



# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE

FISCAL YEAR ENDED SEPTEMBER 30, 2001

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**COUNTY OF OAKLAND  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
Year Ended September 30, 2001  
(With Independent Auditors' Report Thereon)**

**Prepared by:**

**Department of Management and Budget  
Fiscal Services Division**

**County of Oakland  
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**For Room Use Only**

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## **I. INTRODUCTORY SECTION**

The Introductory section contains:

- A. Letter of Transmittal**
- B. Organization Chart**
- C. List of Principal Officials**
- D. Government Financial Officers Association  
Of the United States and Canada  
Certificate of Achievement for  
Excellence in Financial Reporting**

March 8, 2002

To the Oakland County Board of Commissioners and Citizens of Oakland County:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Oakland County, Michigan for the fiscal year ended September 30, 2001.

This report consists of management's representations concerning the finances of Oakland County. Consequently, management assumes full responsibility for the completeness and reliability of the financial information presented in this report. To provide a reasonable basis for making these representations, the management of Oakland County has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of Oakland County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Oakland County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Oakland County's financial statements have been audited by PricewaterhouseCoopers, LLP., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Oakland County for the fiscal year ended September 30, 2001 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Oakland County's financial statements for the fiscal year ended September 30, 2001 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Oakland County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The Standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in Oakland County's separately issued Single Audit Report.

**PROFILE OF OAKLAND COUNTY**

Incorporated March 28, 1820, Oakland County covers approximately 900 square miles, immediately north of the state's baseline (dividing Wayne County and the City of Detroit from Oakland County) in Southeast Michigan. With a population of 1,194,156 (2000 Census) and the County seat in Pontiac, Oakland County is home to a mix of urban and rural communities, encompassing 61 cities, villages and townships, including thirty downtown areas and many scenic natural settings, providing a high quality of life for any lifestyle. Countless outdoor recreation opportunities are available, including: 5 ski areas, 27 public fishing sites, 52 public golf courses and 27 private golf courses (more golf holes per capita than any other County in the nation), more than 450 lakes and approximately 89,000 acres of public recreation land. Significant entertainment and sports venues include DTE Energy and Meadowbrook outdoor theaters, the Pontiac Silverdome, the Palace of Auburn Hills – home of the Detroit Pistons, Cranbrook Institutions, and the Detroit Zoological Park. Major shopping venues include Great Lakes Crossing, Somerset Collection, as well as Northland, Oakland, Summit Place and Twelve Oaks Malls. Medical facilities include 16 hospitals with almost 4,100 beds. Oakland County also ranks as the third wealthiest county in the nation among counties with populations of more than one million people. The average 2001 property tax rate is \$40.73 per thousand taxable value, which is distributed to the following taxing authorities:

Local School Districts	34.6%
Cities, Villages, Townships	27.0%
State Education Tax	14.7%
Intermediate Schools and Community Colleges	12.3%
County Government	10.3%
Parks and Recreation	1.1 %
Total	<u>100.0%</u>

**ORGANIZATION STRUCTURE**

Oakland County has a budget of \$535.8 million and operates under the authority of Michigan Public Act 139 of 1973, the Unified Form of County Government Act, approved by the electorate in 1974. An elected County Executive is responsible for the management of County affairs not specifically the responsibility of other elected officials.

The Treasurer, Clerk/Register of Deeds, Prosecutor, and Sheriff are offices established by the State's constitution. A Drain Commissioner was established as an elected position in 1909 and currently operates under Public Act 40 of 1956, the Uniform Drain Code. These offices, including the County Executive, are countywide elected four-year terms. The Treasurer is responsible for collection of delinquent taxes, settlements with local units, cash management and investments; the Clerk/Register of Deeds is responsible for recording vital statistics, court records, Board of Commissioner proceedings, and documents affecting property ownership; the Sheriff and Prosecutor are responsible for law enforcement; and the Drain Commissioner is responsible for construction and maintenance of drains, lake level control, and sewer interceptors. The Oakland County Courts consist of Sixth Judicial Circuit (including Family Division), Probate and 52<sup>nd</sup> District Courts. The Circuit Court, with seventeen (17) judges, has jurisdiction over criminal cases where the minimum penalty is over one year incarceration, civil damage cases where the controversy exceeds \$25,000, and domestic relation matters. The Probate Court, with four (4) judges, is responsible for estates and mental health matters. The 52<sup>nd</sup> District Court, with ten (10) judges, has jurisdiction over misdemeanors, ordinance and charter violations, civil cases under \$25,000, and preliminary examinations in felony cases.

## **Citizens of Oakland County**

**March 16, 2002**

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The softened economy was rocked by terrorists' attacks on the World Trade Center in New York City on September 11, 2001. By November, the nation's unemployment rose to a six-year high of 5.7 percent. About 1.2 million Americans have lost their jobs since employment peaked in March, with nearly 800,000 of those losses coming in October and November. It's the largest two-month decline since 1980. The unemployment rate is up 0.8 percentage points over the same period, from 4.9 percent in September. The last time unemployment hit 5.7 percent was in the summer of 1995. The pain is likely to outlast the recession, as unemployment typically continues to rise into the initial stages of recovery. The economy will likely shed another 800,000 jobs before this cycle of layoffs ends, raising the national unemployment rate to 7.0 percent.

The U.S. Department of Commerce has issued a revised reading on Gross Domestic Product, indicating a 1.1 percent drop for the period July through September 2001. This follows a barely discernible growth rate of 0.3 percent in the second quarter and illustrated just how quickly and dramatically the economy sank after the deadliest attack in U.S. history. Many economists believe the economy is sinking deeper still in the fourth quarter, forecasting economic output will fall at a rate of 1.5 percent.

As the saying goes, when the nation catches a recessionary cold, Michigan usually gets pneumonia. Michigan's economy, already mired in a recession, is likely to deteriorate even further before starting to recover in mid-2002. Economists say automakers and other manufacturers probably will shed thousands more jobs in the next several months as sales decline and profits erode. Michigan's unemployment rate stands at 5.7 percent for the month of November 2001 and will top out at 6.3 percent in the spring, according to a forecast by the University of Michigan. That rate is far above the 3.5 percent jobless rate posted by the state in the first half of 2000. But a comparison to prior experiences with recession puts things in a different light.

Annual unemployment in Michigan hit 12.5 percent during the 1974-75 downturn. Unemployment zoomed to 15.5 percent during the severe 1980-82 recession, which was the worst slump since the Great Depression. The last time the economy slipped into recession was 1990-91 when unemployment hit 9.3 percent. And it should be noted that the October rate of 5.3 percent unemployment in Michigan is slightly below the national rate for the first time in nearly a year. The November rate of 5.7 percent matched the national average. Michigan's diversification into business services, health care and other non-manufacturing industries means that unemployment in the state will not likely surpass the nation's jobless rate in this downturn.

The Michigan economy is more diverse than ever before. A study commissioned by the Michigan Department of Treasury last year analyzed the relative diversity of the Michigan economy to other states based on occupational and industry composition. That study concluded that in 1970 Michigan was only 80 percent as diverse as the average state but had grown in 1999 to a diversity index of 94 percent. In 1989, manufacturing employed 25 percent of Michigan's workers. By 2000, 21 percent of the state's workers made their living in manufacturing. This means that Michigan has nearly the same level of economic diversity as any other state in the nation.

The Michigan economy has created over 700,000 new jobs in the past decade, nearly all of which were outside automobile manufacturing. More than 90 percent of the new jobs created during the 1990s in Michigan were not in the manufacturing sector. In fact, the great majority of these jobs were in the high-paying construction, health care, business services, engineering, research and development and information technology fields. Many of these jobs were originally attracted here because of the auto industry, but because these services had application to other industries, they brought with them a more diverse customer base that has helped diversify Michigan's economy.



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A recent study conducted by the Anderson Economic Group, a division of BBK, Ltd., located in Lansing, Michigan, found among other things, that Oakland County's reliance on the manufacturing sector has declined over the past ten years while the service sector has become more dominant. For example, a decade ago manufacturing accounted for 19.6 percent of county employment, while today it accounts for only 16.9 percent with most of the decline in the automobile industry. At the same time, service sector employment has risen from 33.1 percent to 40.2 percent in 1997.

Noting that Oakland County manufacturing firms represent high-wage, high-skills and high-output jobs, researchers concluded that in many cases these jobs are better described as "high-tech" than anything else, something which previous studies have failed to recognize. When these high-tech manufacturing jobs are properly counted as high-tech, Oakland County boasts a high-tech workforce of over 167,000 workers (over one-third of all high-tech workers in Michigan), which is the third highest number among leading counties in the nation, surpassing all but Santa Clara (Silicon Valley) and Middlesex (Route 128-Boston) counties. Furthermore, Oakland County has a more balanced distribution of high-tech workers, making it less vulnerable to a slowdown in one sector (such as electronic equipment) than the other high-tech corridors.

In fact, Oakland County's location quotient for high technology and pharmaceutical industries is 1.64. Developed by the University of Michigan's Institute of Labor and Industrial Relations, the location quotient measures the concentration of an industry in a local area versus its concentration in the United States. The Oakland County index indicates that high technology's share of employment in the area is 64 percent larger than its national share.

Capitalizing on this favorable circumstance, the County Executive in 1998 initiated a charter membership of 44 high-tech firms into a consortium of what is now known as Automation Alley. Automation Alley has grown its membership to over 400 dues-paying companies, educational institutions and governmental units. Addressing the high-skilled employment challenges faced by its membership, Automation Alley has launched a national recruitment campaign, participated in local job fairs, and hosted a job bank on the Automation Alley web site.

Meanwhile, automakers boosted sales to record levels with zero-percent financing in the wake of the September 11 terrorist attacks. But analysts say the tactic will likely result in a big sales drop in early 2002. Car and truck sales could fall to 14.8 million vehicles next year, down from an estimated 17 million in 2001, which would be the second best year on record.

Offsetting these dire economic prospects is President Bush's added pressure on Senate Democrats to pass the House approved economic stimulus package before Christmas break. The \$218 billion package includes benefits and tax credits to help the unemployed and tax rebates to families. It also includes a cut in the top income tax rate four years ahead of schedule, new tax breaks for business investments, business relief from the alternative minimum tax and more tax benefits for small businesses. Unfortunately, the prospects for quick Senate action are slim.

In the meantime, Michigan was recently named by a national magazine, *Plant Sites and Parks*, as the top state in the country for attracting and retaining office and industrial businesses. The magazine's publisher, Ken Scaffidi, said the state did well in encouraging diversity of its economic base, particularly in high tech and small business categories. Further he is quoted as saying, "Michigan is not only doing well by historical data, but is positioned well for the future." The magazine indicates that the state has improved its business climate – historically bolstered by having key infrastructure and education services of high quality – with cuts in the overall tax burden by 20 percent over the last decade and eliminating one-third of its regulations. Further cuts are scheduled: the Single Business Tax (SBT) will be phased out entirely over a 23-year timeframe and the State Income Tax will decrease from 4.6% to 4.4% over a 2-year period.

Furthermore, the auto industry will benefit from a reduction in the federal tax on luxury cars effective January 1, 2002, dropping to 3 percent on the amount exceeding a \$40,000 transaction price. The luxury tax on vehicles is scheduled to expire altogether at the end of 2002. The tax has been phasing down since it became law in 1996, when it was 10 percent on the amount over \$32,000; for 2001 it is 4 percent on the amount over \$38,000.

In addition, the state, in partnership with counties and universities, has taken further actions to stimulate business growth. In April, the Michigan Economic Development Corp. designated eleven areas as SmartZones, each anchored by a university. SmartZones may retain the property and school tax revenue they generate for up to fifteen years, using the money to buy property and build infrastructure and research parks. The Oakland County SmartZone is a joint effort of Automation Alley, the city of Southfield, Lawrence Technological University, Oakland University and Oakland County. Plans call for setting up a business incubator in Southfield.

While the ups-and-downs of unemployment claims is eye-catching, factory orders represent the sleeping giant of economic forecasting. The Commerce Department reported in early December that factory orders rose by 7.1 percent in October, following a 6.5 percent drop in September. Orders for both durable and non-durable goods had not registered an increase since May. Should Congress be successful in adopting economic stimulus legislation, many economists predict that the combination of that with the large individual tax cuts approved last Spring and aggressive credit easing by the Federal Reserve – eleven cuts in the past year leaving the current discount rate at 1.75 percent – will guarantee an economic rebound by midyear, 2002.

Also having an amenable effect is that the rate of national consumer price inflation is expected to remain contained over the next two years. After rising by 3.4 percent in 2000 when energy prices spiked, the U.S. CPI currently stands at 2.0 percent for 2001 and is expected to remain approximately the same for 2002. This relatively low cost of doing business should have a positive effect on the business climate in Oakland County.

Oakland County is a standout when compared with its peers nationwide – counties that (1) are suburban to, but do not include, large central cities and (2) had a 1990 population in excess of 500,000. Among the 26 large suburban counties listed in this category, Oakland County would rate as one of the two top-performing economies overall in the 1990s, based on economic growth (Du Page County in suburban Chicago would be the other). Oakland ranks third in total private sector employment growth between 1990 and 1998, as well as third in both the manufacturing and private non-manufacturing subdivisions. Oakland is one of only five of these large suburban counties to exceed the national growth rate in private non-manufacturing employment. Oakland is one of nine of these counties where jobs in manufacturing increased over the 1990s; manufacturing employment declined in the nation as a whole during this period. Oakland had the highest growth rate in earnings per job from 1990 to 1998. Over the 1990s, private sector employment and earnings per job have grown more than 50 percent faster in Oakland County than in the nation as a whole and per capita income has grown 34 percent faster.

The single best measure of economic welfare for a region is per capita income. Income per person in Oakland County was \$42,378 in 1998, the last year for which data are available. Oakland County has by far the highest level of personal income per capita of the major labor markets in Michigan, as well as the highest among Michigan's 83 counties. Income per person in Oakland is more than 50 percent above the average for both the nation and Michigan. In fact, Oakland ranks well within the top one percent of all counties in the nation – outranking every county in 37 states.

## **Citizens of Oakland County**

**March 16, 2002**

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In recent history, Oakland County has been the economic engine of Michigan and is expected to be on the forefront of the anticipated economic recovery in mid-2002. In the longer-run, the main issue for the Oakland County economy is not cyclical fluctuations in the business cycle, but the dramatic slowing of growth in the labor force that is inevitable because of the changing age structure of the population. The labor force in the County is anticipated to increase by only about 15,000 between 2010 and 2030 – a twelfth of its rate of increase over the past twenty years.

Fortunately, there is another method of expanding the production of goods and services in the local economy, and that is through improvements in productivity – that is, producing more per worker. Policies that encourage productivity enhancements should be promoted, especially investment in technology and education. And these are the areas where Oakland is currently positioning itself to sustain its prosperity and its rank as one of the preeminent local economies in the United States. Programs such as Automation Alley, the promotion of education, and the active search for skilled workers form the policy prescription for a region intending to thrive as a world center in the New Economy.

### **Environment**

Opinion polls consistently show that Americans are pessimistic about the environment. For example, a Wirthlin Group poll in 2000 showed that 75% of Americans believe environmental problems will get worse during their lifetime. But such pessimism is not only unwarranted, it may be preventing us from recognizing the great progress we have already made.

The 31<sup>st</sup> anniversary of Earth Day in May provided us with an opportunity to depart from the usual fare of doomsday predictions and point out one little-noticed fact. In the past three decades, America in general, and Michigan in particular, has seen substantial improvements in environmental quality – improvements that will almost certainly continue in the future. Regarding the popular target for air pollution, the automobile built today emits less than 5% as much pollution as one built thirty years ago, according to a report compiled by the Pacific Research Institute. As a matter of fact, air quality is one of the great Michigan success stories. Michigan cities monitored by the Environmental Protection Agency (EPA) are below the health-based thresholds set by the Clean Air Act for all six “criteria” pollutants, and are experiencing downward trends.

Michigan also has a superior record in monitoring water quality and has impressive results to report. While all fifty states taken together only assessed 17% of their rivers, streams and lakes in the 1996 National Water Quality Inventory, Michigan assessed 40%. Of those, 93% were deemed “fully supporting,” which means they are safe for both swimming and fishing. This is particularly noteworthy for Oakland County since there are more lakes in this county than any other in Michigan, over 430 large enough to be named. In addition, there are five watersheds that originate in Oakland County, all of which receive financial support from Oakland County.

Cities, villages and townships throughout Oakland County are faced with mounting state and federal regulations regarding water quality that represent a significant burden on their operating and capital budgets. To help alleviate a portion of these financial obligations and facilitate projects that will benefit our environment, Oakland County is now in the third year of a five-year voluntary program that grants \$5 million per year to local units for qualified projects under the authority of the Environmental Infrastructure Fund. Because the cost of many projects exceed the annual allocation provided by the Environmental Infrastructure Fund, a new provision has been added that allows accelerated payments at a discounted rate. Many environmental projects have been initiated by CVTs that would otherwise not have been undertaken.

Another major initiative in the FY2002 budget is the creation and staffing of an Environmental Stewardship Unit in the Department of Community and Economic Development that will focus on solid waste disposal and other environmental issues that jeopardize our future quality of life.

### **Long-term Financial Planning**

Oakland County's budget strategy is predicated on the goals of maintaining the current Ad Valorem Property Tax rate of 4.19 mills, which is the second lowest general operating millage rate among the 83 Michigan counties, while at the same time readjusting services to meet expanding needs of our citizens and the cities, villages and townships (CVTs) throughout the County. To achieve these goals, the County employs a base-line budget approach, otherwise called "Zero-Base Budgeting"; requiring for the first time in several years, all programs to be justified, both current and new. Because of this process, several duplicate and unsupported allocations were discovered and removed from the FY2002 recommended budget.

In addition, the aforementioned goals can be accomplished through the continuing exploration of additional revenue sources and the implementation of new organizational strategies to meet the challenges of "vertical integration." Vertical integration here means institutionalizing the high degree of collaboration that exists between the County and local units of government for the purpose of enhancing public services to a common constituency. Examples include, but are not limited to, the 75 local law enforcement agencies (over 30 of which are located outside the County's borders) and 30 fire authorities that participate in a consortium called Courts/Law Enforcement Management Information System (CLEMIS), local law enforcement contracts for patrol services, countywide E-911 and radio communication services, and Geographic Information Services (GIS), as well as Animal Control contracts and contracts for assessing services, water and sewer services, and cooperative purchasing services. Recent completion of OAKNet, the wide-area fiber optic network that links the County and CVTs, is expected to accelerate this process, as well as provide internet access free of charge to all local municipalities throughout Oakland County.

### **Revenue**

To support these activities, the primary source of County revenue continues to be the Ad Valorem Property Tax, which constitutes approximately two-fifths (40%) of the total budget. The growth in market value of taxable property in Oakland County was over \$10 billion from 2000 to 2001; this growth alone exceeds the total tax base of 72 of the 83 Michigan counties in the year 2000. The market value of real estate in Oakland County is \$114.9 billion in 2001, which exceeds the year 2000 reported value of property in ten states. The growth in market value of taxable property has been steady over thirty years, through good economic times and recessions.

The Taxable Value of Real and Personal Property in Oakland County increased by \$3.3 billion from 2000 to 2001, equivalent to 7.41%. Taxable Value rose from \$44.4 billion in 2000 to \$47.7 billion in 2001 and is projected to increase to \$50.1 billion in 2003. Application of a millage rate against the Taxable Value results in the generation of revenue to support general County operations, as well as Oakland County Parks & Recreation and the Huron/Clinton Metropolitan Parks system. Excluding estimated delinquencies and revenues captured for tax increment financing of Downtown Development Authorities and Local Development Finance Authorities, application of the recommended 4.19 mills will generate General Fund revenue of \$194.7 million in FY2002 and \$205.3 million in FY2003. Inherent in these estimates is a new reporting requirement promulgated by the Michigan Department of Treasury in accordance with Governmental Accounting Standards (GASB) Statement No. 33 regarding a change in the recognition of property tax revenue. Specifically, the new guideline requires that property tax revenue must be recognized within the fiscal year it is levied and in which the revenue is meant to cover current expenditures – regardless of when the expenditures will be incurred..

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**March 16, 2002**

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Prior to issuance of Treasury guidelines, the preliminary estimated property tax revenue for FY2002 was based on three months of the calendar year 2001 levy (December, 2000) and nine months of the calendar year 2002 levy (December, 2001). Under the published guideline, the FY2001 property tax revenue has been adjusted upward \$41.8 million and recorded as Reserved Fund Balance (as this revenue was to cover expenditures in the next fiscal period, October 1 to December 31). Note should be made and emphasized, however, that this does not change in any way the current cash flow to the County, only the manner in which that cash flow is reported. The change in record keeping is a one-time occurrence that will impact both the FY2001 Comprehensive Annual Financial Report and the FY2002 Budget.

Since inception of the Headlee Constitutional Tax Limitation Amendment in 1978, Oakland County has been in the enviable position of being able to consistently levy a millage rate well within the Maximum Allowable Tax Rate. However, due to the cumulative impact of Headlee, the differential between the County's current levy of 4.19 mills and the maximum allowed is diminishing each year. In the past four years, the millage differential has been .2730, .2213, .1733, and .1308 for 1998, 1999, 2000, and 2001, respectively. Translated into property tax dollars that would otherwise have been levied during this period, \$33.9 million was chosen to remain in Oakland County taxpayers' pockets.

Although the County has been levying millage rates well within the legal limit, the financial implications of the aforementioned revenue constraints may adversely impact the ability of the Board of Commissioners to raise taxes for a demonstrated need, such as a new jail or courthouse. The apparent trend has led to the preparation of a Ten Year Sensitivity Analysis that serves to further clarify the fact that even at 4.19 mills, the County is not immune to further millage rollbacks at some future point in time, depending on several factors, including: inflation as measured by the Consumer's Price Index, increase in taxable value of existing property, additions and deletions to the County's assessment roll. The conclusion drawn from this analysis is that the County will be faced with further mandatory rollbacks somewhere between Fiscal Years 2005 and 2007. Prudent fiscal management of today's resources will prepare the County for this eventuality, which can only be restored through a public referendum.

Another significant year-to-year revenue change is in the area of indirect cost recovery. During the Spring of 2000, the County contracted with DMG Maximus, Inc. to produce the "County-Wide Central Services Indirect Cost Allocation Plan." DMG was selected from a competitive bid and prepares indirect cost plans for most counties and cities throughout Michigan. Prior to contracting with DMG, County Fiscal Services staff produced the indirect cost plan. This was a time consuming process that generated approximately \$750,000 annually in indirect cost revenue, derived almost exclusively from federal and state grants. The indirect cost plan developed by DMG should result in total cost recovery of almost \$4.2 million from the following sources:

Federal, State and Private Foundation Grants	2.2 million
Special Revenue and Enterprise Funds	2.0 million

In addition, DMG Maximus has also been engaged in the study and development of user rates for various internal service and enterprise funds. The rate studies have been used in the development of rates for Information Technology, CLEMIS, and Telephone Communications, as well as the Motor Pool and certain Drain Commissioner activities.

Another significant source of revenue is State revenue sharing which is based on a percentage of sales tax collections multiplied by the County's population. The two sides of this formula have caused changes to the County's original revenue sharing estimate. The 2000 Decennial Census increased the County's official population count from 1,083,592 to 1,194,156, equivalent to a 10.2% increase over 1990. This population increase gained Oakland County an additional \$2.7 million in revenue sharing dollars for FY2001. The new census figures pushed the FY2002 payment estimates to approximately \$28 million. These figures were based on the estimated sales tax revenue agreed to at the State's Revenue Consensus meetings held in January, 2001.

However, anticipating an economic slowdown, the State held a second Revenue Consensus conference in May, 2001, at which sales tax revenue estimates were dramatically reduced, dropping Oakland County's proportionate share to slightly more than \$25 million, same as the preceding year. Then in June, the State Department of Treasury revised the estimate once again to \$23.5 million, a reduction of \$1.5 million. This trend is of concern and must be watched throughout FY2002. A joint effort of the Michigan Municipal League (MML), Michigan Municipal Finance Officers Association (MMFOA), and the Michigan Townships Association (MTA) has been undertaken to inform state legislators of the importance revenue sharing has in local budget development and provision of public services.

Oakland County hosted a meeting in November to discuss State Revenue Sharing. All Oakland County legislators and CVT officials were invited to this meeting. This provided an opportunity for local government in Oakland County to tell our legislators how important State Revenue Sharing is to local government. Oakland County hosted this meeting out of concern for the financial well being of our local communities. Although revenue sharing represents only 6.7% of Oakland County's General Fund/General Purpose Budget, many of our communities rely heavily on revenue sharing for general operations. On average, revenue sharing represents approximately 25% of a local unit's General Fund budget. Some of our local communities rely on revenue sharing for more than 50% of their General Fund operating budget.

Other revenue sources, including Charges for Services, Interest Income and Miscellaneous Non-Departmental Revenue remain relatively stable from prior years.

Once again the County has been successful in convincing the three most prestigious bond rating firms, Standard & Poors and Moody's Investor Services and Fitch, that the County's prized AAA bond rating should be continued. In fact Oakland County is the only county in Michigan that has been accorded this rating from all three firms. This is a reflection of Oakland County's substantial and growing tax base, favorable debt position, and sound financial management. The AAA status, which is the highest rating possible, is an honor enjoyed by only twenty of the nation's 3,043 counties. There are three projects in the planning stages (Work Release Facility, Rochester District Court, and Oakland Schools Building Renovation), totaling over \$55 million, with estimated interest costs of almost \$20 million over the life of the bonds. The County's AAA rating, rather than an A rating that existed prior to efforts to improve the rating, should save taxpayers an estimated \$1.5 million in interest expense over the bonding period for those projects. Initiatives are being taken to extend this good fortune to building projects for cities, villages and townships throughout the County.

