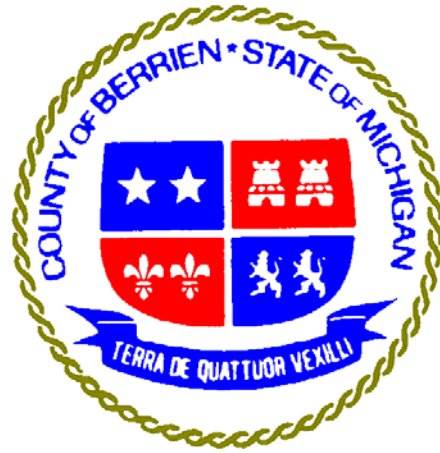


Berrien County
Brownfield
Redevelopment
Authority

(a Component Unit of the County of
Berrien, Michigan)



Year Ended
December 31, 2020

Financial
Statements

Rehmann

BERRIEN COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

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BERRIEN COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund
For the Year Ended December 31, 2020

	Original Budget	Amended Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Charges for services	\$ 13,500	\$ 13,500	\$ 13,000	\$ (500)
Property taxes	1,302,500	1,302,500	1,533,994	231,494
Interest revenue	500	500	4,601	4,101
Total revenues	1,316,500	1,316,500	1,551,595	235,095
Expenditures				
Health and welfare	1,316,500	1,316,600	1,254,605	(61,995)
Change in fund balance	-	(100)	296,990	297,090
Fund balance				
Beginning of year	1,397,107	1,397,107	1,397,107	-
End of year	\$ 1,397,107	\$ 1,397,007	\$ 1,694,097	\$ 297,090

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

NOTES TO FINANCIAL STATEMENTS

BERRIEN COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

These financial statements present the activities of the Berrien County Brownfield Redevelopment Authority (the "Authority"). The Authority was established on January 13, 2000, pursuant to Public Act 381 of 1996. The primary purpose of the Authority is to revitalize environmentally contaminated properties in Berrien County. The Authority's activities are primarily funded through grants and captured property tax revenues.

The Authority is a component unit of Berrien County, Michigan (the "County") because the County appoints the Authority's Board of Directors, it has the ability to significantly influence the Authority's operations, and it is financially accountable for the Authority as defined under GASB Statement No. 61, *The Financial Reporting Entity*. Accordingly, the Authority is presented as a discrete component unit in the County's financial statements and is an integral part of that reporting entity.

Government-wide and Fund Financial Statements

As permitted by GASB Statement No. 34, the Authority uses an alternative approach reserved for single program governments to present combined government-wide and fund financial statements by using a columnar format that reconciles individual line items of fund financial data to government-wide data in a separate column. Accordingly, this is presented in the Statement of Net Position and Governmental Fund Balance Sheet and the Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balance. The major individual governmental fund is reported as a separate column in the aforementioned financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial information is 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. Property taxes are recognized as revenues in the year for which they are levied.

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

BERRIEN COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

Notes to Financial Statements

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Authority reports a single major governmental fund, the general fund, which is the Authority's primary operating fund. It accounts for all financial resources of the Authority.

2. BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the fund. All annual appropriations lapse at year end. The legal level of budgetary control is at the department level. The Board made several supplemental budgetary revisions throughout the year which were not considered material.

The annual budgeting process begins in July of each year. The Authority submits budget requests/recommendations to the responsible parent committee (i.e., Finance, Personnel, Administration) for approval. Once approved, the Authority is part of a budget hearing with the Finance Committee by the second Tuesday in September. The County Administrator tabulates a budget overview, including recommendations, for the Finance Committee to adjust and approve a final budget. Following truth in taxation hearings, the final budget is submitted to the Board of Commissioners for adoption. The Board has until December 31 to adopt the budget, although it normally targets mid-November.

3. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

State statutes provide that a local unit shall not incur expenditures in excess of the amounts appropriated. The approved budget of the Authority was adopted on a department level basis.

The County did not incur any amounts in excess of appropriations.

4. POOLED CASH AND INVESTMENTS

At year-end, the carrying amount of the Authority's pooled cash and investments, which were deposited entirely in the County's internal cash management pool, was \$1,694,097. Because it is infeasible to allocate risk to individual component units or pool participants, aggregate cash and investment categorizations are presented in the County's basic financial statements.

State statutes authorize the Authority to deposit in the accounts of federally insured banks, credit unions and savings and loan associations and to invest in obligations of the U.S. Treasury, certain commercial paper, repurchase agreements, bankers' acceptances and mutual funds composed of otherwise legal investments.

BERRIEN COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

Notes to Financial Statements

5. CORONAVIRUS (COVID-19)

In March 2020, the World Health Organization declared the novel coronavirus outbreak (COVID-19) to be a global pandemic. The extent of the ultimate impact of the pandemic on the Authority's operational and financial performance will depend on various developments, including the duration and spread of the outbreak and its impact on employees, vendors, and taxpayers, all of which cannot be reasonably predicted at this time. While management reasonably expects the COVID-19 outbreak to negatively impact the Authority's financial position, changes in financial position, and, where applicable, the timing and amounts of cash flows, the related financial consequences and duration are highly uncertain.

