129	\$ -	\$ 365,307	\$ -	\$ 9,060,436
EXPENDITURES															
700-718 Personnel Services															
702.010 Salaries - Administration	313,087		3,259		316,346					0	313,087	0	3,259	0	316,346
702.020 Wages - Regular	3,031,798		74,449		3,106,247	13,000				13,000	3,044,798	0	74,449	0	3,119,247
702.030 Wages - Overtime	368,935		(2,959)		365,976					0	368,935	0	(2,959)	0	365,976
702.050 CTO Pay	23,000				23,000					0	23,000	0	0	0	23,000
706.000 Wages - Holiday Premium	165,454		(10,143)		155,311					0	165,454	0	(10,143)	0	155,311
712.000 Payment in Lieu of Benefits	52,650		650		53,300					0	52,650	0	650	0	53,300
715.010 Auto Allowance	8,683				8,683					0	8,683	0	0	0	8,683
Personnel Services Subtotal	3,963,607	0	65,257	0	4,028,864	13,000	0	0	0	13,000	3,976,607	0	65,257	0	4,041,864
719-725 Benefits and Taxes															
719.000 Workers Comp Insurance	13,690		(834)		12,856					0	13,690	0	(834)	0	12,856
720.010 Medical/Health Insurance	437,048		(65,556)		371,492					0	437,048	0	(65,556)	0	371,492
720.020 Dental Insurance	33,195		(3,488)		29,707					0	33,195	0	(3,488)	0	29,707
720.030 Vision Insurance	6,315		(678)		5,637					0	6,315	0	(678)	0	5,637
720.040 Life Insurance	9,934		(876)		9,058					0	9,934	0	(876)	0	9,058
720.050 Unemployment	9,000				9,000					0	9,000	0	0	0	9,000
720.060 HSA Contributions	86,100		(10,467)		75,633					0	86,100	0	(10,467)	0	75,633
720.070 Short-Term Disability	39,255		(3,592)		35,664					0	39,255	0	(3,592)	0	35,664
721.000 Social Security	244,317		4,047		248,364					0	244,317	0	4,047	0	248,364

	2911 - General Operations					2913 - Training					ALL BUSINESS UNITS				
	ORIGINAL Budget	TXFRS (net change)	REV. I (net change)	REV. II (net change)	REVISED BUDGET	ORIGINAL Budget	TXFRS (net change)	REV. I (net change)	REV. II (net change)	REVISED BUDGET	ORIGINAL Budget	TXFRS (net change)	REV. I (net change)	REV. II (net change)	REVISED BUDGET
722.000 Medicare	57,139		946		58,085					0	57,139	0	946	0	58,085
725.010 Retirement - MERS DC	316,533		(21,812)		294,721					0	316,533	0	(21,812)	0	294,721
725.020 Retirement - MERS 457	22,175		(178)		21,997					0	22,175	0	(178)	0	21,997
725.030 Retirement - MERS HCSP	63,663		(2,097)		61,566					0	63,663	0	(2,097)	0	61,566
Benefits and Taxes Subtotal	1,338,364	0	(104,585)	0	1,233,779	0	0	0	0	0	1,338,364	0	(104,585)	0	1,233,779
726-799 Supplies															
727.000 Supplies - Office	15,000				15,000					0	15,000	0	0	0	15,000
730.000 Supplies - Maintenance	6,000				6,000					0	6,000	0	0	0	6,000
740.000 Supplies - Uniform	8,000				8,000					0	8,000	0	0	0	8,000
760.000 Supplies - Kitchen	1,750				1,750					0	1,750	0	0	0	1,750
764.000 Supplies - Food	1,750				1,750					0	1,750	0	0	0	1,750
Supplies Subtotal	32,500	0	0	0	32,500	0	0	0	0	0	32,500	0	0	0	32,500
800-969 Services and Other Charges															
801.010 Contractual Services	712,886		6,600		719,486					0	712,886		6,600	0	719,486
805.010 Prof Services - Audit	6,500				6,500					0	6,500		0	0	6,500