The phenomenal success of Oakland County has not gone unnoticed by other counties and their representatives in Lansing. While Oakland County is one of the wealthiest counties in America and has almost 20 percent of the taxable value of the entire State of Michigan within its borders, its population comprises only 11 percent of the State's total. Likewise, legislators representing the County's interests in Lansing constitute only 11 percent of the available votes to prevent the incessant erosion of the County's revenue base from being shifted to other counties.



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Effectively, County residents and businesses not only pay for public services provided by local governments and schools within Oakland County, but also subsidize governmental and educational institutions throughout the State. The State of Michigan's annual Senate Fiscal Agency Report on revenue from and distributions to local government documents that Oakland County residents and businesses paid \$1.4 billion more (equivalent to \$1,505.17 for every man, woman and child residing in the County) to Lansing than it received back in public and educational services. Oakland County is the only county in the entire State of Michigan that sends more tax dollars to Lansing than are returned in services! A continuing effort has been underway to attempt to rectify this untenable situation. County residents cannot be expected to pay for public services they consume as well as bear the financial burden of public services provided by municipalities and schools in other counties.

Although provisions for potential future reductions in Personal Property taxes have not been contemplated in this financial planning horizon, readers should be aware of pending litigation that may reduce the revenue derived from electric and gas utility property. On November 23, 1999, the State Tax Commission adopted multipliers for electric and gas utility property based on "Rate Base" or "Net Book Value." This means that utilities will be taxed on original cost for what they paid for the property 20, 30, 40 or more years ago, less depreciation. All other taxpayers are taxed based on current cost or market value. If these multipliers are allowed to be implemented as adopted by the State Tax Commission, an approximate 30 percent reduction in current utility property values will result. This will result in \$32 million in retroactive refunds of taxes for taxing units in Oakland County. Statewide, refunds would be approximately one billion dollars.

Oakland County, along with Wayne County, Detroit, Macomb County, Kent County, City of Dearborn, the Michigan Municipal League, the Michigan Townships Association, the Michigan Association of Counties, and many others are proceeding with a lawsuit to challenge the utility multipliers adopted by the State Tax Commission. The case is currently being heard by the Michigan Tax Tribunal and is expected to be appealed by either side to the State Court of Appeals.

### **Appropriations**

The overall strategy for formulating the County's long-term financial plan is similar to strategies previously employed that have proven successful, specifically:

- Give priority to projects that demonstrate cost savings or expanded services at relatively similar costs, such as acquisition of a County-owned Private Branch Telephone Exchange (PBX) in place of the leased CENTREX telephone system at a cost savings of \$3.6 million over ten years.
- Continue to encourage new methods and procedures that yield cost savings, such as privatization of the Materials Management function in the Support Services Division and Drain Records Conversion Project, which will digitize drain, water and sewer infrastructure records and integrate with the County's geographic information system (GIS).
- Continue to fulfill the County's legal obligation to fund mandated programs, such as the addition of a Clinical Psychologist in the Family Division of Circuit Court and a new District Court Judge in the 52<sup>nd</sup> District – Division II Clarkston Court effective January 1, 2003. Also, the Accounting and Banking Units of the Reimbursement Division for Friend of the Court have been transferred to the Circuit Court to facilitate implementation of the new federally mandated Child Support Enforcement System. Implementation was required and completed by October 1, 2001 in order to avoid a \$38 million dollar penalty imposed on the State, which could jeopardize Family Independence Agency funding to counties.

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- Provide for infrastructure maintenance and update to minimize future costs, such as complete reconstruction of roadways and electrical systems on the County Service Center, resurfacing and expansion of parking lots to better service County Buildings, a comprehensively planned and scheduled re-roofing and intensified space utilization of all County-owned buildings, funding of the Office Building Reuse Space Study, expansion of Children's Village Secure Detention Facility, expansion of the County Jail and Lock Replacement Program, and construction of a Public Works Building Addition, as well as continuation and expansion of the County's Tri-Party Road Improvement Program.
- Achieve cost savings, cost avoidance, or improvement in productivity, such as implementation of the new Judicial Management Information System (JIMS) and Jail Management System (JAMS), application of new technologies for aerial mapping, electronic imaging of Health Division and Probate Court documents, and digital sketching in the Equalization Division.
- Increase communication between departments through continued expansion of the Office Automation Program and electronic networking and video conferencing with remote locations through installation of OAKNet, which entails a fiber optic network linking the County with cities, villages and townships. Also increase communications between the County and municipalities through implementation of a new Fire Records Management System and upgrade of the Courts/Law Enforcement Management Information System (CLEMIS) and E-911 Radio Communications System.
- Add discretionary programs only when they are directly or indirectly self-supporting, such as expansion of the Community Corrections Program which requires the financial support of participants, as well as reduces the number of inmates in the County jail at a cost savings of \$84 per day. Other programs funded in the FY2002 Budget include addition of a Chief – Procurement position to the Purchasing Division to focus on advancing electronic commerce in the County; addition of a User Support Specialist in the Planning and Economic Development Division to promote marketing and research efforts directed at boosting business in Oakland County; addition of an ISO-9000 Coordinator in the Drain Office to enhance operational improvements; addition of a Business Analyst position in the Employee Relations Training Unit to bolster professional development of County staff; and the addition of 15 new positions to staff the newly expanded Children's Village Residential Treatment Program.
- Delete programs which have achieved the purpose for which they were created, such as the Gypsy Moth Eradication Program in the Michigan State University (MSU) Extension Division, and eliminate positions where planned efficiencies have been achieved, such as four positions in the Equalization Division, two Custodial Worker positions in the Facilities Maintenance & Operations Division, one Probate Court Reporter position, and one Radiology Supervisor position in the X-Ray Unit of the Health Division.

**Cash Management Policies and Practices**

Cash temporarily idle during the year was invested by the County Treasurer. Investments, except those of the Retirement Systems and Deferred Compensation Plan, are administered by the Treasurer in compliance with the provisions of Public Act 20 of 1943, as amended. Significant policies include:

- All County investments are held in the County's name (and taxpayer ID number).
- Investments are in U.S. Treasury obligations, banker's acceptances, certificates of deposit, and commercial paper top rated by not less than two of the four rating services: Standard & Poor's, Moody's Investors Services, Fitch Investors Services, and Duff and Phelps.
- Only federal and state-chartered banks and savings institutions which are members of FDIC are utilized.
- State law requires the use of in-state banks.
- The County maintains a cash and investment pool that is available for use by all funds except fiduciary funds.
- Pension investments are made in accordance with Public Act 55 of 1982, as amended, and are limited to no more than 65 percent common stock. No investments, loans, or leases are with parties related to the pension plan.
- Investment income, except where prohibited by law, such as Drain funds, or by specific Board action, such as Internal Service funds and the Airport Facilities fund, is credited to the General Fund and used to fund overall County operations.

**Risk Management**

The purpose of the Risk Management and Safety Division is to proactively establish programs and processes that support Oakland County's efforts to create the highest quality environment for its residents, visitors and businesses by cost effectively managing exposures to losses in ways that protect the County's employees and property, and assure continuity of its operations, by:

- Minimizing the long-term cost of County activities through the identification, prevention, and control of losses and their consequences;
- Applying risk management techniques through aggressive claims management to minimize the adverse effects of losses and to serve as a cost reduction center;
- Preserving the County's assets and service capabilities from destruction or depletion;
- Protecting the County against the financial consequences of accidental losses of a catastrophic nature through cost effective risk transfer where economically feasible.

To achieve its objectives, the Risk Management and Safety Division assumes responsibility for, but is not limited to, the following functions:

- Planning, organizing, directing and managing a comprehensive risk management program to protect the County against catastrophic losses.
- Formulating and implementing policies and procedures necessary for carrying out County insurance/self-insured activities.
- Developing programs to deal with risk through insurance, self-insurance, non-insurance, contractual risk transfer, risk reduction, loss prevention (safety) and protection.
- Developing, writing and implementing uniform and consistent terminology of County contracts, leases, permits and any associated agreements in order to minimize risk to the County.
- Developing, coordinating and implementing workers compensation/safety programs and workers compensation/safety education.

**Pension and Other Post Employment Benefits**

Oakland County currently has both a Defined Benefit Pension Program (for those employees hired prior to July 1, 1994) and a Defined Contribution Pension Program (for those employees hired on or after July 1, 1994). The Defined Benefit Pension Program, referred to as the County's Public Employees' Retirement System (PERS), provides retirement, disability and death benefits to plan members and their beneficiaries. Plan members may retire at age 55 (except Sheriff's deputies, who may retire with 25 years of service regardless of age) with 25 years of service or at age 60 with eight years of service. Members vest after eight years of service. Eligible employees are provided benefits based on 2 percent, 2.2 percent for years of service in excess of 14 years (Sheriff deputies, 2.2 percent for the first 14 years of service, and 2.5 percent thereafter, command officers 2.5 percent) of the final average compensation times the number of years of credited service. Maximum retirement benefit is 75 percent of final average compensation, defined as the average of the highest five consecutive years during the last ten years.

Duty disability benefits provided by the County are computed as a regular retirement, with additional service credited until attainment of age 60, less an amount offset by workers' compensation payments, with a maximum payment of 75 percent of final average compensation. Non-duty disability benefits after ten years of service are computed as a regular retirement. Death benefits are provided to beneficiaries after ten years of service, based on years of service.

The County policy is to fund normal costs of the Plan by contributions which are based on actuarially determined rates, expressed as percentages of annual covered payroll, and which are sufficient to accumulate assets to pay benefits when due. Due to the fact that PERS is fully funded and there are no new Plan members enrolled since July 1, 1994, there have been no contributions from County funds since FY1999.

Sheriff deputies contribute at a rate of 3 percent of their annual pay for the first 14 years of service and 5 percent thereafter. Command officers contribute 5 percent. General County Option A members who have elected improved benefits contribute one percent of their pay after 14 years service. The contribution requirements of plan members and the County are established and may be amended by the Board of Commissioners in accordance with County policies, union contracts and plan provisions.

In addition, the County maintains a defined contribution plan, referred to as the Oakland Performance Retirement System (OPRS), which qualifies under Internal Revenue Code section 401(a). Employees in the County PERS were afforded the opportunity to transfer to the OPRS in 1995, 1997, 1998 and 2000. Total membership in the OPRS as of September 30, 2001 was 2,382, which includes 900 employees who elected to transfer from the PERS in 1995 through 2000 and 1,482 current employees hired since July 1, 1994.

The OPRS maintains a schedule of vesting, with the participants becoming fully vested upon completion of six years of continuous service. Employees transferring from the County PERS were allowed a permanent selection of employee contributions of zero percent or three percent of their salary, with the employer matching the contribution respectively with six percent or nine percent for general employees, or seven percent or ten percent for employees in certain bargaining units. For employees hired on or after July 1, 1994, the employer contributes five percent of the employee's salary. Effective December 1999, employees were offered an opportunity to increase their contribution with County match of two percent for new hires and one percent for all others. All employees are able to contribute up to ten percent of their salary on a voluntary after-tax basis. All contributions are remitted to a third-party plan administrator. The contribution requirements of plan members and the County are established and may be amended by the Board of Commissioners in accordance with County policies, union contracts and plan provisions.

In 2001, the County provided 1,502 retirees medical insurance and reimbursed them for Medicare premiums under the Oakland County Voluntary Employees Benefits Association Trust (the Trust). In 2001, the County disbursed approximately \$11,466,000 for this purpose. The Trust provides medical care benefit insurance coverage to retired employees or survivors of deceased employees who were hired on or before September 20, 1985, or hired on or after September 21, 1985 and had 15 years of service (for family coverage) or 8 to 14 years of service (for retired members only).

**Capital Improvement Program and the Delinquent Tax Revolving Fund – Fiscal Responsibility Plan**

This multi-year planning effort targets facility needs that have been through a disciplined prioritization process. The projects described here are not meant to be an all-inclusive list of projects underway at the County's Facilities Management Department. Rather, they represent the more significant facility projects facing the County in the next several years. When possible, the County opts for a financially conservative "pay-as-you-go" funding methodology by utilizing annual General Fund appropriations to the Building Fund which finances the Capital Improvement Program. For major building projects, the County issues debt instruments which are repaid, principal and interest, with annual interest earnings from the Delinquent Tax Revolving Fund (DTRF).

First, those projects funded on a "pay-as-you-go" basis are described as follows:

- **Children's Village Detention Facility Expansion** – The County has initiated the construction of a 22 bed facility and related renovations in the Children's Village campus. Approximately, one-half of the 22 new beds will be leased out to other Michigan counties, largely covering the cost of operations. Presently the County has 62 detention beds available. The funding for this project is coming entirely from the Capital Improvement Fund operations over a two-year time frame.
- **Jail Renovation and Addition** – Several projects are underway involving the expansion of jail space. Every effort is being undertaken to mitigate the need for the construction of another jail, which has an estimated cost of \$88 million. Existing jail space used for non-inmate occupancy, largely administrative, has been targeted for renovation to expand inmate housing. This \$6.7 million project will be funded out of current operations with supplementary funds drawn from a portion of DTRF interest earnings, \$4.1 million in FY2001, \$2.1 million in FY2002, and the balance in FY2003.
- **Clinton Valley Center Land** – The County has recently acquired from the State of Michigan roughly 87 acres of land, the former location of the State operated Clinton Valley Psychiatric Center. The \$880,000 acquisition cost was funded by the General Fund and the property, which is contiguous to the County Jail, will be used to construct a new Work Release Facility and future expansion of other County operations.
- **Commissioner Auditorium and Courthouse West Wing Improvements** – This \$445,000 project, funded by a General Fund appropriation, provides for the replacement of the 36-year-old Ground Floor West Wing plenum ceiling, lighting and air distribution systems in the Treasurer's Office and public corridor areas. The project also provides equipment and electrical connectivity for Power Point presentation capabilities and replacement of a Public Address System in the Commissioner's Auditorium and replaces three HVAC air -handling units in the auditorium.

- **Public Works Building Addition and Renovation** - This \$4.9 million project, funded from current operations, consists of construction of a 7,000 square foot, two story addition to the 28-year-old Public Works Building and renovation of some existing building area to meet the increased space needs of the Drain Commissioner and Facilities Management Departments and to relocate administrative offices located in the garage and shop areas, allowing those areas to be used for their intended purposes.
- **Purchase of Office Building** – The County has successfully negotiated the acquisition of the Oakland Intermediate School District administration building for \$7.3 million, which transaction will occur in FY2003. Although the initial \$7.3 million funding for acquisition has been designated in the County's General Fund, the source of funding for the remaining \$13.7 million estimated renovation cost is tied to the DTRF – Fiscal Responsibility Plan, described below.

Acting under the authority of the General Property Tax Act , 1893 PA 206, as amended by 1968 PA 107, MCL 211.87b, the Board of Commissioners established the Oakland County DTRF in 1974. The DTRF was created to help stabilize local government revenues by paying the local taxing units, in anticipation of the collection of these taxes by the County Treasurer, 100% of their respective share of delinquent ad valorem real property taxes. The County funds the DTRF by borrowing money and issuing revolving fund notes, repayment of which is made from the proceeds of delinquent tax collections. The proceeds of the collection of the delinquent taxes pledged and the interest on the proceeds must be placed in a segregated fund or account and may not be used for any other purpose until notes are paid in full, including interest.

Once the notes are paid in full, any surplus in the fund may be transferred to the County General Fund by appropriate action of the Board of Commissioners. Under the stellar management of Treasurer C. Hugh Dohany, Oakland County's DTRF has consistently provided our schools, community colleges, cities, villages and townships with a stable revenue stream while also generating a surplus. Responsible use of this surplus is the subject of the Long Range DTRF Plan, accepted by the Board of Commissioners in the Spring of 2001.

While other Michigan counties have established DTRFs in their jurisdictions, Oakland County is unique in that it has not immediately appropriated fund surpluses to fund current operations. In fact the County Executive has recommended, and the Board of Commissioners has adopted, a strict policy for accessing funds from this precious resource. The policy is incorporated in the annual General Appropriations Act and specifies that any and all appropriations from unrestricted DTRF funds, excepting penalties and investment interest, shall be limited to one-time expenditures, as opposed to recurring operations. Current policy also provides that any appropriations from unrestricted DTRF funds not considered advances to be repaid within a time certain, shall require a two-thirds majority vote of the Board of Commissioners.

As a result of Oakland's current DTRF utilization policy, the corpus of the DTRF continues to be available to not only protect our schools, community colleges, cities, villages and townships, but also to generate interest earnings that, prudently managed, can be utilized in place of new taxes as a funding source for necessary capital projects.



The DTRF – Fiscal Responsibility Plan is based upon these principles:

1. That the corpus of the DTRF must, at all times, be sufficient to guarantee 100% tax payments to the school districts, intermediate school districts, community college districts, cities, townships, counties, special assessment districts, the state, and any other political unit whose operations may be adversely affected by delinquent tax payments. In other words, the primary purpose of the fund must never be jeopardized.
2. That the corpus of the DTRF must, at all times, be sufficient to guarantee timely payment of outstanding notes.
3. That current DTRF utilization practices (including a limited use of funds for operations) and policies that have proven themselves beneficial to the County and its taxpayers should be preserved; and
4. That increased utilization of DTRF resources should be limited to the funding of currently unfunded capital projects that are included in the Board of Commissioner approved Long-Term Capital Improvement Program.

Fiscally responsible increased utilization of the DTRF can be achieved by using the fund to pay debt service on three major Board-approved capital projects that will house essential public services. They are described as follows:

- **Work Release Facility (including funding for the Jail Management System and Video Conferencing Facilities and Equipment)** – Bonds will be issued to fund these projects, in the amount of \$23.4 million, to be repaid with DTRF funds. The preponderance of cost (\$14.2 million) is associated with the construction of a new Work Release Facility, that will house 300 non-violent offenders. Presently, the County has a very inefficient work release facility that houses roughly half as many offenders as could be accommodated with the new facility. Current operations are largely offset by fees collected from offenders (between \$5 and \$10 per day per offender) and the Sheriff has committed to operating the new facility with the current complement of staff. Implementation of a new Jail Management System (\$6.1 million) and acquisition of Video Conferencing Facilities and Equipment (\$3.1 million) will assist in achieving this commitment, as well as enhance the efficiency of court operations, particularly reducing the need for secure transport of prisoners to and from court.
- **Rochester District Court and City of Rochester Hills Sheriff's Substation** - Debt financing in the amount of \$23.3 million is recommended for this project, with repayment from the DTRF Fund. Property has recently been purchased for these facilities near the present conveniently located 52<sup>nd</sup> Division III District Court, which will be replaced by this facility. The portion of cost associated with the Sheriff's substation (\$6.3 million) will be recouped through a lease arrangement with the City of Rochester Hills, incorporating a rental rate sufficient to cover building operation and maintenance, as well.
- **Renovation of Oakland Schools Building** – As previously mentioned, the County will acquire the Oakland Intermediate School's administration building in FY2003. Renovation of this building to accommodate office space needs for Oakland County activities is estimated to cost \$13.7 million. The DTRF – Fiscal Responsibility Plan contemplates the debt service financing of this project through the issuance of bonds.

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The DTRF – Fiscal Responsibility Plan also contemplates initial funding (\$10 million) for expansion of the County’s Geographic Information System, a project that will provide Countywide, fully integrated, Environmental Infrastructure Records Management System available to all 61 Oakland County cities, villages and townships. Such a system will benefit local units in planning future physical improvements and assist them in their efforts to meet their reporting obligations under GASB Statement #34.

**Long-term Debt**

With the exception of the activity of “Tax notes” representing short-term debt issued in connection with the factoring of delinquent tax receivables in the County’s Delinquent Tax Revolving Fund and refunding bonds, the only debt issued in the previous three years was for projects related to drain construction, water and sewer projects and park’s facilities, specifically acquisition of a new park (Lyon Oaks) western quadrant of the County and construction of a new golf course in that park.

Most ‘County’ obligations are funded by cities, villages and townships within the County, either through special assessments or through water and sewer fees. Parks & Recreation is an Enterprise Fund, which is supported by a separate property tax levy and user fees that are used to pay operating expenses such as debt service. To a limited extent, the County’s General Fund participates in certain drain projects, based upon its proportionate share of public right-of-way compared to the total project. All General fund debt service payments are presently covered through operations budgeted in the normal course of business and are less than \$1 million annually.

As indicated in the following calculation as of September 30, 2001, Oakland County, at .41%, is well within its statutory debt limit, which is 10% of State Equalized Value.

State Equalized Value - 2001	\$57,469,711,595
	<u>X 10%</u>
Statutory Debt Limit	\$ 5,746,971,160
Current Outstanding Debt	<u>234,511,943</u>
Available Balance	<u>\$ 5,512,459,217</u>

All else remaining unchanged, implementation of the DTRF – Fiscal Responsibility Plan would reduce the available balance by approximately \$55 million, to \$5.46 billion. Outstanding debt would rise to .50% of the statutory limit.

## **MAJOR INITIATIVES**

Other major initiatives and collaborations, financial and programmatic, can be segregated into three categories: 1) Major Financial Initiatives, 2) Collaborations with Other Countywide Elected Officials, and 3) Collaborations with Local Municipalities Benefiting a Common Constituency.

### **Major Financial Initiatives**

As required by PA 139 of 1973, The Unified Form of County Government Act, the County Executive is required to report the current financial condition of the County to the Board of Commissioners on a quarterly basis. The County Executive has traditionally exceeded this requirement by not only reporting the current financial condition of the County each ninety days, but has also provided a quarterly forecast of the projected financial condition of the County at the close of the current fiscal year.

In addition, the County's financial planning time horizon has been extended as a result of adopting biennial budgets since 1987. A rolling two-year budget has been adopted annually since 1996. Other barometers of the financial health of Oakland County include:

- Delinquent Taxes at the close of FY2001 stood at 2.1%, the lowest in modern times.
- The Defined Benefit Pension Program, which covers 1,416 employees hired prior to 1996, is fully funded with no Unfunded Actuarial Accrued Liability. As a result, no County paid contributions are required this year, as compared to the several million dollar contributions required in previous years.
- The Defined Contribution Retirement Program, which covers 900 active employees who voluntarily transferred from the Defined Benefit Program as well as 1,235 employees hired since 1996, has resulted in a savings of \$21.4 million since inception of the program without jeopardizing the retirement security of valued employees.
- In FY2001, Oakland County has been approved by the Internal Revenue Service (IRS) for recognition of a newly established *Voluntary Employee Benefits Association (VEBA)*, as authorized by the Board of Commissioners in Resolution # 00210. Prior to the formation of this VEBA, the County of Oakland created an internal account which held contributions from Oakland County and Oakland County employees to fund the Oakland County Retirees' Health Care Trust. The account was converted to a VEBA trust on October 1, 2000 and the funds in the original account were transferred to the VEBA. The primary purposes of the VEBA are to collect contributions, invest the VEBA assets, which are irrevocably set aside for the benefit of retirees, and pay for retiree medical expenses for Oakland County retirees.
- Job growth and relatively low unemployment in Oakland County continue to contribute to the scarcity of workers in Oakland County. As a hiring entity, Oakland County government has felt the impact of this labor shortage. The need to attract and retain qualified employees in government service has prompted review of the County's benefit package resulting in several enhancements, including additional retirement and health care options and opening of a new child care center for County employees.

In addition, upon the County Executive's recommendation, the County has recently provided an employer match of up to \$300 annually for employees who participated in the County's Deferred Compensation Program during calendar year 2000 and beyond.

- Since 1993, the County has been successful in privatizing no less than ten different services resulting in the elimination of 74 budgeted positions and generating an annual savings in excess of \$3.7 million. Examples of such services that were privatized include: Medical, Custodial and Food Services at the Medical Care Facility, the Dental Clinic and Cancer Detection Units in the Health Division, as well as the Civil Division in the Sheriff's Department and Food Services in the county Jail. To this impressive record can be added the recent privatization of the Materials Management Division in the Department of Central Services, which achieved a \$260,000 annual savings and a reduction of four budgeted positions.
- The General Obligation Debt funded by the County's General Fund has decreased from \$42.5 million in 1993 to \$20.2 million today, a decrease of \$22.3 million – almost 53 percent reduction in eight years; a reduction of \$2.7 million in FY2000 alone.

### **Collaborations with Other Countywide Elected Officials**

Several initiatives undertaken recently involve collaborations with other Countywide Elected Officials, including the Clerk/Register, Treasurer, Drain Commissioner, Sheriff and Prosecutor, as well as the Judges of Circuit, District and Probate Courts.

In August 2000, the Board of Commissioners authorized the creation of an Aviation Unit in the Patrol Services Division of the Sheriff's Department, including the acquisition of one helicopter and two positions. The financing of this initial effort was derived from savings generated from privatization of the Jail Food Services Program. After the first year of operation and analysis, the Sheriff has indicated he will be requesting a second helicopter and two additional staff for the Aviation Unit. Appropriation of additional funds to defray the cost of this expansion is predicated on meeting certain requirements outlined in a Letter of Understanding, cosigned by the Sheriff and County Executive, which specifies:

- 1) The estimated \$1.7 million savings arising from privatization of the Food Service Operation is realized and verified after one year of operation, and
- 2) An overall cap of \$3.6 million is established for the Sheriff's Department Overtime Budget for Fiscal Year 2001 and actual overtime expenditures are maintained within that budget.

