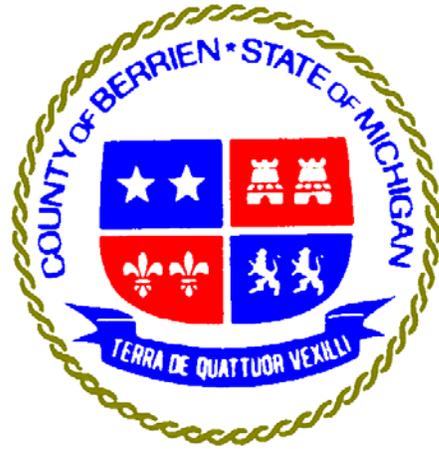


**Berrien County Land
Bank Authority**
(a Component Unit of the County of
Berrien, Michigan)



Year Ended
December 31, 2020

Financial Statements

Rehmann

BERRIEN COUNTY LAND BANK AUTHORITY

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BERRIEN COUNTY LAND BANK AUTHORITY

Management's Discussion and Analysis

When comparing the current fiscal year to the previous fiscal year, the Authority's net position decreased by \$25,722. The primary factor for the decrease was that Authority had no property sales or rental income to offset expenditures in the current year and revenues from operations did not meet the ongoing operating and maintenance costs of the Authority.

	Change in Net Position	
	2020	2019
Revenues		
Program revenues:		
Property sales	\$ -	\$ 456,830
Rental income	-	13,750
General revenues:		
Property taxes	5,058	5,765
Interest revenue	1,231	1,745
Total revenues	<u>6,289</u>	<u>478,090</u>
Expenses		
Community development	<u>32,011</u>	<u>33,470</u>
Change in net position	(25,722)	444,620
Net position, beginning of year	<u>493,877</u>	<u>49,257</u>
Net position, end of year	<u>\$ 468,155</u>	<u>\$ 493,877</u>

Capital Assets and Debt Administration

Capital assets. The Authority does not hold any capital assets nor did it invest in capital assets during the year.

Long-term debt. At the end of the current fiscal year, the Authority had no long-term debt.

Requests for Information

This financial report is designed to provide a general overview of the Authority's finances for those with an interest in the Authority's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Berrien County Land Bank Authority, 701 Main Street, Saint Joseph, Michigan 49085-1316.

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BASIC FINANCIAL STATEMENTS

BERRIEN COUNTY LAND BANK AUTHORITY

Statement of Net Position

December 31, 2020

Assets

Current assets -	
Cash and cash equivalents	\$ 468,155
	<hr/>
Net position, unrestricted	<u>\$ 468,155</u>

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

BERRIEN COUNTY LAND BANK AUTHORITY

Statement of Revenues, Expenses and Changes in Fund Net Position

For the Year Ended December 31, 2020

Operating expenses	
Community development	\$ 32,011
Nonoperating revenues	
Property taxes	5,058
Interest revenue	1,231
Total nonoperating revenues	6,289
Change in net position	(25,722)
Net position, beginning of year	493,877
Net position, end of year	\$ 468,155

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

BERRIEN COUNTY LAND BANK AUTHORITY

Statement of Cash Flows

For the Year Ended December 31, 2020

Cash flows from operating activities

Cash payments to suppliers for goods and services	<u>\$ (32,011)</u>
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Cash flows from noncapital financing activities

Repayment of advances from primary government	(45,000)
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Property taxes received	5,058
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Interest received	<u>1,231</u>
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Net cash used in noncapital financing activities	<u>(38,711)</u>
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Net change in cash and cash equivalents	(70,722)
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Cash and cash equivalents, beginning of year	<u>538,877</u>
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Cash and cash equivalents, end of year	<u><u>\$ 468,155</u></u>
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Reconciliation of operating loss to net cash used in operating activities

Operating loss	<u>\$ (32,011)</u>
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Net cash used in operating activities	<u><u>\$ (32,011)</u></u>
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The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

BERRIEN COUNTY LAND BANK AUTHORITY

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Berrien County Land Bank Authority (the “Authority”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles. The Authority’s accounting policies are described below.

Reporting Entity

The Authority was incorporated pursuant to the Michigan Land Bank Fast Track Act (Public Act 258) and an intergovernmental agreement between the Authority and the County of Berrien, Michigan (the “County”). The Authority was legally established on January 24, 2008. No other governmental entities are part of the Authority; however, the Authority is a discretely presented component unit of the County. The Authority is governed by a seven-member board, the chair of which is the County of Berrien Treasurer. Of the other six members that are appointed by the County Board of Commissioners, three are County Board of Commissioners and three are members at large. The members of the Authority Board are appointed for four year staggered terms.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Authority uses a single proprietary or enterprise fund to account for and report its financial activities, which are limited to business-type activities – i.e., activities that are financed in whole or in part by fees charged to external parties and are operated in a manner similar to private business where the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. Operating expenses include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Assets, Liabilities and Equity

Cash and Cash Equivalents. Cash and cash equivalents include amounts in the County Treasurer’s investment pool. 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 United States, certain commercial papers, repurchase agreements and banker acceptances.

BERRIEN COUNTY LAND BANK AUTHORITY

Notes to Financial Statements

Property Inventory. The Authority may acquire by gift, devise, transfer, exchange, foreclosure, or purchase real or personal property, or rights of interest in real or personal property, on terms and conditions and in a manner the Authority considers appropriate. These properties are acquired for intention of demolition resulting in a vacant lot that is sold to adjacent land owners for a nominal amount. The Authority has sold all properties resulting from the NSP2 program. The Authority holds one non-NSP property as of December 31, 2020, and the fair value is considered trivial.

2. DEPOSITS

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 \$468,155. 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.

3. 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.