810.000 Administrative Fees	3,600				3,600					0	3,600		0	0	3,600
813.000 Legal Fees	20,000				20,000					0	20,000		0	0	20,000
820.010 Interpreter Fees	5,000		2,000		7,000					0	5,000		2,000	0	7,000
835.010 Medical - Physical Exams	2,500				2,500					0	2,500		0	0	2,500
835.020 Medical - Drug Testing	1,500				1,500					0	1,500		0	0	1,500
850.010 Telephone Service	14,500				14,500					0	14,500		0	0	14,500
850.020 Internet Service	98,920				98,920					0	98,920		0	0	98,920
850.030 Copying	2,500				2,500					0	2,500		0	0	2,500
850.040 Mailing	3,000				3,000					0	3,000		0	0	3,000
870.010 Travel - Training/Reg	8,000				8,000	24,000				24,000	32,000		0	0	32,000
870.020 Travel - Lodging	11,500				11,500	2,500				2,500	14,000		0	0	14,000
870.030 Travel- Meals/Food	5,000				5,000	2,500				2,500	7,500		0	0	7,500
870.040 Travel - Mileage	5,000				5,000	2,500				2,500	7,500		0	0	7,500
870.050 Travel - Other	8,500				8,500	500				500	9,000		0	0	9,000
871.010 Education Expense	2,000				2,000					0	2,000		0	0	2,000
900.000 Printing	2,000				2,000					0	2,000		0	0	2,000
905.000 Advertising	5,500				5,500					0	5,500		0	0	5,500
915.000 Dues & Subscriptions	9,000				9,000					0	9,000		0	0	9,000
920.010 Utilities - Gas	8,000				8,000					0	8,000		0	0	8,000
920.020 Utilities - Electricity	55,000				55,000					0	55,000		0	0	55,000
920.030 Utilities - Water & Sewer	4,000				4,000					0	4,000		0	0	4,000
934.010 Repair & Maintenance	25,000				25,000					0	25,000		0	0	25,000
955.000 Miscellaneous Operating	20,000				20,000					0	20,000		0	0	20,000
958.010 Insurance Premium	60,000				60,000					0	60,000		0	0	60,000
Services and Other Charges Subtotal	1,099,406	0	8,600	0	1,108,006	32,000	0	0	0	32,000	1,131,406	0	8,600	0	1,140,006

	2911 - General Operations					2913 - Training					ALL BUSINESS UNITS				
	ORIGINAL Budget	TXFRS (net change)	REV. I (net change)	REV. II (net change)	REVISED BUDGET	ORIGINAL Budget	TXFRS (net change)	REV. I (net change)	REV. II (net change)	REVISED BUDGET	ORIGINAL Budget	TXFRS (net change)	REV. I (net change)	REV. II (net change)	REVISED BUDGET
970-989 Equipment & Capital Outlay															
976.000 Project Costs	45,000				45,000					0	45,000		0	0	45,000
980.000 Equip/Software - Capital	425,633		89,222		514,855					0	425,633		89,222	0	514,855
980.010 Equip/Software - Small	25,000				25,000					0	25,000		0	0	25,000
980.020 Facility - Capital	315,000		273,700		588,700					0	315,000		273,700	0	588,700
980.030 Land - Capital	0				0					0	0		0	0	0
Equipment & Capital Outlay Subtotal	810,633	0	362,922	0	1,173,555	0	0	0	0	0	810,633	0	362,922	0	1,173,555
990-994 Debt Service															
991.010 Loan/Lease - Principal	1,238,692				1,238,692					0	1,238,692		0	0	1,238,692
991.020 Loan/Lease - Interest	94,854				94,854					0	94,854		0	0	94,854
Debt Service Subtotal	1,333,546	0	0	0	1,333,546	0	0	0	0	0	1,333,546	0	0	0	1,333,546
TOTAL EXPENDITURES	\$ 8,578,056	\$ -	\$ 332,194	\$ -	\$ 8,910,250	\$ 45,000	\$ -	\$ -	\$ -	\$ 45,000	\$ 8,623,056	\$ -	\$ 332,194	\$ -	\$ 8,955,250