Having met and exceeded these prerequisites, the Board of Commissioners approved acquisition of a second helicopter in FY2002.

Several capital projects are underway, that will enhance services in the law enforcement area, particularly in the area of improved and expanded detention facilities. For example, the present jail lock system, which is approximately 28-years old, is obsolete and worn out. This project will be completed over a two-year timeframe and cost approximately \$900,000. The Project is funded out of the operations of the Capital Improvement Fund. Another project involves the renovation of vacated space of the Medical Examiner's office (last year, the new Medical Examiner's Facility was constructed and his staff was moved out of the jail facilities). Several present administrative areas will be converted as well, providing 28 single person cells for special watch situations, expanded Medical Clinic area, relocation of the records and crime labs from the main jail, and other overall improvements to the facility. The project is presently underway and is entirely funded from current operations. A new Work Release Facility and administrative building will house roughly 300 non-violent offenders and Sheriff's Department personnel. Presently, the County has a work release facility that houses approximately 175 offenders, with a waiting list of offenders currently housed in the jail. The new Work Release Facility is being designed in such a manner as to permit its conversion to a medium security facility, if required.

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In addition, the Community Corrections Division of the Department of Public Services has undertaken a Virtual Reality Work-Release/Global Positioning System (electronic tethering) which has the potential of saving a significant number of jail days. This program, along with the aforementioned Work Release Facility expansion, should postpone the need for major jail expansion without jeopardizing public safety, while simultaneously providing programs directed at reducing recidivism.

Phase I of Drain Records Conversion entails digitizing all drain records, which are currently maintained on hard copy, and integrating with the County's Geographic Information System (GIS). The Operations and Maintenance Division of the Drain Commissioner's Office operates and maintains four major Sewage Disposal Districts within Oakland County: Evergreen-Farmington, Clinton-Oakland, Huron-Rouge, and Southeastern Oakland County. In addition, fifteen municipal sewer collecting systems with 1,014 miles of sewers and appurtenances, as well as fifteen municipal water supply systems with 784 miles of water mains and appurtenances are operated and maintained. The Drain Commissioner is also responsible for maintaining lake levels and administering lake improvements on the County's 400 lakes. A critical component of this new initiative will be developing standards for data sets that can be used for the expanded Phase II project, i.e., conversion and data warehousing of drain and public works information for all cities, villages and townships in Oakland County. These projects will cover a multiyear timeframe.

Over the past several years, the County sought and received a detailed functional analysis of the Court's management information system needs. Presently, each of the Circuit, District, Probate Court systems, as well as the Prosecutor, Probation and Reimbursement Division systems, which are mainframe based, is generally separate, although certain functions are common in any court operation. During FY2000, the County awarded a contract on this \$7.0 million project, which will take two years to implement. Benefits to be derived include single source entry for all court related information, passing of information between court-related functions, external access to court information, reduced counter traffic, and more efficient administration of justice.

The \$3.4 million Imaging Project has been implemented in the Friend of the Court for the Child Support Enforcement System and Clerk/Register of Deeds for land records. The latter is being expanded to include historical records dating to 1983. In addition, the Board of Commissioners recently approved extension of this technology to the Health Division.

The County's Human Resource/Financial Information System (HRFIS), which is installed and operational, involved just over \$7.0 million in costs funded through General Fund operations. In 1998, the County replaced its general ledger, disbursements/accounts payable system, cash receipting, investment management, payroll operation, personnel and fringe benefit management systems with state-of-the-art oracle-based client-server technology that, with periodic upgrades, should serve the daily information management needs of this County for decades to come. Upgrades to both the PeopleSoft Human Resource and Performance Series Financial software components of HRFIS, incorporating the most current releases, were implemented in the Summer, 2001.

### **Collaborations with Local Municipalities Benefiting a Common Constituency**

Over the next several years, many local governmental units may find themselves struggling with securing qualified information technology resources at a price they can afford. Changing technologies, integration of suite products, and software complexities will continue to cripple local municipalities in their efforts to cope. The situation is expected to get much worse over the next several years, primarily due to funding constraints posed by the cumulative impact of the Headlee Tax Limitation Constitutional Amendment. Many cities, villages and townships (CVTs) are already in the position of having to roll back their millage rates due to the requirements of Headlee. Since, in most cases, this is their primary source of revenue, they will be forced into seeking relief through a referendum or reducing public services.

Unlike many counties in Michigan, Oakland County and its CVTs cooperate in the performance of services to residents. Traditionally, counties and CVTs work independent of one another – **not in Oakland County**. The County, on behalf of the CVTs performs many services normally rendered by BOTH entities in other counties. In doing so, the County financially burdens itself with costs that provide more direct economic benefits to CVTs. In many instances, the funding of computer projects by the County would enable operating programs that could not otherwise be performed by smaller CVTs.

The benefits of providing these services centrally, rather than separately, results in an overall cost reduction for services to the taxpayers of Oakland County. Essentially, fixed costs of computer services are spread over a larger economic base – thus, reducing the cost per unit served.

It's been about three years since Oakland County created a service, **@CCESS OAKLAND**, that provides immediate access, seven days/week – 24 hours per day, to residential land and property tax records via computer on its Web site. Sixteen products are now available, including: Residential Property Profiles, Commercial/Industrial Property Profiles, Residential Property Analyzer, Register of Deeds Recorded Document Profile, Current Tax Profiles, Delinquent Tax Statements, Mortgage Application Acceleration Program that projects comparable sales value, Map Atlas Viewer, CVT Property Sales Report, Land Corner Recordation certificate, and various GIS products. Costs to users ranges from \$1.50 per property for a Delinquent Tax Statement to \$20 for a specific database search of up to ten percent of a municipality's housing stock to \$500 annually and 50 cents per property for a business account for information on file with the Register of Deeds. **@CCESS OAKLAND** is free to municipal governments within Oakland County and, in addition, share 15% of the revenue derived.

Presently, approximately 40 of the County's 61 CVTs use the County's **land records system** for assessment, economic development and other purposes. In 26 communities, the Equalization Division functions as the CVT's assessor under a contractual fee arrangement. The sharing of land records information enables the Equalization Division and local CVT assessors to perform their functions more effectively and cost efficiently.

In late 1998, the County and its CVTs identified high priority improvement projects needed in the land records system. The Board of Commissioners appropriated \$556,000 towards Phase II of this effort, which addresses the most serious issues that will benefit not only County departments, but also CVTs. An additional \$360,000 has been appropriated by the Board of Commissioners to implement the remaining enhancements, which are currently underway.



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In 1999, the Equalization Division, with the cooperation of CVTs, began taking digital pictures of all 440,000 parcels of property in Oakland County. The pictures are being taken for statutory assessing purposes and to facilitate E-911 dispatching of public safety vehicles at night. This project is 80 percent accomplished with the remainder to be finished in 2002.

The County is developing a **Geographic Information System (GIS)** containing substantial land-related data and features. The base map, comprised of 440,000 parcels of property, covers 910 square miles. The cost (\$7.5 million) to create this base map is singly the most significant barrier preventing most CVTs from entering into a GIS project. Oakland County is absorbing the cost of creating the base map and its subsequent maintenance. In addition, the County has effectively standardized the GIS data and software, which enables transmission of County data to the CVTs and vice versa. With this "enterprise wide" approach, the County has enabled many of its CVTs to enter the GIS world.

The County recently completed two flights for **orthophotography**: a low level flight with a digital camera and a high level flight with infra-red photography to capture land features such as wetlands, impervious surfaces, and other environmental features. The costs that would otherwise have been incurred by the CVTs individually are estimated to exceed the County's unified effort.

**The Courts and Law Enforcement Management Information System (CLEMIS)** is a central records management information system targeting law enforcement needs. CLEMIS' strength is the sharing of data in a County-operated and maintained regional database. FEW police departments in the nation are capable of sharing data with neighbors, despite the mistaken belief by the public at large that this is routinely occurring. All 45 police departments located in the County provide information to CLEMIS and extract data from CLEMIS. Over thirty police departments outside of the County's borders are CLEMIS members as well – and this number is expanding as interest is growing.

CLEMIS is used for required reporting of information to the State and federal governments, analyzing criminal activity, incident reporting, and other purposes. The police chiefs, Sheriff, Prosecutor and County Executive work cooperatively towards a single purpose through the CLEMIS Advisory Board: **reducing criminal activity in Oakland County and the region.**

While CLEMIS is a system superior to ANY law enforcement computer program in Michigan (if not the nation), the County is replacing it with a system that further expands its functionality. In December, 1998 the County was awarded a Community Oriented Policing Services (COPS – MORE) Grant for \$23.5 million, including a local match of \$6.9 million to enhance the following systems and functions:

- Replacement of the records management system;
- Installation of Mobile Data Computers in police vehicles, enabling reports to be produced in the field in lieu of the office, resulting in officers spending more time in the field;
- Implementation of Computer-aided Dispatch using GIS;
- Automated vehicle location – to control the assignment of police units in a police district;
- Regional mugshot system; and
- Video arraignment during booking process.

In 1998, the County completed a year-long study involving an evaluation of the E-911 call-taking and radio communications (interoperability) issues raised by the law enforcement community. The following is the status of the two projects:

The **Call-taking Equipment** in most public safety answering points (PSAPs) had long since been determined to be obsolete. The equipment did not conform to federal mandates involving wireless / cellular telephone communications. Parts for maintenance of PSAP call-taking equipment could not be obtained. The County Executive recommended and the Board of Commissioners approved the funding (roughly \$3.0 million) for this project from the County's General Fund, despite having no legal requirement to do so. Combined with the County's CLEMIS initiatives, the new call-taking equipment has placed Oakland County and its law enforcement and fire agencies in compliance with federal mandates associated with wireless / cellular telephone communications. Installations began in July 1999 and were completed in the second quarter of FY2001.

In 1998, the law enforcement community requested that the present **Radio Communications (voice) system** be upgraded. Communications between dispatchers at the PSAPs and emergency vehicles (police, fire and EMS) on 150 MHz and 806 MHz systems could not communicate with one another with ease, posing inordinate public safety risks. Upon recommendation of the County Executive, the Board of Commissioners approved a \$.57 per month operational telephone surcharge (4.0% of specified line charges) applied against residential and commercial customers beginning July, 2000. The Radio Communications Project was launched in the second quarter of 2000. The equipment cost will be approximately \$33.0 million, including towers, consoles, hand held radios, mobile radios and other enabling equipment. Annually, the funding of the equipment and increased operating costs will approximate \$6.0 million – roughly equivalent to the expected amounts to be derived from the telephone operational surcharge. As of the fourth quarter 2001, the County is evaluating proposals for state-of-the-art systems from two vendors to implement this project. By summer 2002, the contract should be awarded.

The County's Board of Commissioners appropriated approximately \$900,000 towards the completion of a centralized **Fire Records Management System (FRMS)** to 29 fire departments located in Oakland County. The fire departments are facing a significant reporting change mandated (but unfunded) by the federal government effective January 1, 2000. Few fire departments, if any, are compliant. The new uniform system should allow relatively seamless data transmission between the dispatch stations and the records management system. The County intends on encouraging the use of FRMS and has proposed that it cover 75% of the capital and operating costs of this system – thus, mitigating costs otherwise borne by CVTs. The project should be completed by the third quarter of Fiscal 2002.

The County's **Data Warehouse Project** involves the reformatting of mainframe information, cleansing and positioning it for access of the newly acquired decision-support query tools. The data warehouse pilot project involved land records and enables the County to share this information with CVTs to better serve assessing, community and economic development, public safety, and other land-related management efforts. Most of this \$1.7 million project is substantially completed.

Because of the increased communication needs between the County and CVTs relating to CLEMIS, E-911, GIS, data warehouse, land records system and other initiatives, the County launched a study entitled **Metro-Area Network / Wide-Area Network (now named "OAKNet")**. The resultant installation of a fiber-optic communications network, completed in the summer of 2001, provides the additional benefit of free Internet services to all CVTs.

Finally, as with virtually every business and governmental unit, the County's addressing conventions for its data are maintained in separate files with different standards. Recent improvements in computer applications have enabled the County to relate otherwise disparate files, creating a need for a single comprehensive standard. Many organizations have not yet recognized this need as they have not made the leap into relational databases and high-level uses of computer generated information. The County recently received Board approval for the initial phase of this project. Over the next year or so, the County is expected to resolve the addressing standards for its data in an effort to improve the common use throughout all County systems.

## **Financial Information**

### ***Accounting Systems***

The County's general-purpose financial statements for Governmental fund types, Expendable Trust funds, and Agency funds have been prepared on the modified accrual basis of accounting, in conformance with accounting principles generally accepted in the United States of America. Revenues are recognized when measurable and available to finance current operations. Expenditures are recognized when the liability is incurred, generally when the goods or services are received, except interest on long-term debt, which is recorded when paid. Proprietary and Pension Trust funds are accounted for using the accrual basis of accounting, where revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

In developing and evaluating the County's financial information system, consideration is given to the adequacy of the internal accounting and administrative control structure and the costs thereof. Accounting and administrative controls comprise the plan of organization, procedures, and records necessary for the safeguarding of assets, the reliability of financial records, and compliance with grant requirements. The expressed purpose is to provide reasonable assurance that:

- Transactions are in accordance with management and grantors' general or specific authorization.
- Transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and other criteria (such as finance-related legal and contractual compliance requirements) and to maintain accountability for assets.
- Access to assets is permitted only in accordance with Board appropriations, financial policies, and management's authorization.
- The recorded accountability for assets is compared with the existing assets at reasonable intervals, and appropriate action is taken with respect to any differences.

Accounting and administrative controls comprehend reasonable, but not absolute, assurance that the objectives expressed will be accomplished by the system. The concept of reasonable assurance recognizes that the cost of an internal control structure should not exceed the benefits expected.

### ***Budgetary Controls***

The County maintains both accounting and budgetary controls. The objective of budgetary control is to ensure compliance with legal provisions embodied in the annual General Appropriations Act approved by the Board of Commissioners. Governmental fund types are under formal budgetary control. Activities of the General Fund and certain Special Revenue funds are included in the appropriated budgets. Enterprise, Internal Service, and certain Debt Service funds are budgeted, but are not appropriated budgets. Project-length financial plans are adopted for the remainder of the Special Revenue, Debt Service, and Capital Projects funds.

The Board of Commissioners establishes the legal level of control through the County's General Appropriations Act. This act states that expenditures shall not exceed the total appropriation of controllable personnel expenditures (salaries, overtime, fringe benefits), controllable operating expenditures, and noncontrollable operating expenditures (basically Internal Service fund charges). The County also maintains an encumbrance accounting system as a method of budgetary control. Amounts encumbered at year-end are reappropriated as part of the following year's budget.

**General Government Function**

**Revenues**

The following schedule presents a summary of General, Special Revenue, Debt Service, and Component Units (Road Commission and Drainage Districts), governmental fund type, revenues for the fiscal year ended September 30, 2001, and the amount and percentage of increases and decreases in relation to the prior year amounts.

	<u>Amount</u>	<u>Percent of total</u>	<u>Increase (Decrease) from 2000</u>	<u>Percent of Increase (Decrease)</u>
<b>Revenues</b>				
Taxes	\$ 235,061,095	49.35%	\$ 58,969,001	33.49%
Special assessments	23,866,670	5.01%	(2,640,121)	(9.96)%
Federal grants	25,256,189	5.30%	14,384,371	132.31%
State grants	40,531,592	8.51%	(8,074,503)	(16.61)%
Other intergovernmental revenue	44,669,302	9.38%	6,164,275	16.01%
Charges for services	90,842,923	19.08%	660,378	0.73%
Investment income	13,825,778	2.90%	707,870	5.40%
Other	2,221,346	0.47%	1,457,745	190.90%
<b>Total primary government</b>	<u>476,274,895</u>	<u>100.00%</u>	<u>71,629,016</u>	<u>17.70%</u>
<b>Component Units</b>				
Road Commission	101,346,587	87.28%	5,864,893	6.14%
Drainage Districts	14,770,288	12.72%	327,705	2.27%
<b>Total component units</b>	<u>116,116,875</u>	<u>100.00%</u>	<u>6,192,598</u>	<u>5.63%</u>
<b>Total reporting entity</b>	<u>\$ 592,391,770</u>		<u>\$ 77,821,614</u>	

For comparison purposes the Drainage Districts component unit amount does not include \$3,241,239 of capital projects revenue.

The increase in tax revenue is due to both the increase in taxable values in Oakland County, and the aforementioned change in recognition of property tax revenues as determined by the Michigan Department of Treasury and GASB Statement No. 33. The increase in federal grants is caused by a decrease in grant revenue in the COPS More Grant fund of approximately \$3.0 million, an increase of approximately \$1.7 million in the Housing and Community Development Grant fund, and an increase of approximately \$15.4 million in the Workforce Development Grants fund. The state grants revenue decrease is due to the reduction of approximately \$12.5 in the JTPA Grants fund erroneously reported as state grants revenue in FY2000, state funding of approximately \$4.8 million for the Friend of the Court fund, and a reduction of \$863,000 in the Human Services Coordinating Council fund. Other intergovernmental revenues increased by approximately \$2.3 million Due to expansion of the Indirect Cost recovery program, increase of approximately \$2.4 million in distribution of State income tax revenues due to increased population count as recorded in the year 2000 Decennial Census, and \$385,000 additional tri-county hotel tax revenue sharing from the State, all in the General Fund, and additional revenue of \$1.0 million in the Friend of the Court fund. Other revenues increased in the General fund by \$1.7 million as a result of an adjustment (reduction) of prior year's accruals for the cost of court appointed attorneys.

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***Expenditures***

The following schedule presents a summary of General, Special Revenue, Debt Service fund and Component Units (Road Commission and Drainage Districts), governmental fund type, expenditures for the fiscal year ended September 30, 2001 and the amount and percentage of increases and decreases in relation to prior year amounts.

	<u>Amount</u>	<u>Percent of total</u>	<u>Increase (Decrease) from 2000</u>	<u>Percent of Increase (Decrease)</u>
<b>Expenditures</b>				
<b>Current operations</b>				
County Executive	\$ 149,744,060	37.03%	\$ 6,534,847	4.56%
Clerk/Register of Deeds	10,506,883	2.60%	(10,503)	(0.10)%
Treasurer	4,077,255	1.01%	311,690	8.27 %
Justice administration	72,303,297	17.88%	9,035,570	14.28%
Law enforcement	104,520,100	25.84%	2,935,078	2.89%
Legislative	5,368,932	1.33%	274,770	5.39%
Drain Commissioner	4,879,051	1.21%	729,021	17.57%
Parks and recreation	13,928,752	3.44%	1,253,788	9.89%
Nondepartmental	7,124,937	1.76%	(401,826)	(5.34)%
Intergovernmental	5,989,146	1.48%	2,102,926	54.11%
<b>Debt service</b>				
Principal payments	19,350,000	4.78%	(1,750,000)	(8.29)%
Interest and fiscal charges	<u>6,624,072</u>	<u>1.64%</u>	<u>(772,466)</u>	<u>(10.44)%</u>
Total primary government	404,416,485	<u>100.00%</u>	20,242,895	<u>5.27%</u>
<b>Component units</b>				
Road Commission	100,024,144	87.78%	6,861,417	7.36%
Drainage Districts	<u>13,928,502</u>	<u>12.22%</u>	<u>(848,785)</u>	<u>(5.74)%</u>
Total component units	<u>113,952,646</u>	<u>100.00%</u>	<u>6,012,632</u>	<u>5.57%</u>
Total reporting entity	<u>\$ 518,369,131</u>		<u>\$ 26,255,527</u>	

For comparison purposes the Drainage Districts component unit amount does not include \$19,710,861 of capital projects expenditures. The increase in Justice administration is caused in large part by the cost of conversion of the State of Michigan mandated implementation of the Child Support Enforcement System (CSES). Increases in the Drain Commissioner function resulted from increased expenditures of approximately \$308,400 in the Engineering and Construction Division reported in the General Fund, and \$416,000 in the Pollution Control Grants fund. Intergovernmental expenditures increased due to the reimbursement to municipalities of approximately \$5.0 million for environmental issues in the Environmental Infrastructure fund, less reduced distribution to municipalities of \$2.9 million in the three Water and Sewer Debt Service funds.

**General Fund Balance**

The unreserved/undesignated fund balance of the General Fund represents the excess of assets over liabilities, less reserves and designated fund balance. The County has designated most of its fund balance for programs (see Notes to the Financial Statements, page 81).

**Enterprise Fund Operations**

Oakland County's Enterprise funds currently consist of thirteen entities in addition to a component unit, that provides various services for the residents of the County (at September 30, 2001, six new enterprise funds were transferred from other fund types – financial information will not be reported until the following fiscal year). The following schedule provides a summary of the activity in the various funds for the year ended September 30, 2001.

	Total revenues*	Total expenses*	Income (loss) closed to retained earnings	Retained earnings (deficits) end of year
Medical Care Facility	\$ 9,733,611	\$ 9,019,285	\$ 804,376	\$ 643,879
Fire Records Management	31,224	405,286	(298,062)	(325,943)
Airport Facilities	4,334,896	3,574,686	1,093,610	15,131,251
Clinton-Oakland Sewage Disposal System (S.D.S.)	16,179,032	20,157,655	(3,978,623)	16,890,138
Huron-Rouge S.D.S.	2,402,251	2,446,930	(44,679)	2,385,226
Evergreen-Farmington S.D.S.	22,535,695	18,094,240	4,441,455	25,155,725
Southeastern Oakland County S.D.S. (S.O.C.S.D.S.)	26,186,793	24,206,090	1,980,703	10,699,363
County Market	113,414	124,612	(5,657)	2,598
Delinquent Tax Revolving	22,310,910	1,511,650	6,783,141	189,959,602
Courts and Law Enforcement Manage- ment Information System (CLEMIS)	3,068,264	4,861,844	(366,924)	4,733,048
Radio Communications	9,054,170	3,516,992	5,674,298	10,740,720
Water and Sewer Trust	28,261,744	27,149,885	1,111,859	19,190,266
Jail Inmate Commissary	<u>1,177,860</u>	<u>1,152,847</u>	<u>(47,008)</u>	<u>224,674</u>
Total primary government	145,389,864	116,222,002	17,148,489	295,430,547
Component unit				
Community Mental Health Authority	<u>188,853,869</u>	<u>206,391,017</u>	<u>(7,916,532)</u>	<u>3,608,831</u>
Total Reporting Entity	<u>\$ 334,243,733</u>	<u>\$ 322,613,019</u>	<u>\$ 9,231,957</u>	<u>\$ 299,039,378</u>

\* Total revenues are operating and nonoperating revenues. Total expenses are operating and nonoperating expenses, less add back of depreciation on contributed assets.

The County operates a 120-bed medical care facility for the care of those people requiring less care than a hospital but more than a nursing home. Revenue is provided by Medicare and Medicaid, various commercial insurances, and from private-pay patients.

The Fire Records Management fund was established in fiscal year 2000 to implement a Fire Records Management system, providing uniform reporting and data sharing for local fire departments.

Three airports are operated by the County. The largest is the Oakland County International Airport, which is the second busiest in the State. The Oakland/Troy Airport supports aviation needs in the southeast part of the county. In addition, in 2000 the County acquired the Southwest Airport in New Hudson. Revenues for these airports are mainly provided by leases, rentals, and commissions from aviation fuel. The airport facilities are self-supporting, excluding depreciation expense, which is closed to contributed capital when appropriate.

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The County entered into three contracts with the City of Detroit Water and Sewerage Department (DWSD) to deliver wastewater to the Detroit Treatment Plant from three sewage disposal districts, and one contract with the Wayne County Department of Public Works for treatment of wastewater through the Huron-Rouge interceptor. Each sewage disposal district serves several local municipalities, and the County maintains a separate Enterprise fund to record the operation of each. Yearly, each district reviews the cost of operations, including the rate charged by the DWSD and Wayne County for sewage disposal, and adjusts the rate charged to the municipalities accordingly to maintain a consistent level of service. There is more often than not an Operating Loss since the rate development process is based on Net Income (loss) rather than Operating Losses, considering interest revenue, a nonoperating revenue, and also depreciation on contributed assets. Sewage disposal costs account for approximately 78% of a system's total operating expenses.

The Oakland County Community Mental Health Authority was created in 1999 for the purpose of providing services related to mental health and developmental disability needs of Oakland County residents. The Authority's activities are funded through federal grants, state allocations, County appropriations, service fees, and local gifts and grants. The financial statements of the Authority are reported in the County's CAFR as a component unit, Enterprise Fund.

### ***Fiduciary Fund Type Operations***

The County has two separate single-employer defined benefit pension plans. One plan covers all County employees except those of the Road Commission; the other covers those of the Road Commission. Both plans are established as Pension Trust funds; the County and the Road Commission have no legal access to the assets of either fund.

Based on the most recent valuation, September 30, 2000, the County's Public Employees Retirement System (PERS) covered 1,446 retirees and beneficiaries, 275 vested separated employees not yet receiving benefits, 1,213 vested current employees, and 160 non-vested current employees, for a total of 3,094.

The Road Commission PERS covered 371 retirees, beneficiaries, and vested separated employees not yet receiving benefits, 346 vested current employees, and 195 non-vested current employees, for a total of 912, as of December 31, 2000.

Both plans are funded as accrued, with contributions independently determined by consulting actuaries. The County's PERS, which uses the aggregate actuarial cost method of funding, has a negative unfunded accrued liability as of September 30, 2000 of approximately \$201,475,000. The Road Commission PERS, using the individual entry-age actuarial cost method, has a negative unfunded accrued liability as of December 31, 2000 of approximately \$21,290,000, which is being amortized over a period of 18 years as of December 31, 2000.

There were substantial changes to the County's contribution requirement due to several factors. In 1994, the County offered vested employees who had left County employment a buyout of their present-value retirement account. In exchange, the former employees agreed to relinquish all claims to future vested health care amounts. Eighty-two former employees availed themselves of this opportunity, with the payment totaling approximately \$5,163,000. In 1995, employees were afforded the opportunity to transfer from the County's PERS to a new defined contribution plan. The defined benefit plan was closed to new hires as of July 1, 1994, and approximately one-third of County PERS members chose to transfer their retirement coverage to the new plan. Also in 1995, the funding method changed from the entry-age normal cost method to the aggregate actuarial cost method.



In the mid-1980s, the County established the Retirees' Health Care Trust, replaced in 2001 by the Voluntary Employees Benefits Association (VEBA) Trust to account for the County's health care benefits for retirees. This Trust has been actuarially funded for the past thirteen years. A summary of the actuarial data over the past three years follows (in thousands):

	2000	1999	1998
Retirees and beneficiaries	\$ 138,863	\$ 114,715	\$ 79,709
Vested terminated employees	31,625	22,501	18,492
Active employees and other	<u>200,456</u>	<u>170,511</u>	<u>119,487</u>
	370,944	307,727	217,688
Net assets available for benefits, at cost	<u>(145,251)</u>	<u>(135,214)</u>	<u>(117,132)</u>
Unfunded accrued liability	<u>\$ 225,693</u>	<u>\$ 172,513</u>	<u>\$ 100,556</u>

Unfunded actuarial liabilities are amortized as a fixed percent of payroll over a period of 29 years.

***Deferred Compensation***

Under Internal Revenue Code section 457, the County and the Road Commission offer employees a deferred compensation plan. The plan permits deferral of a portion of salary to future years. Deferred funds are not available to employees until termination, retirement, death, or an unforeseeable emergency as defined under the Internal Revenue Code. In accordance with GASBS 32 all assets and liabilities of these plans are not reported in the financial statements of the County or Road Commission.

***Debt Administration***

The County issued \$25.0 million in tax notes in fiscal year 2001 to finance payments to local entities for delinquent taxes, and at the same time retired \$33.0 million in tax notes issued for the same purpose for prior years. At September 30, 2001, the balance of these notes payable was \$12.0 million.

The following is a summary of debt outstanding as of September 30, 2001 for the County, Drainage Districts, and the Road Commission:

Bonds and notes payable	\$128,345,000
Drainage Districts	\$103,731,943
Road Commission	\$ 22,472,600

The current bond rating with Standard and Poor's is AAA, and the rating with Moody's is AAA unlimited, both of which have been recently upgraded as a result of the County's substantial and growing tax base, sound finances, and favorable debt position.

The County has pledged its full faith and credit on debt totaling approximately \$254.5 million. The General Fund is obligated if payments received on assessments levied against benefiting municipalities are insufficient to meet principal and interest requirements of this debt when due.

By statute, general obligation debt is limited to 10% of the equalized value. As of September 30, 2001, the debt limit was approximately \$5.7 billion; general obligation debt was approximately \$39.0 million.

***Cash Management***

Investments are administered by the County Treasurer in compliance with State law and the County of Oakland Investment Policy. Investments are held in the name of the County. The County purchases Certificates of Deposits, U.S. Treasury obligations, bankers' acceptances, and commercial paper rated at the time of purchase at the highest classification established by not less than two standard rating services.. Only federal and state-chartered banks and savings institutions, which are members of the Federal Deposit Insurance Corporation, are utilized. State law requires the use of in-state banks only. The County Treasurer does not engage in derivative trading.

Investments of the County and Road Commission Public Employees Retirement Systems are administered by their respective boards. Included in the County PERS at September 30, 2001 are collateralized mortgage obligations (CMOs) with a carrying value of less than 5% of the total portfolio. These investments include CMOs backed by Federal Home Loan Bank and Federal National Mortgage Association, credit card receivables, and manufactured homes, and are within the defined investment objectives.

***Risk Management***

The County is self-insured for general liability claims and has a risk manager to assess its exposure. Amounts of estimated claims, including those incurred but not reported, have been accrued. Claims expense recorded in 2001 for the County amounted to approximately \$827,000. The County is self-insured for workers' compensation claims up to \$500,000 per claim. Claims in excess of \$500,000 are covered by reinsurance. Estimated liabilities resulting from self-insured workers' compensation claims are recorded in the Fringe Benefits Internal Service fund and amounted to approximately \$14.0 million.

The County entered into a contract with Blue Cross/Blue Shield for a minimum-premium program and allows a third-party administrator to manage the County's self-insurance program for health programs.

The Road Commission is liable for losses up to a specific retention amount for general liability, workers' compensation, and medical claims. Management established and recorded estimates of the liability and the unasserted claims. Claims expense recorded for the year ended September 30, 2001 was approximately \$6.4 million.

The Community Mental Health Authority, previously covered through the County's self-insurance plan, carried commercial insurance to cover all risk of losses for the year ended September 30, 2001.

***Other Information and Acknowledgements***

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in financial Reporting to Oakland County for its comprehensive annual financial report (CAFR) for fiscal year ended September 30, 2000. This was the tenth consecutive year that Oakland County has received this prestigious award. In order to be awarded the Certificate of Achievement, Oakland County is required to publish an easily readable and efficiently organized CAFR. This report satisfied both Generally Accepted Accounting Principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

**Citizens of Oakland County**

**March 16, 2002**


**Page 33 of 33**

In addition, Oakland County also received the GFOA's Distinguished Budget Presentation Award for its biennial budget document dated October 1, 2000. In order to qualify for the Distinguished Budget Presentation Award, Oakland County's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operation guide and a communications device. Oakland County was the first governmental entity in the state of Michigan to achieve this honor in 1984, the first year of the program.

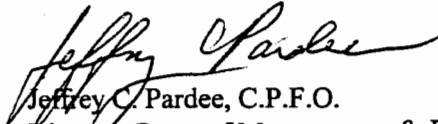
Lastly, Oakland County is the proud recipient of the GFOA award for its Popular Annual Financial Report. Oakland County is the only county in the state of Michigan that holds all three of these awards simultaneously.

The preparation of the CAFR would not have been possible without the efficient and dedicated services of the entire staff of the Fiscal Services Division of the Department of Management & Budget. We would like to express our appreciation to all members of the division who assisted and contributed to the preparation of this report. Credit must also be given to all Countywide elected officials, including the Sheriff, Prosecuting Attorney, Clerk/Register of Deeds, Treasurer, and Drain Commissioner, as well as the County Board of Commissioners, for their unfailing support for maintaining the highest standards of professionalism in the management of Oakland County's governmental finances.


Respectfully submitted,




L. Brooks Patterson  
County Executive



Jeffrey C. Pardee, C.P.F.O.  
Director, Dept. of Management & Budget

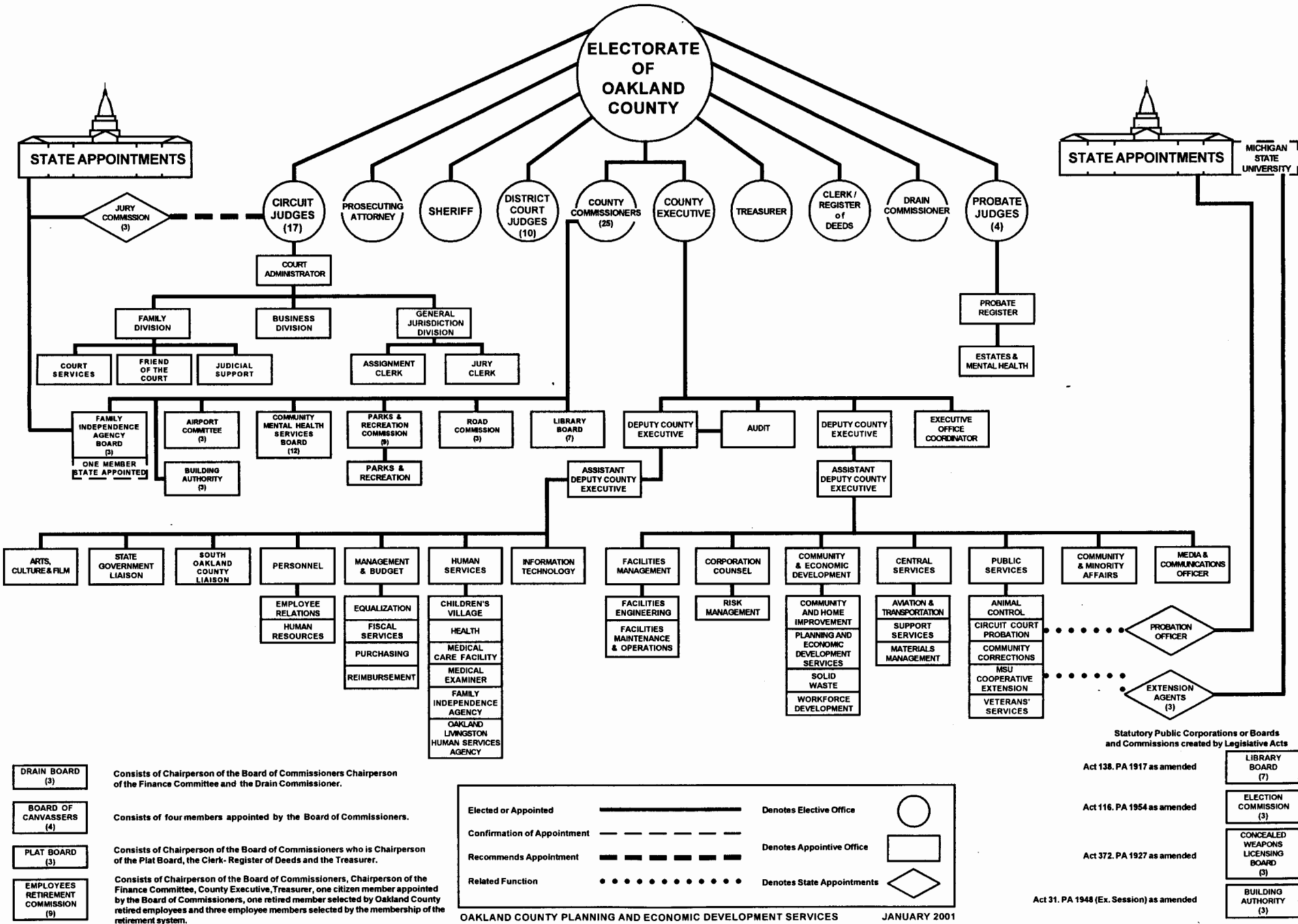


Laurie M. Van Pelt  
Deputy Director  
Department of Management & Budget



Timothy J. Soave  
Manager of Fiscal Services  
Department of Management & Budget

# OAKLAND COUNTY GOVERNMENT ORGANIZATIONAL CHART



**DRAIN BOARD (3)**

Consists of Chairperson of the Board of Commissioners Chairperson of the Finance Committee and the Drain Commissioner.

**BOARD OF CANVASSERS (4)**

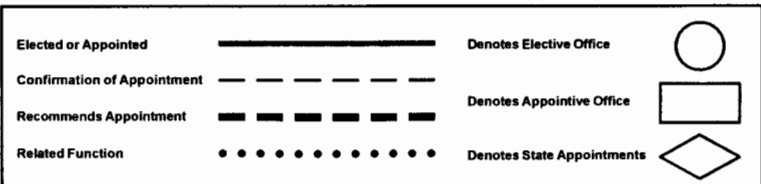
Consists of four members appointed by the Board of Commissioners.

**PLAT BOARD (3)**

Consists of Chairperson of the Board of Commissioners who is Chairperson of the Plat Board, the Clerk- Register of Deeds and the Treasurer.

**EMPLOYEES RETIREMENT COMMISSION (9)**

Consists of Chairperson of the Board of Commissioners, Chairperson of the Finance Committee, County Executive, Treasurer, one citizen member appointed by the Board of Commissioners, one retired member selected by Oakland County retired employees and three employee members selected by the membership of the retirement system.



**Statutory Public Corporations or Boards and Commissions created by Legislative Acts**

- Act 138, PA 1917 as amended LIBRARY BOARD (7)
- Act 116, PA 1954 as amended ELECTION COMMISSION (3)
- Act 372, PA 1927 as amended CONCEALED WEAPONS LICENSING BOARD (3)
- Act 31, PA 1948 (Ex. Session) as amended BUILDING AUTHORITY (3)

**COUNTY EXECUTIVE**

L. Brooks Patterson

**BOARD OF COMMISSIONERS**

Frank H. Millard, Jr., Chairperson  
Fran Amos, Vice-Chairperson

Michelle Friedman Appel  
William Brian  
David Buckley  
Brenda A. Causey-Mitchell  
Eric Coleman  
Hugh D. Crawford  
Nancy Dingeldey  
Sue Ann Douglas

David N. Galloway  
John P. Garfield  
Vincent Gregory  
Thomas A. Law  
Ruel E. McPherson  
Tim Melton  
David L. Moffitt  
Chuck Moss

Lawrence A. Obrecht  
Charles E. Palmer  
William R. Patterson  
Terry Sever  
George W. Suarez  
Shelley Goodman Taub  
Peter Webster

**OTHER ELECTED OFFICIALS**

Clerk/Register of Deeds  
G. William Caddell

Treasurer  
C. Hugh Dohany

Drain Commissioner  
John P. McCulloch

Prosecuting Attorney  
David Gorcyca

Sheriff  
Michael J. Bouchard

Chief Circuit Judge  
Barry Howard

Chief Probate Judge  
Linda Hallmark

Chief District Judge  
Julie Nicholson

**AIRPORT COMMITTEE**

William R. Patterson, Chairperson  
Vincent Gregory, Vice-Chairperson  
William Brian, Secretary  
David N. Galloway  
J. David VanderVeen

**BUILDING AUTHORITY**

Kenneth Strobel, Chairperson  
Tamara Vanwormer-Tazzia, Vice-Chairperson  
James VanLeuven, Secretary  
L. Brooks Patterson, County Executive  
C. Hugh Dohany, County Treasurer

**PARKS AND RECREATION**

Pecky D. Lewis, Jr., Chairperson  
Richard Skarritt, Vice-Chairperson  
Richard D. Kuhn, Jr., Secretary

Fred Korzon  
Thomas A. Law

John P. McCulloch  
Ruel McPherson  
Shelley Goodman Taub

J. David VanderVeen  
Richard Vogt

**ROAD COMMISSION**

Larry P. Crake, Chairperson  
Richard G. Skarritt, Vice-Chairperson  
Rudy D. Lozano, Commissioner

**DRAIN BOARD**

John P. McCulloch, Drain Commissioner  
Frank H. Millard, Jr., Board Chairperson  
Sue Ann Douglas, Finance Committee Chairperson

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Oakland County,  
Michigan

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 2000

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Imelda Arce*  
President

*Jeffrey L. Esler*  
Executive Director

## **II. FINANCIAL SECTION**

**The Financial section contains:**

- A. Independent Auditors' Report**
- B. General Purpose Financial Statements**
- C. Notes to General Purpose Financial Statements**
- D. Financial Statements of Individual Funds**



## Report of Independent Accountants

The Board of Commissioners  
Oakland County, Michigan

In our opinion, based on our audit and the report of other auditors, the accompanying general-purpose financial statements present fairly, in all material respects, the financial position of Oakland County, Michigan, as of September 30, 2001, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America. These general-purpose statements are the responsibility of the County's management; our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the discretely presented Component Units (the Road Commission, including the Road Commission Retirement System and the Community Mental Health Authority). The financial statements of the Road Commission reflect total assets of \$281,243,500 as of September 30, 2001 and total revenues of \$112,596,587 for the year then ended. The financial statements of the Community Mental Health Authority reflect total assets of \$26,234,315 as of September 30, 2001 and total operating revenues of \$188,262,513 for the year ended September 30, 2001. Those financial statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Component Units, is based upon the reports of other auditors. We conducted our audit of the general-purpose financial statements 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, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall general-purpose financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for the opinion.

In accordance with Government Auditing Standards, we have also issued our report dated March 8, 2002 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of Oakland County, Michigan. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, other than the two component units, whose financial statements were audited by other auditors whose reports expressed an unqualified opinion, is fairly presented, in all material respects, in relations to the general-purpose financial statements taken as a whole.

We did not audit the financial data presented in the introductory section and the statistical section, and, therefore we express no opinion thereon.

*PricewaterhouseCoopers LLP*

March 8, 2002

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**GENERAL PURPOSE  
FINANCIAL STATEMENTS**

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**County of Oakland  
 Combined Balance Sheet -  
 All Fund types, Account Groups and  
 Discretely-Presented Component Units  
 September 30, 2001**

Assets and other debits	Governmental fund types				Proprietary Fund Types	
	General	Special revenue	Debt service	Capital projects	Internal service	Enterprise
<b>Current assets</b>						
Cash and cash equivalents	\$ -	\$ 26,204,055	\$ 389,879	\$ 41,363,896	\$ 52,535,384	\$ 71,614,116
Investments	97,851,269	9,309,585	8,114,228	-	35,842,961	171,991,465
Receivables (net of allowance for uncollectibles where applicable)						
Delinquent property taxes	-	97,226	-	-	-	49,346,417
Special assessments	-	8,695	96,130,000	-	-	-
Due from other governmental units	4,478,256	21,724,947	-	577,236	287,193	17,055,214
Accrued interest receivable	1,919,995	83,490	153,696	2,186	241,853	9,018,627
Accounts receivable	2,904,637	698,377	79,456	-	1,112,920	14,605,539
Due from other funds	22,073,962	12,613,326	1,659	7,754,698	3,277,335	3,200,589
Inventories and supplies	-	16,117	-	-	493,755	563,215
Prepayments and other assets	31,925	-	-	-	2,862,031	337,368
<b>Total current assets</b>	<b>129,260,044</b>	<b>70,755,818</b>	<b>104,868,918</b>	<b>49,698,016</b>	<b>96,653,432</b>	<b>337,732,550</b>
<b>Fixed assets, net where applicable, of accumulated depreciation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,635,932</b>	<b>122,766,247</b>
<b>Long-term assets</b>						
Advances	73,955	-	-	110,747	-	1,900,000
Contracts receivable	315,000	-	-	-	-	-
Special assessments receivable	-	32,546	-	94,415	-	-
<b>Total long-term assets</b>	<b>388,955</b>	<b>32,546</b>	<b>-</b>	<b>205,162</b>	<b>-</b>	<b>1,900,000</b>
<b>Other debits</b>						
Amount available for debt service	-	-	-	-	-	-
Amounts to be provided						
Bonds and notes	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total other debits</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets and other debits</b>	<b>\$ 129,648,999</b>	<b>\$ 70,788,364</b>	<b>\$ 104,868,918</b>	<b>\$ 49,903,178</b>	<b>\$ 136,289,364</b>	<b>\$ 462,398,797</b>

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

continued

Fiduciary Fund Types	Account Groups		Total (memorandum only) - Primary Government	Component Units			Total (memorandum only) - reporting entity
	General fixed assets	General long-term debt		Road Commission	Drainage Districts	Community Mental Health Authority	
\$ 77,842,628	\$ -	\$ -	\$ 269,949,958	\$ 49,810,603	\$ 22,096,460	\$ 4,247,395	\$ 346,104,416
837,794,679	-	-	1,160,904,187	164,450,057	506,375	129,288	1,325,989,907
-	-	-	49,443,643	-	-	-	49,443,643
-	-	-	96,138,695	-	446,045	-	96,584,740
-	-	-	44,122,846	855,954	584,677	10,162,549	55,726,026
5,835,494	-	-	17,255,341	1,088,845	18,243	5,390	18,367,819
56,570	-	-	19,457,499	13,576,813	-	11,039,434	44,073,746
22,360	-	-	48,943,929	-	-	-	48,943,929
-	-	-	1,073,087	3,730,246	-	-	4,803,333
18,338	-	-	3,249,662	454,681	-	105,740	3,810,083
<u>921,570,069</u>	<u>-</u>	<u>-</u>	<u>1,710,538,847</u>	<u>233,967,199</u>	<u>23,651,800</u>	<u>25,689,796</u>	<u>1,993,847,642</u>
-	208,240,919	-	370,643,098	18,470,429	-	544,519	389,658,046
-	-	-	2,084,702	-	-	-	2,084,702
-	-	-	315,000	-	-	-	315,000
-	-	-	126,961	6,333,272	106,255,000	-	112,715,233
-	-	-	2,526,663	6,333,272	106,255,000	-	115,114,935
-	-	7,328,977	7,328,977	-	-	-	7,328,977
-	-	109,016,023	109,016,023	17,800,000	-	-	126,816,023
-	-	-	-	4,672,600	-	-	4,672,600
-	-	116,345,000	116,345,000	22,472,600	-	-	138,817,600
<u>\$ 921,570,069</u>	<u>\$ 208,240,919</u>	<u>\$ 116,345,000</u>	<u>\$ 2,200,053,608</u>	<u>\$ 281,243,500</u>	<u>\$ 129,906,800</u>	<u>\$ 26,234,315</u>	<u>\$ 2,637,438,223</u>

continued

**County of Oakland  
 Combined Balance Sheet -  
 All Fund types, Account Groups and  
 Discretely-Presented Component Units  
 September 30, 2001**

Liabilities, Equity, and Other Credits	Governmental Fund Types				Proprietary Fund Types	
	General	Special revenue	Debt service	Capital projects	Internal service	Enterprise
<b>Current liabilities</b>						
Vouchers payable	\$ 7,276,674	\$ 2,712,840	\$ -	\$ 157,382	\$ 1,242,060	\$ 3,989,666
Accrued payroll	3,806,173	-	-	-	-	-
Due to other governmental units	414,359	569,545	1,018,259	43	-	16,082,248
Due to other funds	11,740,035	14,989,178	1,634	6,832,025	623,513	12,722,036
Deferred revenue	5,811,479	15,196,164	96,130,000	94,415	-	-
Current portion of long-term debt	-	-	-	-	-	12,000,000
Current portion of workers' compensation	-	-	-	-	1,341,092	-
Accrued interest payable	-	-	-	-	-	20,230
Other accrued liabilities	3,459,086	9,404,215	390,048	775,971	21,341,828	5,806,091
<b>Total current liabilities</b>	<b>32,507,806</b>	<b>42,871,942</b>	<b>97,539,941</b>	<b>7,859,836</b>	<b>24,548,493</b>	<b>50,620,271</b>
<b>Long-term debt</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other liabilities</b>						
Accrued workers' compensation	-	-	-	-	12,707,166	-
Accrued unreported health costs	-	-	-	-	2,368,000	-
Accrued sick and annual leave	-	-	-	-	12,347,118	-
Advances	-	81,192	-	103,510	1,900,000	-
<b>Total other liabilities</b>	<b>-</b>	<b>81,192</b>	<b>-</b>	<b>103,510</b>	<b>29,322,284</b>	<b>-</b>
<b>Total liabilities</b>	<b>32,507,806</b>	<b>42,953,134</b>	<b>97,539,941</b>	<b>7,963,346</b>	<b>53,870,777</b>	<b>50,620,271</b>
<b>Equity and other credits</b>						
Investment in general fixed assets	-	-	-	-	-	-
Contributed capital	-	-	-	-	9,235,329	116,347,979
Retained earnings:						
Reserved	-	-	-	-	7,688,144	115,173,820
Unreserved	-	-	-	-	65,495,114	180,256,727
<b>Total retained earnings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>73,183,258</b>	<b>295,430,547</b>
<b>Fund balances</b>						
Reserved	43,081,080	521,223	7,328,977	19,532,775	-	-
Net assets held in Trust for Pension and other postemployment healthcare benefits	-	-	-	-	-	-
Unreserved						
Designated	53,852,800	27,865,621	-	17,828,637	-	-
Undesignated	207,313	(551,614)	-	4,578,420	-	-
<b>Total fund balances</b>	<b>97,141,193</b>	<b>27,835,230</b>	<b>7,328,977</b>	<b>41,939,832</b>	<b>-</b>	<b>-</b>
<b>Total equity and other credits</b>	<b>97,141,193</b>	<b>27,835,230</b>	<b>7,328,977</b>	<b>41,939,832</b>	<b>82,418,587</b>	<b>411,778,526</b>
<b>Total liabilities, equity, and other credits</b>	<b>\$ 129,648,999</b>	<b>\$ 70,788,364</b>	<b>\$ 104,868,918</b>	<b>\$ 49,903,178</b>	<b>\$ 136,289,364</b>	<b>\$ 462,398,797</b>