Net Operating Income	\$ 72,073	\$ -	\$ 33,113	\$ -	\$ 105,186	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 72,073	\$ -	\$ 33,113	\$ -	\$ 105,186

10 Year Budget and Fund Balance Forecast

	2022 Actual Year-End	2023 REVISION I Budget	2024	2025	2026	2027	2028	2029	2030 Millage Expires 12/31/30	2031
REVENUES										
Use of Fund Balance	\$2,318,366	\$162,019								
Property Taxes	\$6,138,366	\$6,249,500	\$6,249,500	\$6,249,500	\$6,249,500	\$6,249,500	\$6,249,500	\$6,249,500	\$6,249,500	\$6,249,500
Grants	\$78,235	\$295,307								
Local Community Stabilization Share		\$596,400	\$596,400	\$596,400	\$596,400	\$596,400	\$596,400	\$596,400	\$596,400	\$596,400
Surcharge Revenue - State	\$548,797	\$529,000	\$529,000	\$529,000	\$529,000	\$529,000	\$529,000	\$529,000	\$529,000	\$529,000
Surcharge Revenue - Local	\$1,151,958	\$1,120,000	\$1,120,000	\$1,120,000	\$1,120,000	\$1,120,000	\$1,120,000	\$1,120,000	\$1,120,000	\$1,120,000
Charges for Services - User Fees	\$0	\$15,960	\$15,960	\$15,960	\$15,960	\$15,960	\$15,960	\$15,960	\$15,960	\$15,960
Interest Earned	\$23,711	\$85,000	\$85,000	\$85,000	\$85,000	\$85,000	\$85,000	\$85,000	\$85,000	\$85,000
Rent/Lease Revenue	\$7,200	\$7,200	\$8,700	\$8,700	\$8,700	\$10,200	\$10,200	\$10,200	\$10,200	\$10,200
Miscellaneous & Other Revenue	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50
REVENUE TOTALS:	\$10,266,683	\$9,060,436	\$8,604,560	\$8,604,560	\$8,604,560	\$8,606,060	\$8,606,060	\$8,606,060	\$8,606,060	\$8,606,060
EXPENDITURES										
Personnel Services	\$3,138,321	\$4,041,864	\$4,203,539	\$4,329,645	\$4,459,534	\$4,593,320	\$4,731,120	\$4,873,053	\$5,019,245	\$5,169,822
Benefits & Taxes	\$1,008,664	\$1,233,779	\$1,283,130	\$1,321,624	\$1,361,272	\$1,402,110	\$1,444,174	\$1,487,499	\$1,532,124	\$1,578,088
Supplies	\$20,792	\$32,500	\$33,150	\$33,813	\$34,489	\$35,179	\$35,883	\$36,600	\$37,332	\$38,079
Services & Other Charges	\$920,443	\$1,140,006	\$1,162,806	\$1,186,062	\$1,209,783	\$1,233,979	\$1,258,659	\$1,283,832	\$1,309,509	\$1,335,699
Equipment & Capital Outlay	\$2,496,370	\$1,173,555	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000
Debt Service	\$1,333,546	\$1,333,546	\$1,333,547	\$1,333,547						
EXPENDITURE TOTALS:	\$8,918,136	\$8,955,250	\$8,366,171	\$8,554,690	\$7,415,079	\$7,614,589	\$7,819,835	\$8,030,984	\$8,248,210	\$8,471,687
Revenue Grand Totals:	10,266,683	9,060,436	8,604,560	8,604,560	8,604,560	8,606,060	8,606,060	8,606,060	8,606,060	8,606,060
Expenditure Grand Totals:	(8,918,136)	(8,955,250)	(8,366,171)	(8,554,690)	(7,415,079)	(7,614,589)	(7,819,835)	(8,030,984)	(8,248,210)	(8,471,687)
NET:	1,348,547	105,186	238,389	49,870	1,189,481	991,471	786,225	575,076	357,850	134,373
Construction/Project Fund Balance:	\$162,019	\$0								
Monetary Fund Balance:	\$3,663,707	\$3,768,893	\$4,007,282	\$4,057,152	\$5,246,633	\$6,238,104	\$7,024,329	\$7,599,405	\$7,957,255	\$8,091,628