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

continued

Fiduciary Fund Types	Account groups		Total (memorandum only) - Primary Government	Component units			Total (memorandum only) - reporting entity
	General fixed assets	General long-term debt		Road Commission	Drainage Districts	Community Mental Health Authority	
\$ 282,159	\$ -	\$ -	\$ 15,660,781	\$ -	\$ 161,839	\$ -	\$ 15,822,620
-	-	-	3,806,173	-	-	276,502	4,082,675
52,197,987	-	-	70,282,441	-	7,231,271	8,438,856	85,952,568
2,035,508	-	-	48,943,929	-	-	-	48,943,929
-	-	-	117,232,058	19,936,020	2,523,057	422,833	140,113,968
-	-	-	12,000,000	-	-	-	12,000,000
-	-	-	1,341,092	-	-	-	1,341,092
-	-	-	20,230	-	-	-	20,230
18,777,869	-	-	59,955,108	11,602,299	1,494,569	13,137,082	86,189,058
73,293,523	-	-	329,241,812	31,538,319	11,410,736	22,275,273	394,466,140
-	-	116,345,000	116,345,000	22,472,600	103,731,943	-	242,549,543
-	-	-	12,707,166	-	-	-	12,707,166
-	-	-	2,368,000	-	-	-	2,368,000
-	-	-	12,347,118	-	-	350,211	12,697,329
-	-	-	2,084,702	-	-	-	2,084,702
-	-	-	29,506,986	-	-	350,211	29,857,197
73,293,523	-	116,345,000	475,093,798	54,010,919	115,142,679	22,625,484	666,872,880
-	208,240,919	-	208,240,919	18,470,429	-	-	226,711,348
-	-	-	125,583,308	-	-	-	125,583,308
-	-	-	122,861,964	-	-	371,958	123,233,922
-	-	-	245,751,841	-	-	3,236,873	248,988,714
-	-	-	368,613,805	-	-	3,608,831	372,222,636
-	-	-	70,464,055	31,576,945	14,764,121	-	116,805,121
848,276,546	-	-	848,276,546	157,739,568	-	-	1,006,016,114
-	-	-	99,547,058	19,445,639	-	-	118,992,697
-	-	-	4,234,119	-	-	-	4,234,119
848,276,546	-	-	1,022,521,778	208,762,152	14,764,121	-	1,246,048,051
848,276,546	208,240,919	-	1,724,959,810	227,232,581	14,764,121	3,608,831	1,970,565,343
\$ 921,570,069	\$ 208,240,919	\$ 116,345,000	\$ 2,200,053,608	\$ 281,243,500	\$ 129,906,800	\$ 26,234,315	\$ 2,637,438,223



**County of Oakland  
 Combined Statement of Revenues, Expenditures and  
 Changes in Fund Balances  
 All Governmental Fund Types, Expendable Trust Funds and  
 Discretely-Presented Component Units  
 For the Year Ended September 30, 2001**

	<u>Governmental Fund Types</u>				Fiduciary fund type expendable trust	Total (memorandum only) - Primary Government	<u>Component Units</u>		Total (memorandum only) - reporting entity
	General	Special revenue	Debt service	Capital projects			Road Commission*	Drainage Districts	
<b>Revenues</b>									
Taxes	\$ 222,230,797	\$ 12,830,298	\$ -	\$ -	\$ -	\$ 235,061,095	\$ -	\$ -	\$ 235,061,095
Special assessments	-	1,572,598	22,294,072	161,560	-	24,028,230	1,936,136	15,561,872	41,526,238
Federal grants	-	25,256,189	-	-	-	25,256,189	16,696,958	1,412,639	43,365,786
State grants	-	40,531,592	-	-	-	40,531,592	74,115,066	-	114,646,658
Other intergovernmental revenues	41,492,054	3,177,248	-	-	-	44,669,302	4,507,376	-	49,176,678
Charges for services	66,999,278	23,826,158	17,487	-	-	90,842,923	1,493,389	16,426	92,352,738
Investment income	12,137,434	1,160,287	528,057	957,198	-	14,782,976	2,597,662	1,020,590	18,401,228
Other	1,849,936	371,410	-	37,128	120	2,258,594	-	-	2,258,594
<b>Total revenues</b>	<b>344,709,499</b>	<b>108,725,780</b>	<b>22,839,616</b>	<b>1,155,886</b>	<b>120</b>	<b>477,430,901</b>	<b>101,346,587</b>	<b>18,011,527</b>	<b>596,789,015</b>
<b>Expenditures</b>									
<b>Current operations</b>									
County Executive	53,866,610	95,877,450	-	-	-	149,744,060	-	-	149,744,060
Clerk/Register of Deeds	10,187,308	319,575	-	-	-	10,506,883	-	-	10,506,883
Treasurer	3,358,461	718,794	-	-	-	4,077,255	-	-	4,077,255
Justice administration	51,552,958	20,750,339	-	-	-	72,303,297	-	-	72,303,297
Law enforcement	99,389,470	5,130,630	-	-	-	104,520,100	-	-	104,520,100
Legislative	5,361,953	6,979	-	-	-	5,368,932	-	-	5,368,932
Drain Commissioner	3,042,440	1,836,611	-	-	-	4,879,051	-	-	4,879,051
Parks and Recreation	-	13,928,752	-	-	-	13,928,752	-	-	13,928,752
Road Commission	-	-	-	-	-	-	100,024,144	-	100,024,144
Drainage Districts	-	-	-	-	-	-	-	20,243,489	20,243,489
Non-departmental	5,771,188	1,353,749	-	-	424	7,125,361	-	-	7,125,361
<b>Total current operations</b>	<b>232,530,388</b>	<b>139,922,879</b>	<b>-</b>	<b>-</b>	<b>424</b>	<b>372,453,691</b>	<b>100,024,144</b>	<b>20,243,489</b>	<b>492,721,324</b>
Capital outlay	-	-	-	13,812,734	-	13,812,734	-	-	13,812,734
Intergovernmental	-	4,997,081	992,065	-	-	5,989,146	-	1,544,497	7,533,643
Debt service	-	-	25,974,072	-	-	25,974,072	-	11,851,377	37,825,449
<b>Total expenditures</b>	<b>232,530,388</b>	<b>144,919,960</b>	<b>26,966,137</b>	<b>13,812,734</b>	<b>424</b>	<b>418,229,643</b>	<b>100,024,144</b>	<b>33,639,363</b>	<b>551,893,150</b>

\*Excluding Retirement System

continued

**County of Oakland  
 Combined Statement of Revenues, Expenditures and  
 Changes in Fund Balances  
 All Governmental Fund Types, Expendable Trust Funds and  
 Discretely-Presented Component Units  
 For the Year Ended September 30, 2001**

	<u>Governmental Fund Types</u>				Fiduciary fund type expendable trust	Total (Memorandum Only) - Primary Government	<u>Component units</u>		Total (Memorandum Only) - Reporting Entity
	General	Special revenue	Debt service	Capital projects			Road Commission*	Drainage Districts	
Excess (deficiency) of revenues over (under) expenditures	\$ 112,179,111	\$ (36,194,180)	\$ (4,126,521)	\$ (12,656,848)	\$ (304)	\$ 59,201,258	\$ 1,322,443	\$ (15,627,836)	\$ 44,895,865
Other financing sources (uses)									
Operating transfers in	12,723,574	44,757,959	3,712,837	27,877,878	-	89,072,248	-	907,619	89,979,867
Operating transfer in from primary government	-	-	-	-	-	-	1,250,000	-	1,250,000
Operating transfers out	(60,575,232)	(9,089,091)	-	(15,331,578)	(12,194)	(85,008,095)	-	(907,619)	(85,915,714)
Operating transfer out to component unit	(10,870,616)	-	-	-	-	(10,870,616)	-	-	(10,870,616)
Proceeds from issuance of bonds	-	-	-	-	-	-	10,000,000	21,926,943	31,926,943
Payment to bond escrow agent	-	-	(2,414,514)	-	-	(2,414,514)	-	(26,519,195)	(28,933,709)
Discount on bonds sold	-	-	(22,752)	-	-	(22,752)	-	(117,400)	(140,152)
Proceeds from issuance of refunding bonds	-	-	2,395,000	-	-	2,395,000	-	25,748,812	28,143,812
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	53,456,837	(525,312)	(455,950)	(110,548)	(12,498)	52,352,529	12,572,443	5,411,324	70,336,296
Fund balances at October 1, 2000	42,989,362	19,891,340	7,784,927	42,050,380	174,978,430	287,694,439	38,450,141	9,352,797	335,497,377
Residual equity transfers in	694,994	8,764,417	-	-	-	9,459,411	-	-	9,459,411
Residual equity transfers out	-	(295,215)	-	-	(174,965,932)	(175,261,147)	-	-	(175,261,147)
Fund balances at September 30, 2001	\$ 97,141,193	\$ 27,835,230	\$ 7,328,977	\$ 41,939,832	\$ -	\$ 174,245,232	\$ 51,022,584	\$ 14,764,121	\$ 240,031,937

\*Excluding Retirement System

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

**County of Oakland  
 Combined Statement of Revenues, Expenditures and  
 Changes in Fund Balances  
 Amended Budget and Actual - General and Special Revenue Funds  
 For the Year Ended September 30, 2001**

	General Fund			Budgeted Special Revenue Funds			Nonbudgeted special revenue funds	Total actual special revenue funds - primary government
	Amended budget	Actual	Variance favorable (unfavorable)	Amended budget	Actual	Variance favorable (unfavorable)		
Revenues								
Taxes	\$ 178,099,500	\$ 222,230,797	\$ 44,131,297	\$ -	\$ -	\$ -	\$ 12,830,298	\$ 12,830,298
Special assessments	-	-	-	-	-	-	1,572,598	1,572,598
Federal grants	-	-	-	205,000	235,632	30,632	25,020,557	25,256,189
State grants	-	-	-	13,515,000	12,621,414	(893,586)	27,910,178	40,531,592
Other intergovernmental revenues	38,521,456	41,492,054	2,970,598	183,700	245,655	61,955	2,931,593	3,177,248
Charges for services	63,839,861	66,999,278	3,159,417	5,301,645	6,822,110	1,520,465	17,004,048	23,826,158
Investment income	11,767,258	12,137,434	370,176	-	-	-	1,160,287	1,160,287
Other	400,000	1,849,936	1,449,936	503,810	224,241	(279,569)	147,169	371,410
<b>Total revenues</b>	<b>292,628,075</b>	<b>344,709,499</b>	<b>52,081,424</b>	<b>19,709,155</b>	<b>20,149,052</b>	<b>439,897</b>	<b>88,576,728</b>	<b>108,725,780</b>
Expenditures								
Current operations								
County Executive	57,601,620	53,866,610	3,735,010	51,584,647	49,442,305	2,142,342	46,435,145	95,877,450
Clerk/Register of Deeds	11,364,403	10,187,308	1,177,095	-	-	-	319,575	319,575
Treasurer	3,516,557	3,358,461	158,096	-	-	-	718,794	718,794
Justice administration	53,394,762	51,552,958	1,841,804	7,058,526	8,518,640	(1,460,114)	12,231,699	20,750,339
Law enforcement	101,524,201	99,389,470	2,134,731	-	-	-	5,130,630	5,130,630
Legislative	5,532,890	5,361,953	170,937	-	-	-	6,979	6,979
Drain Commissioner	3,126,658	3,042,440	84,218	-	-	-	1,836,611	1,836,611
Parks and Recreation	-	-	-	-	-	-	13,928,752	13,928,752
Non-departmental	6,497,942	5,771,188	726,754	-	-	-	1,353,749	1,353,749
Intergovernmental	-	-	-	-	-	-	4,997,081	4,997,081
<b>Total expenditures</b>	<b>242,559,033</b>	<b>232,530,388</b>	<b>10,028,645</b>	<b>58,643,173</b>	<b>57,960,945</b>	<b>682,228</b>	<b>86,959,015</b>	<b>144,919,960</b>
Excess (deficiency) of revenues over (under) expenditures	50,069,042	112,179,111	62,110,069	(38,934,018)	(37,811,893)	1,122,125	1,617,713	(36,194,180)
Other financing sources (uses)								
Operating transfers in	11,355,840	12,723,574	1,367,734	39,418,159	37,884,332	(1,533,827)	6,873,627	44,757,959
Operating transfers out	(62,155,656)	(60,575,232)	1,580,424	(484,141)	(240,224)	243,917	(8,848,867)	(9,089,091)
Operating transfer out to component units	(10,870,616)	(10,870,616)	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(11,601,390)	53,456,837	65,058,227	-	(167,785)	(167,785)	(357,527)	(525,312)
Fund balances at October 1, 2000	42,989,362	42,989,362	-	506,975	506,975	-	19,384,365	19,891,340
Residual equity transfers in	-	694,994	694,994	-	-	-	8,764,417	8,764,417
Residual equity transfers out	-	-	-	-	-	-	(295,215)	(295,215)
<b>Fund balances at September 30, 2001</b>	<b>\$ 31,387,972</b>	<b>\$ 97,141,193</b>	<b>\$ 65,753,221</b>	<b>\$ 506,975</b>	<b>\$ 339,190</b>	<b>\$ (167,785)</b>	<b>\$ 27,496,040</b>	<b>\$ 27,835,230</b>

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

**County of Oakland  
 Combined Statement of Revenues, Expenses and  
 Changes in Retained Earnings/Fund Balances  
 All Proprietary Fund Types and Discretely-Presented Component Unit  
 For the Year Ended September 30, 2001**

	<u>Proprietary Fund Type</u>		<u>Total (memorandum only) - Primary Government</u>	<u>Component Unit</u>	<u>Total (memorandum only) - Reporting Entity</u>
	<u>Internal Service</u>	<u>Enterprise</u>		<u>Community Mental Health Authority</u>	
Operating revenues					
Charges for services	\$ 140,262,498	\$ 128,984,238	\$ 269,246,736	\$ 188,188,219	\$ 457,434,955
Other	-	1,072,776	1,072,776	74,294	1,147,070
<b>Total operating revenues</b>	<b>140,262,498</b>	<b>130,057,014</b>	<b>270,319,512</b>	<b>188,262,513</b>	<b>458,582,025</b>
Operating expenses					
Salaries	16,968,476	12,863,036	29,831,512	-	29,831,512
Fringe benefits	72,802,244	4,579,287	77,381,531	-	77,381,531
Contractual services	36,793,360	84,627,240	121,420,600	-	121,420,600
Commodities	6,911,080	4,626,200	11,537,280	-	11,537,280
Depreciation	11,993,956	7,371,319	19,365,275	-	19,365,275
Internal services	4,295,979	4,521,433	8,817,412	-	8,817,412
Distribution to municipalities	-	602,441	602,441	-	602,441
Community Mental Health	-	-	-	206,390,810	206,390,810
<b>Total operating expenses</b>	<b>149,765,095</b>	<b>119,190,956</b>	<b>268,956,051</b>	<b>206,390,810</b>	<b>475,346,861</b>
<b>Operating income (loss)</b>	<b>(9,502,597)</b>	<b>10,866,058</b>	<b>1,363,461</b>	<b>(18,128,297)</b>	<b>(16,764,836)</b>
Nonoperating revenues (expenses)					
Interest revenue	4,208,589	13,335,347	17,543,936	591,356	18,135,292
Contributions	-	1,996,353	1,996,353	-	1,996,353
Interest expense	-	(717,029)	(717,029)	(207)	(717,236)
Gain on sale of property and equipment	585,508	1,150	586,658	-	586,658
<b>Net nonoperating revenues</b>	<b>4,794,097</b>	<b>14,615,821</b>	<b>19,409,918</b>	<b>591,149</b>	<b>20,001,067</b>
<b>Income (loss) before operating transfers</b>	<b>(4,708,500)</b>	<b>25,481,879</b>	<b>20,773,379</b>	<b>(17,537,148)</b>	<b>3,236,231</b>
Operating transfers in	10,900,220	2,087,267	12,987,487	-	12,987,487
Operating transfers in from primary government	-	-	-	9,620,616	9,620,616
Operating transfers out	(2,945,000)	(14,106,640)	(17,051,640)	-	(17,051,640)
<b>Net income (loss)</b>	<b>3,246,720</b>	<b>13,462,506</b>	<b>16,709,226</b>	<b>(7,916,532)</b>	<b>8,792,694</b>
Add back depreciation closed to contributed capital	-	3,685,983	3,685,983	-	3,685,983
<b>Net income (loss) closed to retained earnings/fund balances</b>	<b>3,246,720</b>	<b>17,148,489</b>	<b>20,395,209</b>	<b>(7,916,532)</b>	<b>12,478,677</b>
Retained earnings at October 1, 2000	263,687,427	66,580,859	330,268,286	11,525,363	341,793,649
Residual equity transfers in	-	211,701,199	211,701,199	-	211,701,199
Residual equity transfers out	(193,750,889)	-	(193,750,889)	-	(193,750,889)
<b>Retained earnings at September 30, 2001</b>	<b>\$ 73,183,258</b>	<b>\$ 295,430,547</b>	<b>\$ 368,613,805</b>	<b>\$ 3,608,831</b>	<b>\$ 372,222,636</b>

**County of Oakland**  
**Combined Statement of Cash Flows**  
**All Proprietary Fund Types and Discretely-Presented Component Unit**  
**For the Year Ended September 30, 2001**

	Internal service	Enterprise	Total (memorandum only) - Primary Government	Component Unit Community Mental Health Authority	Total (memorandum only) - reporting entity
<b>Cash flows from operating activities</b>					
Cash received from users	\$ 140,108,264	\$ 126,382,221	\$ 266,490,485	\$ 193,339,402	\$ 459,829,887
Cash paid to suppliers	(123,021,825)	(94,805,532)	(217,827,357)	(203,542,031)	(421,369,388)
Cash paid to employees	(16,968,476)	(12,863,036)	(29,831,512)	(7,162,634)	(36,994,146)
<b>Net cash provided by (used in) operating activities</b>	<b>117,963</b>	<b>18,713,653</b>	<b>18,831,616</b>	<b>(17,365,263)</b>	<b>1,466,353</b>
<b>Cash flows from noncapital financing activities</b>					
Operating transfers in	5,327,458	1,914,342	7,241,800	-	7,241,800
Operating transfers in from primary government	-	-	-	9,620,616	9,620,616
Residual equity transfers in	-	29,726,144	29,726,144	-	29,726,144
Operating transfers out	(2,945,000)	(14,106,640)	(17,051,640)	-	(17,051,640)
Residual equity transfers out	(27,537,551)	-	(27,537,551)	-	(27,537,551)
Issuance of long-term debt	-	25,000,000	25,000,000	-	25,000,000
Advances issued	-	(1,900,000)	(1,900,000)	-	(1,900,000)
Interest paid on long-term debt	-	(755,288)	(755,288)	-	(755,288)
Principal payments on long-term debt	-	(33,000,000)	(33,000,000)	-	(33,000,000)
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>(25,155,093)</b>	<b>6,878,558</b>	<b>(18,276,535)</b>	<b>9,620,616</b>	<b>(8,655,919)</b>
<b>Cash flows from capital and related financing activities</b>					
Operating transfers in	5,572,762	172,925	5,745,687	-	5,745,687
Advances	1,900,000	-	1,900,000	-	1,900,000
Proceeds on sale of fixed assets	823,533	18,044	841,577	-	841,577
Acquisition of fixed assets	(15,908,204)	(1,294,967)	(17,203,171)	-	(17,203,171)
Interest expense	-	-	-	(207)	(207)
<b>Net cash used in capital and related financing activities</b>	<b>(7,611,909)</b>	<b>(1,103,998)</b>	<b>(8,715,907)</b>	<b>(207)</b>	<b>(8,716,114)</b>
<b>Cash flows from investing activities</b>					
Purchase of investments	(100,373,311)	(211,617,578)	(311,990,889)	-	(311,990,889)
Interest	4,054,943	14,696,338	18,751,281	926,807	19,678,088
Proceeds from sale and maturities of investments	83,576,421	191,551,338	275,127,759	4,019,471	279,147,230
<b>Net cash provided by (used in) investing activities</b>	<b>(12,741,947)</b>	<b>(5,369,902)</b>	<b>(18,111,849)</b>	<b>4,946,278</b>	<b>(13,165,571)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(45,390,986)</b>	<b>19,118,311</b>	<b>(26,272,675)</b>	<b>(2,798,576)</b>	<b>(29,071,251)</b>
Cash and cash equivalents at October 1, 2000	97,926,370	52,495,805	150,422,175	7,045,971	157,468,146
Cash and cash equivalents at September 30, 2001	\$ 52,535,384	\$ 71,614,116	\$ 124,149,500	\$ 4,247,395	\$ 128,396,895

**County of Oakland  
 Combined Statement of Cash Flows  
 All Proprietary Fund Types and Discretely-Presented Component Unit  
 For the Year Ended September 30, 2001**

	Internal service	Enterprise	Total (memorandum only) - Primary Government	Component Unit Community Mental Health Authority	Total (memorandum only) - reporting entity
Operating income (loss)	\$ (9,502,597)	\$ 10,866,058	\$ 1,363,461	\$ (18,128,297)	\$ (16,764,836)
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities</b>					
Depreciation expense	11,993,956	7,371,319	19,365,275	231,098	19,596,373
Increase in delinquent property taxes receivable	-	3,385,010	3,385,010	-	3,385,010
(Increase) decrease in due from other governmental units	62,075	(3,491,005)	(3,428,930)	7,064,404	3,635,474
(Increase) decrease in accounts receivable	1,421,249	(3,689,791)	(2,268,542)	(203,548)	(2,472,090)
(Increase) decrease in due from other funds	(1,663,243)	(635,367)	(2,298,610)	4,194,856	1,896,246
Decrease in inventories and supplies	291,223	(256,562)	34,661	-	34,661
(Increase) decrease in prepayments and other assets	(966,436)	(168,572)	(1,135,008)	447,153	(687,855)
Decrease in vouchers payable	(71,909)	1,803,661	1,731,752	-	1,731,752
Increase in accrued payroll	-	-	-	(59,749)	(59,749)
Increase in due to other governmental units	-	2,957,400	2,957,400	1,619,975	4,577,375
Increase (decrease) in due to other funds	7,605	(120,508)	(112,903)	(4,194,856)	(4,307,759)
Increase in deferred revenue	-	-	-	274,448	274,448
Increase in current portion of workers' compensation	(188,704)	-	(188,704)	-	(188,704)
Increase (decrease) in other accrued liabilities	(1,658,097)	692,010	(966,087)	(7,997,922)	(8,964,009)
Increase in accrued workers' compensation	(590,627)	-	(590,627)	-	(590,627)
Increase in accrued unreported health care costs	18,000	-	18,000	-	18,000
Increase in accrued sick and annual leave	965,468	-	965,468	(612,825)	352,643
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 117,963</b>	<b>\$ 18,713,653</b>	<b>\$ 18,831,616</b>	<b>\$ (17,365,263)</b>	<b>\$ 1,466,353</b>

**Noncash transactions**

Noncash capital and related financing activities in Internal Service funds included \$1,996,353 of capital assets contributed and disposal of \$1,435,917 of fully depreciated assets in the CLEMIS fund, \$2,100,877 purchase of capital assets included in accounts payable in the Information Technology fund, write off of fully depreciated assets and the sale of fixed assets for \$7,120 included in accounts receivable in the Facilities Maintenance & Operations fund. Noncash, noncapital related transactions include an equity transfer out of \$408,034 in the Materials Management fund recorded in due to other funds, and noncash portions of residual equity transfers out of \$163,148,432, \$12,199,657, and \$6,326,730 in the Delinquent Tax Revolving, CLEMIS, and Radio Communications funds respectively.

Noncash capital and related financing activities in Enterprise funds include write off \$101,067 of fully depreciated capital assets in the Medical Care Facility fund, Adjustment in Airport Facilities fund for grant funded project to reduce construction in progress by \$823,833, contributed capital and due to other governmental units by \$538,833 and expense by \$285,000; additionally wrote off \$70,495 for buildings destroyed (collapsed), and acquisition of capital assets of \$261,540 in Fire Records Management fund reported in prior year as other accrued liability. Noncash, noncapital related financing activities included noncash portions of residual equity transfers in of \$163,148,432, \$12,199,657, \$6,326,730, \$16,007,258, and \$162,493 recorded in the Delinquent Tax Revolving, CLEMIS, Radio Communications, Water and Sewer Trust, and Jail Inmate Commissary funds respectively.

Noncash transaction in Community Mental Health accounts receivable includes a disposition of fixed assets for \$135,092.

The accompanying notes are an integral part of financial statements.

**County of Oakland**  
**Combined Statement of Pension Plan Net Assets**  
**Primary Government and Component Unit**  
**For the Year Ended September 30, 2001**

	<u>Primary Government</u>		<u>Component</u>	<u>Total</u>
	<u>Oakland County</u>	<u>VEBA</u>	<u>Unit</u>	
	<u>Employees'</u>	<u>Trust</u>	<u>Road</u>	<u>(memorandum</u>
	<u>Retirement</u>		<u>Commission</u>	<u>only) - reporting</u>
			<u>Retirement (1)</u>	<u>entity</u>
<b>Assets</b>				
Cash and cash equivalents	\$ 6,910,991	\$ 1,041,230	\$ 3,861,266	\$ 11,813,487
Investments, at fair value:				
Common stock	381,702,622	77,536,536	89,374,705	548,613,863
U.S. government securities	90,472,418	28,502,439	30,309,262	149,284,119
Corporate bonds	213,025,979	33,825,411	32,378,185	279,229,575
Municipal bonds	1,034,150	-	-	1,034,150
Real estate	11,067,609	-	-	11,067,609
Other	-	-	937,905	937,905
Total investments	<u>697,302,778</u>	<u>139,864,386</u>	<u>153,000,057</u>	<u>990,167,221</u>
Receivables - interest and dividends	4,898,499	931,591	887,927	6,718,017
Receivables - other	-	18,338	191,785	210,123
Due from other funds	-	3,724	-	3,724
Total assets	<u>709,112,268</u>	<u>141,859,269</u>	<u>157,941,035</u>	<u>1,008,912,572</u>
<b>Liabilities</b>				
Vouchers payable	-	45,245	-	45,245
Due to other funds	-	2,016,746	-	2,016,746
Other accrued liabilities	-	633,000	201,467	834,467
Total liabilities	<u>-</u>	<u>2,694,991</u>	<u>201,467</u>	<u>2,896,458</u>
<b>Net assets held in Trust for Pension and other</b>				
Postemployment healthcare benefits	<u>\$ 709,112,268</u>	<u>\$ 139,164,278</u>	<u>\$ 157,739,568</u>	<u>\$ 1,006,016,114</u>

(1) Road Commission Component Unit reported as of December 31, 2000.

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



**County of Oakland**  
**Combined Statement of Changes in Pension Plan Net Assets**  
**Primary Government and Component Unit**  
**For the Year Ended September 30, 2001**

	<u>Primary Government</u>		<u>Component Unit</u>	<u>Total</u> <u>(memorandum only) - reporting entity</u>
	<u>Oakland County Employees' Retirement</u>	<u>VEBA Trust</u>	<u>Road Commission Retirement (1)</u>	
<b>Additions</b>				
Contributions				
Employer	\$ -	\$ 16,182,512	\$ 2,494,250	\$ 18,676,762
Plan members	954,999	62,134		1,017,133
Total contributions	954,999	16,244,646	2,494,250	19,693,895
Investment income (loss)	(112,398,486)	(13,466,070)	13,058,646	(112,805,910)
Less - investment expense	-	-	(802,619)	(802,619)
Net investment income (loss)	(112,398,486)	(13,466,070)	12,256,027	(113,608,529)
Total additions	(111,443,487)	2,778,576	14,750,277	(93,914,634)
Benefits	20,353,201	11,465,724	4,256,297	36,075,222
Net increase (decrease)	(131,796,688)	(8,687,148)	10,493,980	(129,989,856)
Net assets held in trust for pension and other postemployment healthcare benefits				
At October 1, 2000	840,908,956	-	147,245,588	988,154,544
Residual equity transfers in	-	147,851,426	-	147,851,426
At September 30, 2001	\$ 709,112,268	\$ 139,164,278	\$ 157,739,568	\$ 1,006,016,114

(1) Road Commission Component Unit reported for the year ended December 31, 2000.

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

# County of Oakland

## Notes to General Purpose Financial Statements

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### 1. Summary of Significant Accounting Policies

The general-purpose financial statements of Oakland County (the County) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

#### **The financial reporting entity**

As defined by generally accepted accounting principles established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

The accompanying financial statements present Oakland County (the Primary Government) and its component units. The County's Parks and Recreation Commission is not legally separate from the County, nor does it possess separate corporate powers. As such, the financial data of the County's Parks and Recreation Commission have been included with the financial data of the Primary Government. The financial data of the component units are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

#### **Blended component unit**

A blended component unit is a legally separate entity from the County, but is so intertwined with the County that it is, in substance, the same as the County. It is reported as part of the County and blended into the appropriate funds.

- ***Oakland County Building Authority (the Authority)*** – A five-person authority is appointed by the Oakland County Board of Commissioners, and its activity is dependent upon Board actions. The purpose of the Authority is to finance, through tax-exempt bonds, the construction of public buildings for use by the County, with the bonds secured by lease agreements with the County and retired through lease payments from the County. The Oakland County Building Authority is reported as if it were part of the primary government because its sole purpose is to finance the construction of the County's public buildings. The Authority's activity is reported in various Debt Service funds (designated by the caption "Building Authority"), and the Building Improvement Fund, a Capital Projects fund. The general fixed assets and long-term obligations are reported in the General Fixed Asset and General Long-term Debt Account Groups, respectively.

Separate financial statements for the Authority are not published.

# County of Oakland

## Notes to General Purpose Financial Statements

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### 1. Summary of Significant Accounting Policies (continued)

#### **Discretely Presented Component Unit**

The discretely presented component unit is an entity that is legally separate from the County but for which the County is financially accountable, or its relationship with the County is such that exclusion would cause the County's financial statements to be misleading or incomplete. These component units are reported in separate columns to emphasize that they are legally separate from the County.

- **Road Commission for Oakland County (Road Commission)** – The Road Commission is governed by three appointees of the County Board of Commissioners who are not County Board members. The Road Commission is responsible for the construction and maintenance of the County's system of roads and bridges, and is principally funded by State-collected vehicle fuel and registration taxes under Public Act 51. The County has budgetary control and appropriation authority over its activities; however, such has not been exercised. The Road Commission's primary activities, which are as of and for the year ended September 30, 2001, is reported discretely as a governmental fund type - Special Revenue fund. The Road Commission Retirement System, which is as of and for the year ended December 31, 2000, is reported discretely as a fiduciary fund type - Pension Trust fund.

Complete financial statements of the Road Commission which includes the Road Commission Retirement System and the separately issued Road Commission Retirement System statements can be obtained from its administrative offices as follows:

Road Commission for Oakland County  
31001 Lahser Road  
Beverly Hills, Michigan 48025

- **Drainage Districts** – At the beginning of fiscal year 2000 the County took steps to review all potential component units as defined in GASB Statement No. 14. This evaluation disclosed that the drainage districts would be more properly accounted for as a component unit. These districts were previously reported in the County's CAFR in the special revenue, debt service, and capital project fund types. This component unit, consists of many individual districts created for the purpose of alleviating drainage problems. This involves the construction, maintenance, and financing necessary to account for the cost of the drainage district. The individual districts, each a separate legal entity with power to assess the benefiting communities, is governed by the Drain Board for Oakland County the Oakland County Drain Commissioner, the Chairman of the Oakland County Board of Commissioners, and the Chairperson of the Finance Committee of the Board of Commissioners. Assessments are made against the applicable municipalities within each district, including the County and the State of Michigan for road drainage.

The financial activities of the Drainage Districts as of and for the year ended September 30, 2001 is reported discretely as a governmental fund type. There are no separately issued financial statements of this component unit, although financial information for the specific drainage districts may be obtained from:

Oakland County Drain Commissioner  
#1 Public Works Drive  
Waterford, MI 48328

# County of Oakland

## Notes to General Purpose Financial Statements

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### 1. Summary of Significant Accounting Policies (continued)

- **The Oakland County Community Mental Health Authority (the Authority)** – The Authority is governed by a twelve-member board representative of providers of mental health services. One-third of the board is to be consumers of mental health services, agencies and occupations having a working involvement with mental health services, and the general public. Not more than four members may be members of the County Board of Commissioners, and no more than one-half of the total board members may be state, county or local officials. The Authority is responsible for providing services related to mental health and development disability needs of County residents. The activities of the Authority are funded through grants, allocations, fees and county appropriations. This is the third year of existence for the Authority, and the financial information is reported in the County's CAFR for the year ended September 30, 2001 discretely as a proprietary fund type – Enterprise fund.

Complete financial statements of the Authority can be obtained from its administrative offices as follows:

Oakland County Community Mental Health Authority  
1200 N. Telegraph Road, Bldg. 38E  
Pontiac, Michigan 48341

#### **Basis of presentation - fund accounting**

Funds are used to report the County's financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is established to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

#### **Governmental fund types**

The General Fund accounts for financial transactions not reflected in another fund. Revenues are primarily derived from property taxes, state and federal distributions, and charges for services.

Special Revenue Funds are used to ensure that specified resources (other than expendable trusts and funds for major capital improvements) are used as required by legal, regulatory, and/or administrative provisions. Included within the Special Revenue funds are programs for care of children, drain maintenance, parks and recreation, and certain grant operations involving public health, employment training, community development, environmental infrastructure programs and other grants.

Debt Service Funds account for the financing resources and payment of current principal and interest on debt reported in the General Long-Term Debt Account Group. Debt Service funds account for servicing of general long-term debt of various building authority debt issues, and debt associated with local water and sewer obligations upon which there are County guarantees.

Capital Projects Funds account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

# County of Oakland

## Notes to General Purpose Financial Statements

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### 1. Summary of Significant Accounting Policies (continued)

Internal Service Funds account for goods and services provided to departments, funds, and governmental units on a cost-reimbursement basis. Included within the Internal Service funds are certain fringe benefits provided to County employees (health, workers' compensation, unemployment compensation), information technology, and various equipment revolving funds, and central service type operations.

Enterprise Funds report operations for services to the general public, financed primarily by user charges intended to recover the cost of services provided, and include two airports, a medical care facility, and four sewage disposal systems and others.

GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, provides governments with two options for reporting their proprietary fund activities. The County has elected to apply all GASB pronouncements and all FASB Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The County has elected not to follow subsequent FASB guidance. The component units have elected not to apply FASB Statements and Interpretations issued after November 30, 1989 to its proprietary funds.

#### **Fiduciary fund types**

Fiduciary Funds (including Pension Trust, Expendable Trust, and Agency funds) account for assets held by the County in a trustee capacity or as an agent for others.

#### **Account groups**

General Fixed Assets Account Group reports fixed assets other than those recorded in the proprietary funds.

Long-term Debt Account Group reports long-term debt (not requiring the use of expendable available resources) not reported in proprietary funds.

#### **Basis of accounting**

- **Primary government** - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental and Expendable Trust funds are accounted for using primarily a current financial resources measurement focus. With this measurement focus, only current assets, except for certain miscellaneous receivables and special assessments, and current liabilities are included on the balance sheet. Governmental funds are used to account for all or most of the County's general activities, including the collection and disbursement of earmarked resources and the servicing of long-term debt.

Proprietary and Pension Trust Funds are accounted for on a flow-of-economic-resources measurement focus. All assets and liabilities are included on the balance sheet, with fund equities segregated into contributed capital and retained earnings. Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration.

# County of Oakland

## Notes to General Purpose Financial Statements

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### 1. Summary of Significant Accounting Policies (continued)

- **Primary government (continued)** – The financial statements have been prepared in conformity with generally accepted accounting principles. Governmental, Expendable Trust, and Agency funds use the modified accrual basis of accounting, which recognizes revenues in the accounting period in which they become measurable and available. Significant revenues susceptible to accrual include property taxes, expenditure-reimbursement type grants, certain intergovernmental revenues, and operating transfers. Expenditures are recorded when the related fund liability is incurred, except interest on long-term debt, which is recorded when paid.

Proprietary and Pension Trust Funds use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

#### **Discretely-presented component units**

The Road Commission uses the current financial resources measurement focus for its governmental fund type activities. That is, only current liabilities and current assets, except for special assessments, are included on the balance sheet. In accordance with GASB Statement No. 14, the general fixed assets and general long-term debt are presented in this fund type. The governmental fund type is used to account for all of the Road Commission's activities, including the collection and disbursement of earmarked resources and the servicing of long-term debt. Revenues and expenditures are recorded under the modified accrual basis of accounting, and, as such, revenue is recorded when measurable and available, and earned. Project-related revenue is recognized as related costs are incurred, except for interest on long-term debt, which is recorded when paid.

The Road Commission's Retirement system activity (Pension Trust Fund) uses the economic resources measurement focus. All assets and liabilities are included as of the balance sheet date. Revenues and expenses are accounted for under the accrual basis of accounting, and, as such, revenue is recognized when earned and expenses are recorded when liabilities are incurred.

The Drainage Districts uses the current financial resources measurement focus for its activities. Only current liabilities and current assets, except for special assessments, are included on the balance sheet. In accordance with GASB Statement No. 14, the general long-term debt is also presented in this fund. The governmental fund type is used to account for all of the Drainage Districts' activities, including the financing of the cost of construction and maintenance of Drainage Districts and servicing of long-term debt. Revenues and expenditures are recorded under the modified accrual basis of accounting, and as such, revenue is recorded when measurable and available, and earned. Project-related revenue is recognized as related costs are incurred, except for Interest on long-term debt, which is recorded when paid.

The Community Mental Health Authority uses the accrual method of accounting for its (Proprietary funds) activities. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

# County of Oakland

## Notes to General Purpose Financial Statements

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### 1. Summary of Significant Accounting Policies (continued)

#### **Budgets**

Budgets and budgetary accounting are on the modified accrual basis, which is consistent with generally accepted accounting principles in that property tax revenue is recognized when made available by Board resolution. The budget was legally adopted by the Board of Commissioners prior to September 30 and presented in a separate document. Appropriation budgets were adopted for the General and certain Special Revenue funds. Appropriations lapse at the end of the year. Project-length financial plans are budgeted for the remainder of the Special Revenue funds and for all Debt Service and Capital Projects funds. Budget and actual comparisons for such funds are not reported in the financial statements because annual budgets are not prepared.

Encumbrances are recorded at the time that the purchase orders and contracts are issued. The encumbrances are liquidated when the goods or services are received. Unliquidated encumbrances at the end of the year are set aside within the fund balance. In the succeeding year, the encumbrances are re-appropriated by the Board of Commissioners to cover the unliquidated encumbrances included in fund equity.

#### **Cash, cash equivalents, and investments**

For purposes of the statement of cash flows, demand deposits and short-term investments with an original maturity date of three months or less from the date of acquisition are considered to be cash equivalents.

Cash overdrafts occurring in funds participating in pooled cash accounts at September 30, 2001 have been reclassified as a "Due to other funds," and a corresponding "Due from other funds" was established in the appropriate funds.

The County's investments are stated at fair value, which is determined by using quoted market rates, if the investment is traded on a recognized stock exchange.

Pooled investment income is generally allocated to the County's General Fund except for Internal Service fund investments. There are no derivative instruments or products in the County's non-pension investment portfolio at September 30, 2001.

#### **Interfund receivables/payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Short-term receivables and payables resulting from such transactions are classified as "Due from other funds" or "Due to other funds" on the balance sheet.

Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a reservation of fund balance.

#### **Inventories**

Governmental fund type inventories are valued at cost using the first-in, first-out method and are recorded as expenditures when consumed. Inventories in proprietary funds, except for the Facilities Maintenance and Operations fund, an Internal Service fund, are stated at the lower of cost or market using the first-in, first-out method. Inventories in the Facilities Maintenance and Operations fund are stated at lower of cost or market using the average-cost basis.

# County of Oakland

## Notes to General Purpose Financial Statements

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### 1. Summary of Significant Accounting Policies (continued)

#### Prepayments

Payments made for services that will benefit periods beyond September 30, 2001 are recorded as prepayments.

#### Fixed assets

The County established capitalization thresholds for general fixed assets and enterprise fund fixed assets of \$5,000 and for internal service fund fixed assets of \$1,000. Fixed assets are stated at cost or, if donated, at estimated fair market value at the time of donation. Expenditures materially extending the life of proprietary fund fixed assets are capitalized. Interest on qualifying fixed assets of proprietary funds is capitalized. Depreciation on fixed assets other than general fixed assets is computed primarily on a straight-line method. Fixed assets used in the general operation of the County are recorded as expenditures when purchased and are accounted for in the General Fixed Assets Account Group. No depreciation is recorded for these general fixed assets. Infrastructure ("public domain") assets, including roads, bridges, sanitary sewers, drains, curbs, and gutters, are not capitalized.

The County's estimated useful life of the major classes of property and equipment follows:

	Years
Land and land improvements	10-15
Buildings and improvements	35-45
Furniture, equipment, and vehicles	3-10
Sewage disposal systems	40-50

Fixed assets used in the general operation of the Road Commission are depreciated under various methods, including straight-line and sum-of-the-years-digits. Fixed assets of the Community Mental Health Authority whose value exceeds \$5,000 are capitalized and depreciated on a straight-line basis over estimated useful lives of five to thirty years.

#### Compensated absences

Compensated absences (vested sick and annual leave) of the Primary Government that are allowed to accumulate are charged to operations in the Fringe Benefit fund (an Internal Service fund) as the benefits accrue. Compensated absences for the Road Commission, net of the portion that is payable currently (which has been recorded as a liability), are reflected in the General Long-Term Debt Account Group. Compensated absences of the Community Mental Health Authority are reported as expenses and liabilities of the Authority when incurred.

No liability is recorded for non-vesting accumulating rights to receive sick pay benefits for the Primary Government and Component Units.

#### Fund equity

Contributed capital is recorded in proprietary funds for capital grants or contributions from customers or other funds. Reserves represent portions of fund equity not available for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.



# County of Oakland

## Notes to General Purpose Financial Statements

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### 1. Summary of Significant Accounting Policies (continued)

#### **Deferred revenue**

Deferred revenue is reported on the County's combined balance sheet. Amounts are classified as deferred when they do not meet the available criteria, such as grants received before the expenditure is incurred or taxes received which are allocated to a future budget year.

Property taxes levied December 1, 2000 (when they become a lien against the property) are used to finance the expenditures of the period of January 1, 2001 through December 31, 2001. Property tax revenues available for appropriated expenditures for the period October 1, 2001 through December 31, 2001 (25% of levy) are shown as reserved fund balance on the accompanying balance sheet.

#### **Equity transfers**

Residual equity transfers are used to record transfers of equity between funds. Residual equity transfers to proprietary fund types from governmental fund types are recorded as contributed capital.

#### **Use of estimates**

The preparation of the general-purpose financial statements in conformity with generally accepted accounting principles 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 general-purpose financial statements, September 30, 2001. These estimates and assumptions also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

#### **Memorandum only - total columns**

Total columns are captioned "Memorandum Only." They do not purport to present financial position, results of operations, or cash flows. Interfund eliminations have not been made on this aggregation of data.

### 2. Legal Compliance – Budgets

The Board of Commissioners has established the legal level of control by control groups, as outlined in the County's General Appropriations Act. This act states that expenditures shall not exceed the total appropriations for controllable personnel expenditures (salaries, overtime, and fringes), controllable operating expenditures, and non-controllable operating expenditures (Internal Service fund charges), respectively, by division.

The Board of Commissioners is authorized to make amendments to the various budgets as deemed necessary. Current year supplemental budgetary appropriations were not material. The combined statement of revenues, expenditures, and changes in fund balances - amended budget and actual, General and Special Revenue funds, presents those funds as budgeted (consistent with GAAP) which receive an appropriation and can therefore be defined as an appropriated, annual, legally adopted budget. Included within this statement are the General Fund and the following Special Revenue funds: County Health, Juvenile Maintenance, and Social Welfare-Foster Care.

# County of Oakland

## Notes to General Purpose Financial Statements

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### 2. Legal Compliance – Budgets (continued)

Transfers within and between budgeted funds and departments may be made by the Fiscal Officer (Director of Management and Budget) in the following instances:

- (a) Transfers may be made from the non-departmental overtime reserve account and fringe benefit adjustment account to the appropriate departmental budget as specific overtime requests are reviewed and approved by the Fiscal Officer. Additionally, overtime appropriations may be transferred between divisions within a department at the request of the department head, if authorized by the Fiscal Officer or designee.
- (b) Transfers may be made from the non-departmental appropriation reserve accounts for maintenance department charges and miscellaneous capital outlay to the appropriate departmental budgets as specific requests for these items are reviewed and approved by the Fiscal Officer.
- (c) Transfers may be made from the non-departmental appropriation reserve accounts, emergency salaries, and summer help as specific requests for these items are reviewed and approved by the Director of the Personnel Department.

At year end the Board of Commissioners adopts a resolution which authorizes and closes amounts exceeding the original appropriation against the balances in other appropriations and closes the remaining balance to the General Fund's "Undesignated Fund Balance."

# County of Oakland

## Notes to General Purpose Financial Statements

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### 2. Legal Compliance - Budgets (continued)

During the year, the County incurred expenditures over certain appropriations which are presented at the legal level of control as follows:

	Appropriation	Expenditures	Excess expenditures
<b>General Fund</b>			
County Executive			
Administration			
Administrative			
Controllable personnel expenditures	\$ 1,863,486	\$ 1,868,487	\$ 5,001
Management and budget			
Administration			
Controllable personnel expenditures	279,898	282,296	2,398
Purchasing			
Noncontrollable operating expenditures	149,691	162,454	12,763
Fiscal Services			
Controllable operating expenditures	259,988	356,341	96,353
Central services			
Administration			
Controllable personnel expenditures	152,076	153,748	1,672
Noncontrollable operating expenditures	11,338	12,749	1,411
Support services			
Noncontrollable operating expenditures	973,293	1,023,116	49,823
Personnel			
Administration			
Controllable personnel expenditures	273,924	275,534	1,610
Controllable operating expenditures	9,920	10,211	291
Human resources			
Controllable personnel expenditures	1,986,587	2,015,357	28,770
Controllable operating expenditures	537,249	540,995	3,746
Human services			
Administration			
Controllable personnel expenditures	158,579	171,128	12,549
Medical examiner			
Controllable personnel expenditures	2,027,230	2,030,309	3,079
Controllable operating expenditures	601,539	610,256	8,717

**County of Oakland**  
**Notes to General Purpose Financial Statements**

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**2. Legal Compliance - Budgets (continued)**

	Appropriation	Expenditures	Excess expenditures
<b>General Fund (continued)</b>			
County Executive (continued)			
Public services			
Administration			
Controllable personnel expenditures	140,047	141,109	1,062
Noncontrollable operating expenditures	7,293	7,849	556
Veterans' services			
Controllable personnel expenditures	1,237,208	1,249,414	12,206
Community corrections			
Noncontrollable operating expenditures	405,628	534,222	128,594
MSU Extension - Oakland			
Controllable personnel expenditures	696,863	738,059	41,196
Noncontrollable operating expenditures	245,360	275,102	29,742
Animal Control			
Noncontrollable operating expenditures	512,835	522,272	9,437
Circuit Court Probation			
Noncontrollable operating expenditures	809,241	830,168	20,927
Community and Economic Development			
Development and planning			
Noncontrollable operating expenditures	674,420	675,363	943
Clerk/Register of Deeds			
Administration			
Controllable personnel expenditures	392,429	400,330	7,901
County Clerk			
Noncontrollable operating expenditures	803,245	815,322	12,077
Elections			
Noncontrollable operating expenditures	254,937	268,732	13,795
Register of Deeds			
Controllable personnel expenditures	1,843,137	1,945,747	102,610
Noncontrollable operating expenditures	824,791	902,117	77,326
Jury Commission			
Controllable operating expenditures	44,363	52,603	8,240

**County of Oakland**  
**Notes to General Purpose Financial Statements**

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**2. Legal Compliance - Budgets (continued)**

	Appropriation	Expenditures	Excess expenditures
<b>General Fund (continued)</b>			
Justice administration			
Circuit Court			
Judicial Administration			
Noncontrollable operating expenditures	4,839,800	4,868,905	29,105
District Court			
Division I			
Controllable operating expenditures	805,870	907,650	101,780
Noncontrollable operating expenditures	536,307	553,350	17,043
Division III			
Controllable personnel expenditures	2,415,358	2,474,341	58,983
Division IV			
Controllable operating expenditures	513,399	568,284	54,885
Probate Court			
Judicial administration			
Noncontrollable operating expenditures	438,938	441,226	2,288
Judicial support			
Controllable personnel expenditures	1,371,571	1,598,020	226,449
Court Services			
Controllable operating expenditures	-	431	431
Law enforcement			
Prosecuting Attorney			
Administration			
Noncontrollable operating expenditures	2,071,265	2,197,534	126,269
Sheriff			
Sheriff's office			
Controllable personnel expenditures	973,561	995,835	22,274
Administrative services			
Controllable personnel expenditures	919,344	994,311	74,967
Noncontrollable operating expenditures	511,862	763,894	252,032
Corrective services			
Controllable personnel expenditures	17,387,352	17,507,568	120,216
Noncontrollable operating expenditures	6,838,749	7,025,387	186,638
Corrective services - satellites			
Controllable operating expenditures	143,820	237,595	93,775
Noncontrollable operating expenditures	1,026,346	1,027,471	1,125
Protective services			
Controllable personnel expenditures	22,521,955	23,187,498	665,543
Technical services			
Noncontrollable operating expenditures	1,174,436	1,352,601	178,165

**County of Oakland**  
**Notes to General Purpose Financial Statements**

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**2. Legal Compliance - Budgets (continued)**

	<b>Appropriation</b>	<b>Expenditures</b>	<b>Excess expenditures</b>
<b>General Fund (continued)</b>			
Legislative			
Board of Commissioners			
Library board			
Controllable operating expenditures	930,021	930,783	762
Drain Commissioner			
Administration			
Controllable personnel expenditures	756,269	870,303	114,034
Controllable operating expenditures	150,935	161,992	11,057
<b>Special Revenue Funds</b>			
County Health Fund			
County Executive			
Management and budget			
Fiscal services			
Controllable operating expenditures	265	582	317
Noncontrollable operating expenditures	3,343	3,742	399
Information technology			
Emergency management services			
Noncontrollable operating expenditures	236,696	289,085	52,389
Juvenile Maintenance Fund			
County Executive			
Human services			
Juvenile maintenance			
Controllable operating expenditures	2,664,561	2,906,450	241,889
Social services			
Controllable operating expenditures	4,967,849	5,241,503	273,654
Justice administration			
Probate Court			
Juvenile maintenance			
Controllable personnel expenditures	938,693	1,146,412	207,719
Controllable operating expenditures	6,117,252	7,368,579	1,251,327
Noncontrollable operating expenditures	2,581	3,649	1,068

These excess expenditures were closed against other appropriation balances in accordance with the County's policy and approved by a Board of Commissioners resolution in fiscal year 2002.

## County of Oakland

### Notes to General Purpose Financial Statements

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#### 3. Deposits and Investments

At September 30, 2001, the book value of the County's deposits was \$397,025,271 with a corresponding bank balance of \$156,983,448. Qualifying deposits are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. Of the bank's balance, \$2,000,000 is insured, and the remaining \$154,983,448 is uninsured and uncollateralized and in the County's name.

The Drainage Districts component units cash and investments is maintained in pooled accounts of the County, therefore it is not possible to determine the corresponding bank balances nor the amount of insurance that would be allocated to the Drainage Districts deposits amounting to \$14,566,038.

At September 30, 2001, the book value of the Road Commission's deposits was \$41,952,999, with a corresponding bank balance of \$44,173,368. Of the bank's balance, \$904,247 is insured by the FDIC and the remaining \$43,269,121 is uninsured and uncollateralized and in the County's name.

The carrying amount of the Community Mental Health Authority component unit was \$4,376,683 as of September 30, 2001 with a corresponding bank balance of \$4,596,686. Of the bank's balance \$300,000 was covered by the FDIC and the remaining \$4,296,686 was neither insured nor collateralized.

#### Investments

Investments, except those of the Retirement Systems and Deferred Compensation Plan, are administered by the Treasurer under guidelines established by Act 20 of the Michigan Public Acts of 1943, as amended. Significant policies include:

All County investments of the County are held in the County's name and tax ID number.

- Investments are in U.S. Treasury obligations, banker's acceptances, certificates of deposit, and commercial paper top rated by not less than two of the four rating services: Standard and Poor's, Moody's Investors Services, Fitch Investors Services, and Duff and Phelps.
- Only federal and state-chartered banks and savings institutions which are members of the FDIC are utilized.
- State law requires the use of in-state banks.
- The County maintains a cash and investment pool that is available for use by all funds except fiduciary funds. Investments are also held separately for several funds, mainly money market mutual funds/investment pools invested with bank trust departments. Share values are \$1, with interest rates floating daily. These are not considered external investment pools.
- Pension investments are made in accordance with P.A. 55 of 1982 and are limited to no more than 60% common stock. No investments, loans, or leases are with parties related to the pension plan.

# County of Oakland

## Notes to General Purpose Financial Statements

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### 3. Deposits and Investments (continued)

- Investment income, except where prohibited by law, such as Drain funds, or specific Board action, such as Internal Service funds and the Airport Facilities fund, an Enterprise fund, is credited to the General Fund and used to fund overall operations.

Under the provisions of State statutes, the Oakland County Employees' Retirement Plan lends securities, including U.S. Government securities, corporate bonds, and common stock, to broker-dealers for collateral that will be returned for the same securities in the future. The County's custodial bank (agent) manages the securities lending program and receives cash and securities, including banker's acceptances, commercial paper, mutual funds, and repurchase agreements, as collateral. The custodial bank does not have the ability to pledge or sell collateral securities unless the borrower defaults. Borrowers are required to deliver collateral for each loan equal to not less than 100% of the market value of the loaned securities.

The County did not impose any restrictions during the year ended September 30, 2001 on the amount of the loans that the agent made on its behalf. There were no failures by any borrowers to return loaned securities or pay distribution thereon. Furthermore, there were no losses during the period resulting from a default of the borrowers or the custodial banks.

The County and the borrower maintain the right to terminate all securities lending transactions on demand. Because the loans can be terminated at will, their duration does not generally match the duration of the investments. On September 30, 2001, the County had no credit risk exposure to borrowers. The collateral held and the market value of securities on loan for the County as of September 30, 2001 were \$39,343,200 and \$38,800,602, respectively.

Investments of the County and Road Commission's PERS are administered by their respective boards. Investments are held in street name by safekeeping agents under formal trust agreements or in the Retirement Systems' names. Included in the Primary Government's Pension Trust fund investments in corporate and public utility bonds are Collateralized Mortgage Obligations (CMOs) with a value of \$18,220,176 at September 30, 2001. Such investments include FNMA- and FHLB-issued certificates. The portfolio of CMOs matures at various dates through the year 2030 and is backed by investments in various assets, including mortgages. The market value of such investments is affected by, among other factors, changes in interest rates, including the effect of prepayments, marketability, and default rates on assets underlying the securities.

In accordance with GASB Statement No. 3, investments are also classified into three categories of credit risk, as follows:

- Category 1: Insured or registered, or securities held by the County or its agent in the County's name.
- Category 2: Uninsured and unregistered, with securities held by the counter-party's trust department or agent in the County's name.
- Category 3: Uninsured and unregistered, with securities held by the counter-party or by its trust department or agent, but not in the County's name.



**County of Oakland**  
**Notes to General Purpose Financial Statements**

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**3. Deposits and Investments (continued)**

The following is a summary of cash and cash equivalents and investments by risk category:

	Category			Carrying amount (fair value)
	1	2	3	
<b>Primary Government</b>				
Investments				
U. S. government securities	\$ 118,974,857	\$ -	\$ -	\$ 118,974,857
Municipal bonds	1,034,150	-	-	1,034,150
Common stock	459,239,158	-	-	459,239,158
Corporate and public bonds	246,851,390	-	-	246,851,390
Commercial paper	<u>98,995,883</u>	<u>-</u>	<u>-</u>	<u>98,995,883</u>
	<u>\$ 925,095,438</u>	<u>\$ -</u>	<u>\$ -</u>	925,095,438
Cash on hand				202,895
Deposits				397,025,271
Money market mutual funds/pools				97,462,932
Real estate				<u>11,067,609</u>
Total				<u>\$ 1,430,854,145</u>
<b>Component Units</b>				
<b>Road Commission</b>				
Investments				
U. S. government securities	\$ 30,309,262	\$ -	\$ -	\$ 30,309,262
Common stock	89,374,705	-	-	89,374,705
Corporate bonds	32,378,185	-	-	32,378,185
Corporate bonds	<u>937,905</u>	<u>-</u>	<u>-</u>	<u>937,905</u>
	<u>\$ 153,000,057</u>	<u>\$ -</u>	<u>\$ -</u>	153,000,057
Deposits				41,952,999
Cash on hand				133,704
Money market mutual funds/pools				<u>19,173,900</u>
Total				<u>\$ 214,260,660</u>
<b>Community Mental Health Authority</b>				
Deposits				<u>\$ 4,376,683</u>
<b>Drainage Districts</b>				
Investments:				
Commercial paper	<u>\$ 4,997,035</u>	<u>\$ -</u>	<u>\$ -</u>	\$ 4,997,035
Deposits				14,566,038
Money market mutual funds/pools				<u>3,039,762</u>
Total				<u>\$ 22,602,835</u>

**County of Oakland**  
**Notes to General Purpose Financial Statements**

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**4. Receivables**

**Property taxes**

Taxes are levied on December 1 on the taxable value of real and personal property as established the preceding December 31. Taxes become a lien on the property December 1 and are due and payable on that date through February 28 of the following year. Taxes become delinquent and are subject to penalty on March 1. Taxable value is determined by using such factors as State equalized, assessed, and capped values, along with a value change multiplier. Equalized values for the 2000 levy totaled \$52,437,365,380, with taxable values of \$44,370,760,909. The operating tax rate for the 2000 levy, collected in 2001, was 4.1900 mills, with an additional 0.2376 mills voted for Parks and Recreation.

**Delinquent taxes**

The Treasurer purchases, at face amount, real property tax receivables that are delinquent on March 1. These receivables (\$49,346,417) at September 30, 2001 are pledged for the repayment of notes, the proceeds of which were used to liquidate the amounts of delinquent real property taxes due to the County and other governmental agencies. Subsequent collections of delinquent taxes, which include interest, penalties, fees, and investment earnings, amounting to \$22,310,910 in 2001, are used to service the notes payable.

**5. Allowances for Uncollectible Receivables**

At September 30, 2001, the allowances for uncollectible receivables were as follows:

<b>General fund</b>	\$ 362,842
<b>Enterprise funds</b>	
Medical Care Facility	71,271
Airport Facilities	62,478
Radio Communications	53,493
Water and Sewer Trust	<u>1,262</u>
<b>Total</b>	<u>\$ 551,346</u>

**6. Investment Income – Pension Trust Funds**

The following is a breakdown of the Investment Income (loss) for the year ended September 30, 2001:

	<b>Employees Retirement</b>	<b>VEBA Trust</b>
Interest and dividends	\$ 26,125,080	\$ 5,856,421
Unrealized/ Realized loss on sale of investments (net)	<u>(138,523,566)</u>	<u>(19,322,491)</u>
<b>Total</b>	<u>\$ (112,398,486)</u>	<u>\$ (13,466,070)</u>

# County of Oakland

## Notes to General Purpose Financial Statements

### 7. Fixed Assets

An analysis of property and equipment, and related accumulated depreciation where applicable, at September 30, 2001, excluding the Road Commission, follows:

	General fixed asset account group	Enterprise funds	Internal service funds	Total Primary Government	Component unit Community Mental Health	Total
Land and land improvements	\$ 26,745,487	\$ 41,591,442	\$ 728,657	\$ 69,065,586	\$ -	\$ 69,065,586
Buildings and improvements	159,265,715	22,380,718	3,892,576	185,539,009		185,539,009
Furniture, equipment and vehicles	8,722,905	30,066,315	84,784,450	123,573,670	1,155,490	124,729,160
Sewage disposal systems	-	141,760,382	-	141,760,382		141,760,382
Construction in progress	<u>13,506,812</u>	<u>7,833,745</u>	<u>-</u>	<u>21,340,557</u>		<u>21,340,557</u>
	208,240,919	243,632,602	89,405,683	541,279,204	1,155,490	542,434,694
Less - accumulated depreciation	<u>-</u>	<u>120,866,355</u>	<u>49,769,751</u>	<u>170,636,106</u>	<u>610,971</u>	<u>171,247,077</u>
Total fixed assets, net	<u>\$ 208,240,919</u>	<u>\$ 122,766,247</u>	<u>\$ 39,635,932</u>	<u>\$ 370,643,098</u>	<u>\$ 544,519</u>	<u>\$ 371,187,617</u>

A summary of changes in general fixed assets follows:

	Balance October 1, 2000	Additions	Disposals	Balance September 30, 2001
Land and land improvements	\$ 23,692,350	\$ 3,109,265	\$ 56,128	\$ 26,745,487
Buildings and improvements	159,941,373	2,109,369	2,785,027	159,265,715
Furniture and equipment	8,233,074	619,570	129,739	8,722,905
Construction in progress	<u>5,704,624</u>	<u>8,673,947</u>	<u>871,759</u>	<u>13,506,812</u>
	<u>\$ 197,571,421</u>	<u>\$ 14,512,151</u>	<u>\$ 3,842,653</u>	<u>\$ 208,240,919</u>

A summary of changes in general fixed assets of the Road Commission follows:

	Balance October 1, 2000	Additions	Disposals	Balance September 30, 2001	Less - accumulated depreciation	Net balance September 30, 2001
Land and land improvements	\$ 2,705,829	\$ 46,744	\$ -	\$ 2,752,573	\$ 501,035	\$ 2,251,538
Building and improvements	11,021,652	420,751		11,442,403	6,524,124	4,918,279
Furniture and equipment	<u>39,226,473</u>	<u>4,270,357</u>	<u>907,361</u>	<u>42,589,469</u>	<u>31,288,857</u>	<u>11,300,612</u>
	<u>\$ 52,953,954</u>	<u>\$ 4,737,852</u>	<u>\$ 907,361</u>	<u>\$ 56,784,445</u>	<u>\$ 38,314,016</u>	<u>\$ 18,470,429</u>

# County of Oakland

## Notes to General Purpose Financial Statements

### 8. Long-Term Debt

The County issues bonds authorized by various State acts. Each act provides specific covenants for specific purposes.

#### Primary Government

	Interest rate	October 1, 2000	Additions	Reductions	September 30, 2001	General long-term debt account group	Enterprise fund	General obligation	With governmental commitment
<b>Bonds with unlimited taxing authority</b>									
Sewage disposal refunding - Act 202	3.50%-5.75%	\$ 2,750,000	\$ -	\$ (900,000)	\$ 1,850,000	\$ 1,850,000	\$ -	\$ -	\$ 1,850,000
Water and sewer - Act 185	3.50%-7.70%	13,035,000	-	(3,560,000)	9,475,000	9,475,000	-	-	9,475,000
Sewage disposal - Act 342	4.00%-6.50%	<u>17,400,000</u>	<u>-</u>	<u>(5,925,000)</u>	<u>11,475,000</u>	<u>11,475,000</u>	<u>-</u>	<u>-</u>	<u>11,475,000</u>
		<u>33,185,000</u>	<u>-</u>	<u>(10,385,000)</u>	<u>22,800,000</u>	<u>22,800,000</u>	<u>-</u>	<u>-</u>	<u>22,800,000</u>
<b>Bonds with limited taxing authority</b>									
Building authority - Act 31	3.75%-5.60%	8,450,000	-	(1,200,000)	7,250,000	7,250,000	-	7,250,000	-
Building authority refunding - Act 202	4.37%-4.75%	14,475,000	-	(1,510,000)	12,965,000	12,965,000	-	12,965,000	-
Sewage disposal - Act 342	3.50%-8.50%	17,615,000	-	(4,060,000)	13,555,000	13,555,000	-	-	13,555,000
Water supply bonds - Act 342	4.40%-7.00%	17,580,000	-	(1,310,000)	16,270,000	16,270,000	-	-	16,270,000
Water supply refunding - Act 202	4.40%-4.70%	785,000	-	(215,000)	570,000	570,000	-	-	570,000
Sewage disposal refunding - Act 202	3.00%-5.20%	34,965,000	2,395,000	(2,625,000)	34,735,000	34,735,000	-	-	34,735,000
Michigan Bond Authority - Authority Sewage Disposal Bonds	2.25%	<u>8,595,000</u>	<u>-</u>	<u>(395,000)</u>	<u>8,200,000</u>	<u>8,200,000</u>	<u>-</u>	<u>-</u>	<u>8,200,000</u>
		<u>102,465,000</u>	<u>2,395,000</u>	<u>(11,315,000)</u>	<u>93,545,000</u>	<u>93,545,000</u>	<u>-</u>	<u>20,215,000</u>	<u>73,330,000</u>
<b>Total bonds</b>		<b>\$ 135,650,000</b>	<b>\$ 2,395,000</b>	<b>\$ (21,700,000)</b>	<b>\$ 116,345,000</b>	<b>\$ 116,345,000</b>	<b>\$ -</b>	<b>\$ 20,215,000</b>	<b>\$ 96,130,000</b>
<b>Tax notes - unlimited taxing authority</b>	Variable	<b>\$ 20,000,000</b>	<b>\$ 25,000,000</b>	<b>\$ (33,000,000)</b>	<b>\$ 12,000,000</b>	<b>\$ -</b>	<b>\$ 12,000,000</b>	<b>\$ 12,000,000</b>	<b>\$ -</b>

#### Component units

	Interest rate	October 1, 2000	Additions	Reductions	September 30, 2001	Component unit long-term debt	Enterprise fund	General obligation	With governmental commitment
<b>Drainage Districts</b>									
Drain bonds - Act 40 unlimited taxing authority	3.5%-6.75%	\$ 2,675,000	\$ -	\$ (1,750,000)	\$ 925,000	\$ 925,000	\$ -	\$ 51,251	\$ 873,749
Drain bonds - Act 40 limited taxing authority	3.60%-8.00%	64,530,000	6,570,000	(28,205,000)	42,895,000	42,895,000	-	3,660,510	39,234,490
Drain refunding - Act 202	3.75%-6.70%	13,985,000	25,690,000	(2,135,000)	37,540,000	37,540,000	-	2,452,747	35,087,253
Michigan Bond Authority Drain bonds	2.00%-2.25%	<u>7,595,000</u>	<u>15,356,943</u>	<u>(580,000)</u>	<u>22,371,943</u>	<u>22,371,943</u>	<u>-</u>	<u>711,886</u>	<u>21,660,057</u>
		<u>\$ 88,785,000</u>	<u>\$ 47,616,943</u>	<u>\$ (32,670,000)</u>	<u>\$ 103,731,943</u>	<u>\$ 103,731,943</u>	<u>\$ -</u>	<u>\$ 6,876,394</u>	<u>\$ 96,855,549</u>

\*Delinquent tax notes interest is a variable floating rate set once a week and paid down monthly.

**County of Oakland**  
**Notes to General Purpose Financial Statements**

**8. Long-Term Debt (continued)**

Road Commission	Interest rate	October 1, 2000	Additions	Reductions	September 30, 2001	Component unit long-term debt	Enterprise fund	General obligation	With governmental commitment
Compensated absences	--	\$ 2,229,100	\$ 14,500	\$ -	\$ 2,243,600	\$ 2,243,600	\$ -	\$ -	\$ 2,243,600
Self-insured losses	--	1,629,000	800,000	-	2,429,000	2,429,000	-	-	2,429,000
Michigan Transportation Fund revenue notes	4.05%-4.75%	8,775,000	10,000,000	(975,000)	17,800,000	17,800,000	-	-	17,800,000
		<u>12,633,100</u>	<u>10,814,500</u>	<u>(975,000)</u>	<u>22,472,600</u>	<u>22,472,600</u>	<u>-</u>	<u>-</u>	<u>22,472,600</u>
Total reporting entity		<u>\$ 257,068,100</u>	<u>\$ 85,826,443</u>	<u>\$ (88,345,000)</u>	<u>\$ 254,549,543</u>	<u>\$ 242,549,543</u>	<u>\$ 12,000,000</u>	<u>\$ 39,091,394</u>	<u>\$ 215,458,149</u>

The annual requirements to pay principal and interest on County obligations outstanding at September 30, 2000 were:

	Bonds with unlimited taxing authority	Bonds with limited taxing authority	Notes with limited taxing authority	Total primary government	Road Commission	Drainage Districts	Total reporting entity
2002	\$ 11,900,035	\$ 13,658,646	\$ 12,062,500	\$ 37,621,181	\$ 2,655,075	\$ 10,984,203	\$ 51,260,459
2003	8,925,024	13,941,314	-	22,866,338	2,611,212	10,770,165	36,247,715
2004	2,497,537	11,969,007	-	14,466,544	2,535,750	10,811,388	27,813,682
2005	1,560,750	11,290,331	-	12,851,081	2,459,312	10,279,537	25,589,930
2006	-	11,818,594	-	11,818,594	2,381,900	9,741,372	23,941,866
2007-2011	-	42,765,224	-	42,765,224	8,783,975	48,752,139	100,301,338
2012-2016	-	10,410,424	-	10,410,424	-	32,279,883	42,690,307
Thereafter	-	1,844,791	-	1,844,791	4,672,600	8,153,137	14,670,528
	<u>24,883,346</u>	<u>117,698,331</u>	<u>12,062,500</u>	<u>154,644,177</u>	<u>26,099,824</u>	<u>141,771,824</u>	<u>322,515,825</u>
Less - interest	<u>2,083,346</u>	<u>24,153,331</u>	<u>62,500</u>	<u>26,299,177</u>	<u>3,627,224</u>	<u>38,039,881</u>	<u>67,966,282</u>
	<u>\$ 22,800,000</u>	<u>\$ 93,545,000</u>	<u>\$ 12,000,000</u>	<u>\$ 128,345,000</u>	<u>\$ 22,472,600</u>	<u>\$ 103,731,943</u>	<u>\$ 254,549,543</u>

# County of Oakland

## Notes to General Purpose Financial Statements

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### 8. Long-Term Debt (continued)

The County has pledged its full faith and credit on debt totaling \$254,549,543. The General Fund is obligated if payments received on assessments levied against benefiting municipalities are insufficient to meet principal and interest requirements of this debt when due.

By statute, general obligation debt is limited to 10% of the equalized value. As of September 30, 2001, the debt limit was \$5,746,971,160, general obligation debt was \$39,091,394.

The aforementioned bonds are to be repaid as summarized in the following paragraphs.

#### **Building Authority - Act 31**

Act 31 provides for an authority to issue bonds to build and equip various public buildings, which are then leased to the County. Proceeds from these leases are used to repay the bonds. The collection of lease payments and retirement of debt is reflected in the respective Debt Service fund. At September 30, 2001, there were 3 issues outstanding, totaling \$7,250,000, maturing in the years 2002-2010, which represents debt originally issued in the years 1990-1999 totaling \$32,350,000.

#### **Sewage Disposal, Water and Sewer, and Water Supply Bonds - Acts 185 and 342**

Acts 185 and 342 provide for a contract between the County and local municipalities which defines a schedule of annual payments to be made by the municipality to meet principal and interest obligations. Such contractual payments may be funded by revenues produced by utility or tax revenues. The County is obligated upon the default of the local municipality, and therefore, such obligation is shown as "with governmental commitment." Assessments are shown in their entirety with the corresponding deferred revenue in the Debt Service funds for each act. At September 30, 2001, there were 42 issues outstanding, totaling \$50,775,000, maturing in the years 2002-2018. This represents debt originally issued in the amount of \$216,335,000 issued in the years 1968-1999.

#### **Refunding Bonds - Act 202**

Act 202 provides for the refunding of bonds based on covenants contained in the act. The bonds will be repaid from assessments levied against the benefiting municipalities for water and sewer debt, or leases for Building Authority debt. At September 30, 2001, there were 12 issues outstanding, totaling \$50,120,000, maturing in the years 2002-2010. This represents debt originally issued in the years 1977-2001 totaling \$86,195,000.

#### **Michigan Bond Authority Sewage Disposal Bonds**

In October 1996, the County authorized the issuance of bonds from the Michigan Municipal Bond Authority Revolving Loan fund for up to \$9,350,000 for the White Lake Township Sewage Disposal System project. The amount of \$9,350,000 was received from the State Revolving Loan fund as of the end of fiscal year 1999. The amount outstanding for this issue at September 30, 2001 is \$8,200,000, which matures in the years 2002-2018.

#### **Tax Notes - Section 87B of Act 206**

By agreement with various tax authorities, the County purchases (at face value) real property taxes receivable which are returned delinquent each March 1. The assets of the Delinquent Tax Revolving fund (an Enterprise fund) including receivables, amounting to \$212,287,902 at September 30, 2001, are pledged as collateral for payment of the tax notes. The proceeds of these notes were used to liquidate the amounts due the County's General Fund and other governmental agencies for purchase of their delinquent real property tax receivables and to provide an amount for note repayment. Subsequent collections on delinquent taxes receivable, plus interest penalties and collection fees thereon, and investment earnings are used to service the debt.

## County of Oakland

### Notes to General Purpose Financial Statements

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#### 8. Long-Term Debt (continued)

##### **Drain Bonds - Act 40 (Component Unit)**

Act 40 provides for the creation of a Drain Board, which has the power to assess State, County, and local levels of government for principal and interest payments. Such assessments are to be funded from General Fund revenues of the respective municipality. The County portion of the assessment is identified as a general obligation. Further, the County is obligated if assessments levied against benefiting municipalities are insufficient to meet principal and interest requirements when due. Such obligations are shown as "with governmental commitment." At September 30, 2001, there were 29 issues outstanding, totaling \$43,820,000, maturing in the years 2002-2022. This represents original debt issued for \$95,180,000 in the years 1971-2001.

##### **Drain Refunding Bonds - Act 202 (Component Unit)**

Act 202 provides for the refunding of bonds based on covenants contained in the act. The County initiates the refunding of various drain bonds issued under Act 40 on behalf of the drainage districts component unit. Bonds will be repaid from assessments levied against the benefiting municipalities. At September 30, 2001, there were 10 issues outstanding, totaling \$37,540,000, maturing in the years 2002-2016. This represents debt originally issued in the years 1991-2001 in the amount of \$48,975,000.

##### **Michigan Bond Authority Drain Bonds (Component Unit)**

In March 1995, the County authorized the issuance of bonds to the Michigan Municipal Bond Authority Revolving Loan fund for up to \$9,365,000 for the Combined Sewer Overflow Project. In 1999 this amount was amended to \$9,339,609 as a result of project construction expenditures being less than anticipated. The County received the full amount of \$9,339,609 from the State Revolving Loan fund. In October, 2000, the County additionally authorized the issuance of bonds for up to \$17,880,000 for the George W. Kuhn Drainage District. Through September 30, 2001, the drainage district received \$15,356,943 from the State Revolving Loan Fund. At September 30, 2001, there were 5 issues outstanding, totaling \$22,371,943, maturing in the years 2002-2020. Subsequent to September 30, 2001, the George W. Kuhn Drainage District has received \$390,326 from the State Revolving Loan Fund.

##### **Advance Refunding of General Obligation Limited Tax Bonds**

In 1997, the County advance-refunded a portion of a general obligation limited tax bond issue with funds available in the Debt Service fund, placed in trust for the purpose of generating resources for the repayment of the refunded debt. Accordingly, the trust account assets and liability for the refunded bonds are not included in the County's financial statements. At September 30, 2001, there is an in-substance defeasance of \$1,155,000 of Building Authority issues outstanding, maturing in the year 2011.

In 1998, the County advance-refunded a portion of the aforementioned general obligation limited tax bond issue with a general obligation limited tax refunding bond issue, pursuant to authorization contained in Act 202, Public Acts of Michigan of 1943. The County issued \$10,115,000 of refunding bonds to provide resources to purchase U.S. Treasury and State and Local Government Series securities that were placed in an escrow fund for the purpose of generating resources for all future debt service payments on the refunded debt. As a result, at September 30, 2001, there is an in-substance defeasance of \$9,245,000 of Building Authority bond issues outstanding, maturing in the years 2003 through 2011 inclusively.

## County of Oakland

### Notes to General Purpose Financial Statements

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#### 8. Long-Term Debt (continued)

In September, 1999, the County advance-refunded a portion of a general obligation limited tax bond issue with general obligation limited tax refunding drain bond issues, pursuant to authorization contained in Act 202, Public Acts of Michigan of 1943. The County issued \$3,535,000 of refunding bonds to provide resources placed in trust for the purpose of generating resources for the payment of future debt service payments of the refunded debt. Accordingly, the trust account assets and liability for the refunded bonds are not included in the County's financial statements. At September 30, 2001, there is an in-substance defeasance of \$3,225,000 for the Birmingham CSO Drainage District Series 1994B drain bonds maturing in the years 2004 through 2016, inclusively.

In September, 1999, the County advance-refunded a portion of two general obligation limited tax bond issues with general obligation limited tax refunding sewage disposal bond issues. The County issued \$9,770,000 of refunding bonds to provide resources placed in trust for the purpose of generating resources for the payment of future debt service payments of the refunded debt. Accordingly, the trust account assets and liability for the refunded bonds are not included in the County's financial statements. At September 30, 2001, there is an in-substance defeasance of years \$3,510,000 for the City of Orchard Lake Village System, Series 1994 sewage disposal bonds, maturing in the years 2004 through 2014, inclusively; and \$3,945,000 for the City of Orchard Lake Village System, Series 1994-B sewage disposal bonds, maturing in the years 2004 through 2014 inclusively.

In August, 2001, the County advance-refunded a portion of a general obligation limited tax bond issue with a general obligation limited tax refunding sewage disposal bond issue, pursuant to authorization contained in Act 202, Public Acts of Michigan of 1943. The County issued \$2,395,000 of refunding bonds to provide resources placed in trust for the purpose of generating resources for the payment of future debt service payments of the refunded debt. Accordingly, the trust account assets and liability for the refunded bonds are not included in the County's financial statements. At September 30, 2001, there is an in-substance defeasance of \$2,350,000 for the Evergreen-Farmington Sewage Disposal System (Permanent Meter & Interceptor Rehabilitation) bonds, maturing in the years 2002-2009, inclusively. The advance refunding was undertaken to reduce the debt service payments over the next 8 years by \$195,915, and to obtain an economic gain (difference between the present value of the debt service requirements of the refunded and refunding bonds) of \$159,459.

In August, 2001, the County advance-refunded a portion of four general obligation limited tax bond issues with general obligation limited tax refunding drain bond issues on behalf of the Drainage Districts component unit, pursuant to authorization contained in Act 202, Public Acts of Michigan of 1943. The County issued \$6,710,000, \$8,775,000, \$2,375,000, and \$7,830,000 respectively of refunding bonds to provide resources placed in trust for the purpose of generating resources for the payment of future debt service payments of the refunded debt. Accordingly, the trust account assets and liability for the refunded bonds are not included in the Drainage Districts component unit, nor the County's financial statements. At September 30, 2001, there is an in-substance defeasance of \$7,600,000 for the Minnow Pond Drainage District maturing in the years 2002 through 2013 inclusively; \$8,175,000 for the Birmingham CSO Drainage District Series 1995C drain bonds maturing in the years 2004 through 2016 inclusively; \$2,150,000 for the Bloomfield Village CSO Drainage District Series 1994B drain bonds maturing in the years 2004 through 2016 inclusively, and \$7,300,000 for the Bloomfield Village CSO Drainage District Series 1994D drain bonds maturing in the years 2004 through 2016 inclusively. The advance refundings were undertaken to reduce the debt service payments over the next fifteen years by \$2,028,589 in aggregate and to obtain an economic (present value) gain of \$920,019.



**County of Oakland**  
**Notes to General Purpose Financial Statements**

**9. Interfund Balances**

Interfund receivables and payables at September 30, 2001 were:

Fund	Interfund receivables	Fund	Interfund payables
<b>General</b>	<b>\$ 22,073,962</b>	<b>General</b>	<b>\$ 11,740,035</b>
<b>Special revenue</b>		<b>Special revenue</b>	
County Health	\$ 35,211	County Health	\$ 1,932,849
Juvenile Maintenance	1,397,518	Juvenile Maintenance	2,232,520
Friend of the Court	419,066	Social Welfare Foster Care	8,635
Parks and Recreation	17,716	Friend of the Court	2,904,841
Restricted Funds	1,843,462	Parks and Recreation	425
Environmental Infrastructure	8,397,215	County Library	286,960
Drains-Act 40 Maintenance		State Court Disbursement	1,831,268
Chapter 4 & 18	27,399	Restricted Funds	32,880
Pollution Control Grants	10,097	Social Welfare	33,460
Multi-Organizational Grants	97,533	Environmental Infrastructure	67,656
Law Enforcement Grants	258,693	Drains - Act 40 Maintenance	
Human Service Grants	35,778	Chapter 4 and 18	330,544
Other Grants	33,751	Lake Levels Act 146	94,649
COPS More Grant	39,887	Lake Improvements Act 345	507,803
		Pollution Control Grants	29,814
		Multi-Organizational Grants	741,681
		Workforce Development Grants	65,284
		Judicial Grants	75,940
		Law Enforcement Grants	1,305,163
		Human Service Grants	80,890
		Other Grants	2,381,701
		Human Service Coordinating Council	44,215
<b>Total special revenue</b>	<b><u>12,613,326</u></b>	<b>Total special revenue</b>	<b><u>14,989,178</u></b>
<b>Debt service</b>		<b>Debt service</b>	
Building Authority Lyon Oaks Park	5	Water and Sewer Refunding Act 202	1,634
Building Authority Refunding Series 1992	5		
Building Authority Computer Center	5		
Building Authority West Wing Ext	5		
Building Authority Refunding Series 1998	5		
Water and Sewer Act 342	<u>1,634</u>		
<b>Total debt service</b>	<b><u>1,659</u></b>	<b>Total debt service</b>	<b><u>1,634</u></b>
<b>Capital projects</b>		<b>Capital projects</b>	
Project Work Orders	285	Work Release & Admin Facility	1,682
Water and Sewer Act 342	6,728,272	Water and Sewer Act 342	6,806,523
Drain Commissioner Revolving	<u>1,026,141</u>	Lake Levels Act 146	23,737
		Lake Improvements Act 345	<u>83</u>
<b>Total capital projects</b>	<b><u>7,754,698</u></b>	<b>Total capital projects</b>	<b><u>6,832,025</u></b>

**County of Oakland**  
**Notes to General Purpose Financial Statements**

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**9. Interfund Balances (continued)**

<b>Fund</b>	<b>Interfund receivables</b>	<b>Fund</b>	<b>Interfund payables</b>
<b>Internal services</b>		<b>Internal services</b>	
Fringe Benefits	2,107,186	Fringe Benefits	15,083
Information Technology	610,601	Materials Management	408,034
Drain Equipment	183,334	Information Technology	95,316
Facilities Maintenance and Operations	294,370	Drain Equipment	23,963
Motor Pool	500	Building Liability Insurance	500
Telephone Communications	20,905	Facilities Maintenance and Operations	2,524
Mailing, Copier & Printing	45,900	Motor Pool	17,818
Sheriff Aviation	14,539	Telephone Communications	59,853
	<hr/>	Mailing, Copier & Printing	<hr/> 422
<b>Total internal service</b>	<b><u>3,277,335</u></b>	<b>Total internal service</b>	<b><u>623,513</u></b>
<b>Enterprise</b>		<b>Enterprise</b>	
Medical Care Facility	90,265	Medical Care Facility	836,443
Clinton-Oakland S.D.S.	53,971	Fire Records Management	52,491
Evergreen-Farmington S.D.S.	2,633,647	Clinton-Oakland S.D.S.	316,590
S.O.C.S.D.S.	44,829	Huron-Rouge S.D.S.	13,633
County Market	5,541	Evergreen-Farmington S.D.S.	110,122
CLEMIS	36,082	S.O.C.S.D.S.	56,119
Radio Communication	62,840	County Market	2,943
Water and Sewer Trust	273,414	Delinquent Tax Revolving	8,397,215
	<hr/>	CLEMIS	26,782
<b>Total enterprise</b>	<b><u>3,200,589</u></b>	Radio Communications	75
		Jail Inmate Commissary	60,744
		Water and Sewer Trust	<hr/> 2,848,879
		<b>Total enterprise</b>	<b><u>12,722,036</u></b>
<b>Fiduciary</b>		<b>Fiduciary</b>	
VEBA Trust	3,724	VEBA Trust	2,016,746
Public Library Trust	18,636	Probate Court Trust	12,194
	<hr/>	Undistributed Taxes	<hr/> 6,568
<b>Total fiduciary</b>	<b><u>22,360</u></b>	<b>Total fiduciary</b>	<b><u>2,035,508</u></b>
<b>Total due from other funds</b>	<b><u>\$ 48,943,929</u></b>	<b>Total due from other funds</b>	<b><u>\$ 48,943,929</u></b>

**County of Oakland**  
**Notes to General Purpose Financial Statements**

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**9. Interfund Balances (continued)**

Advances to/from other funds (including current and long-term portions) at September 30, 2001 were:

Fund	Advances receivable	Fund	Advances payable
<b>General</b>	<u>\$ 73,955</u>	<b>General</b>	<u>\$ -</u>
<b>Special revenue</b>		<b>Special revenue</b>	
		Housing and Community Development	30,000
		Lake Levels Act 146	<u>51,192</u>
<b>Total special revenue</b>	<u>-</u>	<b>Total special revenue</b>	<u>81,192</u>
<b>Capital Projects</b>		<b>Capital projects</b>	
Long-term Revolving	110,747	Lake Levels Act 146	95,124
		Lake Improvements Act 345	<u>8,386</u>
<b>Total capital projects</b>	<u>110,747</u>	<b>Total capital projects</b>	<u>103,510</u>
<b>Internal Service</b>		<b>Internal Service</b>	
		Sheriff Aviation	<u>1,900,000</u>
<b>Total internal service</b>	<u>-</u>	<b>Total internal service</b>	<u>1,900,000</u>
<b>Enterprise</b>		<b>Enterprise</b>	
Delinquent Tax Revolving	<u>1,900,000</u>		
<b>Total enterprise</b>	<u>1,900,000</u>	<b>Total enterprise</b>	<u>-</u>
<b>Total advances receivable</b>	<u>\$ 2,084,702</u>	<b>Total advances payable</b>	<u>\$ 2,084,702</u>



**County of Oakland**  
**Notes to General Purpose Financial Statements**

**9. Interfund Balances (continued)**

Fund	Operating transfers in	Fund	Operating transfers out
<b>Internal service</b>		<b>Internal service</b>	
Fringe Benefit	\$ 745,000	Facilities Maintenance and Operations	\$ 2,410,000
Information Technology	8,271,758	Telephone Communications	535,000
Drain Equipment	1,070,629		
Office Equipment	158,165		
Facilities Maintenance and Operations	54,000		
Motor Pool	533,863		
Telephone Communications	20,905		
Mailing, Copier, and Printing	<u>45,900</u>		
<b>Total internal service</b>	<u>10,900,220</u>	<b>Total internal service</b>	<u>2,945,000</u>
<b>Enterprise</b>		<b>Enterprise</b>	
Medical Care Facility	90,050	Delinquent Tax Revolving	14,016,119
Fire Records Management	76,000	CLEMIS	18,500
Airport Facilities	333,400	Jail Inmate Commissary	<u>72,021</u>
County Market	5,541		
CLEMIS	1,445,156		
Radio Communications	<u>137,120</u>		
<b>Total enterprise</b>	<u>2,087,267</u>	<b>Total enterprise</b>	<u>14,106,640</u>
<b>Fiduciary</b>		<b>Fiduciary</b>	
		Probate Court Trust	<u>12,194</u>
<b>Total fiduciary</b>	<u>-</u>	<b>Total fiduciary</b>	<u>12,194</u>
<b>Total operating transfers in</b>	<u>\$ 102,059,735</u>	<b>Total operating transfers out</b>	<u>\$ 102,059,735</u>

Interfund transfers between the funds of the Primary Government and the Component Unit recorded in the accompanying financial statements as operating transfers out to component unit and operating transfers in from primary government for the year ended September 30, 2001 were:

Fund	Operating transfers in	Fund	Operating transfers out
<b>Primary government</b>	<u>\$ -</u>	<b>Primary government</b>	
		General	<u>\$ 10,870,616</u>
<b>Component units</b>		<b>Component units</b>	
Road Commission	\$ 1,250,000		\$ -
Community Mental Health Authority	<u>9,620,616</u>		
<b>Total component units</b>	<u>\$ 10,870,616</u>	<b>Total component units</b>	<u>\$ -</u>

**County of Oakland**  
**Notes to General Purpose Financial Statements**

**10. Segment Information - Enterprise Funds**

Segment information for the Enterprise funds follows:

	Medical Care Facility	Fire Records Management	Airport Facilities	Sewage disposal systems	County Market	Delinquent Tax Revolving	CLEMIS	Radio Communications	Water and Sewer Trust	Jail Inmate Commissary	Total
Operating revenue	\$9,733,611	\$ 16,275	\$ 3,856,724	\$ 64,502,450	\$ 113,414	\$ 13,700,152	\$ 819,635	\$ 8,799,132	\$ 27,354,950	\$ 1,160,671	\$ 130,057,014
Depreciation	98,266	18,111	1,124,076	3,065,234	-	-	2,194,406	871,226	-	-	7,371,319
Operating (loss)	714,326	(389,011)	(377,611)	(3,428,799)	(11,198)	12,905,531	(4,042,209)	5,282,140	205,065	7,824	10,866,058
Net income (loss)	804,376	(298,062)	433,961	(627,478)	(5,657)	6,783,141	(366,924)	5,674,298	1,111,859	(47,008)	13,462,506
Residual equity transfers in	-	-	-	-	8,255	183,176,461	5,099,972	5,066,422	18,078,407	271,682	211,701,199
Equipment additions	-	500,975	599,946	68,213	-	-	-	125,833	-	-	1,294,967
Net working capital	756,539	(8,807)	11,299,749	54,673,963	2,598	188,059,602	2,925,600	9,988,095	19,190,266	224,674	287,112,279
Total assets	2,826,159	534,804	60,593,437	126,844,256	5,541	212,287,902	18,069,473	15,036,735	25,844,410	356,080	462,398,797
Total equity	1,917,398	474,057	59,748,294	108,918,354	2,598	189,959,602	16,500,546	14,842,737	19,190,266	224,674	411,778,526

Types of goods or services are as follows:

- Medical Care Facility - Patient Care
- Fire Records Management – Centralized Fire Records Management System
- Airport Facilities - Oakland County International and Oakland/Troy Airport Operations
- Sewage Disposal Systems - Sewage Disposal
- County Market – Farmers’ market
- Delinquent Tax Revolving – Delinquent real property tax receivables
- CLEMIS – Law enforcement information management
- Radio Communications – Radio system
- Water and Sewer Trust – Municipal water and sewer
- Jail Inmate Commissary – Commissary operations

**County of Oakland**  
**Notes to General Purpose Financial Statements**

**11. Contributed Capital**

Changes in contributed capital were as follows:

	Balance October 1, 2000	Additions/ (disposals)	Depreciation	Balance September 30, 2001
<b>Internal service</b>				
Information technology	\$ 8,405,754	\$ -	\$ -	\$ 8,405,754
CLEMIS	11,767,498	(11,767,498)	-	-
Drain equipment	472,099	-	-	472,099
Office equipment	246,223	-	-	246,223
Facilities maintenance and operations	59,814	-	-	59,814
Motor pool	51,439	-	-	51,439
Radio communications	4,102,017	(4,102,017)	-	-
<b>Total internal service</b>	<u>25,104,844</u>	<u>(15,869,515)</u>	<u>-</u>	<u>9,235,329</u>
<b>Enterprise</b>				
Medical care facility	1,273,519	-	-	1,273,519
Fire records management	800,000	-	-	800,000
Airport facilities	46,171,020	(894,328)	659,649	44,617,043
Clinton-Oakland S.D.S.	21,751,072	-	751,383	20,999,689
Huron-Rouge S.D.S.	1,544,125	-	66,216	1,477,909
Evergreen-Farmington S.D.S.	12,029,759	-	585,229	11,444,530
S.O.C.S.D.S.	21,489,280	-	1,623,506	19,865,774
CLEMIS	-	11,767,498	-	11,767,498
Radio communications	-	4,102,017	-	4,102,017
<b>Total enterprise</b>	<u>105,058,775</u>	<u>14,975,187</u>	<u>3,685,983</u>	<u>116,347,979</u>
<b>Total</b>	<u>\$ 130,163,619</u>	<u>\$ (894,328)</u>	<u>\$ 3,685,983</u>	<u>\$ 125,583,308</u>

**12. Fund Equities**

At September 30, 2001, a deficit existed in the following funds:

<b>Special Revenue Fund</b>		
Friend of the Court		\$ 551,614
<b>Capital Projects Fund</b>		
Work Release & Administration Facility		1,682
Lake Levels Act 146		105,249
Lake Improvements Act 345		5,407
<b>Enterprise Fund</b>		
Fire Records Management		325,943

The deficit in the Lake Level and Lake Improvements funds is the result of advance funding required to complete the construction and maintenance of lake level control structures (dams, etc.). A special assessment roll has been authorized for this purpose, and the deficits in each fund will be satisfied with that revenue over future accounting periods.

**County of Oakland**  
**Notes to General Purpose Financial Statements**

**12. Fund Equities (continued)**

The Friend of the Court fund deficit is a result of implementation of the State Child Support Enforcement System without adequate funding. The County anticipates this deficit to be made up by the State of Michigan. The Work Release & Administration Facility fund deficit is due to incurring preliminary costs prior to issuance of bonds, which will be made up with the proceeds of the bonds. The Fire Records Management fund deficit is using contributed capital to fund beginning costs, which will be eliminated by closing contributed capital into retained earnings. Reserved, designated, and undesignated fund balances and retained earnings at September 30, 2001, and at December 31, 2000 for the Road Commission Fiduciary fund, were as follows:

	Reserved	Unreserved	
		Designated	Undesignated
<b>Primary Government</b>			
<b>General Fund</b>			
Encumbrances	\$ 893,270	\$ -	\$ -
Prepays	31,925	-	-
Long-term advances	73,955	-	-
Future operating requirements	42,081,930	19,405,000	-
Capital outlay	-	25,357,100	-
Other programs	-	9,090,700	-
Uncommitted	-	-	207,313
	<u>\$ 43,081,080</u>	<u>\$ 53,852,800</u>	<u>\$ 207,313</u>
<b>Special Revenue Funds</b>			
Encumbrances	\$ 505,106	\$ -	\$ -
Inventories and supplies	16,117	-	-
Construction and maintenance	-	2,372,300	-
Specific programs	-	25,493,321	-
Uncommitted	-	-	(551,614)
	<u>\$ 521,223</u>	<u>\$ 27,865,621</u>	<u>\$ (551,614)</u>
<b>Debt Service Funds</b>			
Debt service - general obligations	<u>\$ 7,328,977</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Capital Projects Funds</b>			
Long-term advances	\$ 110,747	\$ -	\$ -
Work projects	19,422,028	17,828,637	-
Uncommitted	-	-	4,578,420
	<u>\$ 19,532,775</u>	<u>\$ 17,828,637</u>	<u>\$ 4,578,420</u>
<b>Internal Service Funds</b>			
Programs	\$ 7,688,144	\$ -	\$ -
Other	-	-	65,495,114
	<u>\$ 7,688,144</u>	<u>\$ -</u>	<u>\$ 65,495,114</u>
<b>Enterprise Funds</b>			
Operations and maintenance	\$ 115,173,820	\$ -	\$ -
Other	-	-	180,256,727
	<u>\$ 115,173,820</u>	<u>\$ -</u>	<u>\$ 180,256,727</u>



**County of Oakland**  
**Notes to General Purpose Financial Statements**

**12. Fund Equities (continued)**

	Reserved	Unreserved	
		Designated	Undesignated
<b>Fiduciary Funds</b>			
Employees' pension benefits	\$ 709,112,268	\$ -	\$ -
Retirees' medical benefits	<u>139,164,278</u>	<u>-</u>	<u>-</u>
	<u>\$ 848,276,546</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Component Units</b>			
<b>Road Commission</b>			
<b>Governmental Fund</b>			
Inventories and supplies	\$ 1,015,485	\$ -	\$ -
Construction and maintenance	30,561,460	6,275,039	-
Specific programs	<u>-</u>	<u>13,170,600</u>	<u>-</u>
	<u>\$ 31,576,945</u>	<u>\$19,445,639</u>	<u>\$ -</u>
<b>Fiduciary Fund</b>			
Pension reserves	<u>\$ 157,739,568</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Drainage Districts</b>			
<b>Governmental Fund</b>			
Construction and maintenance	\$ 12,810,813	\$ -	\$ -
Debt Service	<u>1,953,308</u>	<u>-</u>	<u>-</u>
	<u>\$ 14,764,121</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Community Mental Health Authority</b>			
<b>Proprietary Fund</b>			
Risk corridor	\$ 121,958	\$ -	\$ -
Specific programs	<u>250,000</u>	<u>3,236,873</u>	<u>-</u>
	<u>\$ 371,958</u>	<u>\$ 3,236,873</u>	<u>\$ -</u>

**13. Employee Benefits**

**Primary Government**

The County provides various benefits to its employees. Expenditures in 2001 for these benefits approximated the following: medical insurance, \$19,171,000; dental insurance, \$2,528,000; optical insurance, \$295,000; annual and sick leave, \$1,814,000; disability, \$1,599,000; tuition reimbursement, \$306,000; Social Security, \$13,774,000; workers' compensation, \$988,000; and unemployment claims, \$117,000.

**Road Commission**

The Road Commission provides medical, dental, and optical insurance to its employees. Expenditures in 2001 for these benefits approximated \$5,407,700. Workers' compensation expense in 2001 approximated \$926,800.

# County of Oakland

## Notes to General Purpose Financial Statements

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### 14. Defined Benefit Pension Plans

#### **Plan description**

The County has two single-employer defined benefit pension plans, substantially covering all full-time employees. One covers most County employees, exclusive of the Road Commission (referred to as the County's Public Employees' Retirement System (PERS)); the other covers employees of the Road Commission.

Both plans provide retirement, disability, and death benefits to plan members and their beneficiaries.

The County does not issue a stand-alone report for its County PERS.

#### **Basis of accounting**

Both the County and Road Commission Plans' financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide contributions. Benefits and refunds are recognized when due and payable, in accordance with the terms of the Plan.

#### **Method used to value investments**

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at an estimated fair value.

#### **Funding policy/contributions**

The County policy is to fund normal costs of the Plan by contributions which are based on actuarially determined rates, expressed as percentages of annual covered payroll, and which are sufficient to accumulate assets to pay benefits when due. The current year and prior-period rates for the County plan were 0.0% and 0.0%, respectively, of annual covered payroll, which was determined through actuarial valuation performed at September 30, 1999 and September 30, 1998, respectively.

There were no contributions from County funds for the years ended September 30, 2001 and 2000. Sheriff's deputies contribute at a rate of 3% of their annual pay for the first 14 years of service and 5% thereafter. Command officers contribute 5%. General County Option A members who have elected improved benefits contribute 1% of their pay after 14 years of service. Contributions received from these employees for the year ended September 30, 2001 and September 30, 2000 amounted to \$954,999 and \$898,220, respectively.

The contribution requirements of plan members and the County are established and may be amended by the Board of Commissioners in accordance with County policies, union contracts, and plan provisions.

## County of Oakland

### Notes to General Purpose Financial Statements

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#### 14. Defined Benefit Pension Plans (continued)

The Road Commission policy is to provide for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due.

The contribution rate for the Road Commission plan is 8.4% of annual covered payroll, which was determined through actuarial valuation performed at December 31, 1999. Contributions from Road Commission funds for the year ended December 31, 2000 amounted to \$2,494,250. The contribution requirements of the Road Commission are established and may be amended by the Board of Road Commissioners in accordance with Road Commission policies, union contracts, and plan provisions.

#### **Benefits**

Members of both plans may retire at age 55 (except Sheriff's deputies, who may retire with 25 years of service regardless of age) with 25 years of service or at age 60 with 8 years of service. Members vest after 8 years of service.

Eligible employees under both the County and Road Commission plans are provided benefits based on 2%, 2.2% for years in excess of 14 years (Sheriff's deputies, 2.2% for the first 14 years of service, and 2.5% for thereafter, command officers 2.5%) of the final average compensation times the number of years of credited service. Maximum County and Road Commission retirement is 75% of final average compensation, defined as the average of the highest five consecutive years during the last ten years.

Duty disability benefits provided by the County are computed as a regular retirement, with additional service credited until attainment of age 60, less an amount offset by workers' compensation payments, with a maximum payment of 75% of final average compensation. Non-duty disability benefits after ten years of service are computed as a regular retirement. The Road Commission provides similar benefits, except that for a duty disability benefit with additional years' services is added for those years from the date of the employee's retirement to the date the member could have satisfied an age and service requirement for retirement. Death benefits are provided to beneficiaries after ten years of service, based on years of service.

#### **Classes of employees**

The County PERS covers the majority of full-time employees of the County, excepting the Road Commission, whose employees are covered by the Road Commission PERS.

The Plans' membership consists of the following at September 30, 2000 for the County PERS and December 31, 2000 for the Road Commission PERS, the dates of the latest actuarial valuations:

# County of Oakland

## Notes to General Purpose Financial Statements

### 14. Defined Benefit Pension Plans (continued)

	County	Road commission	Total
Retirees and beneficiaries receiving benefits	\$ 1,446	\$ 331	\$ 1,777
Terminated plan members entitled to, but not yet receiving benefits	275	40	315
Active plan members	<u>1,373</u>	<u>541</u>	<u>1,914</u>
Total	<u>\$ 3,094</u>	<u>\$ 912</u>	<u>\$ 4,006</u>

The County established a defined contribution plan for County employees, and all new employees and eligible part-time employees hired on or after July 1, 1994 are covered by the defined contribution plan, as the County's PERS is no longer available to new employees.

#### Annual pension cost

In 1998, the County contributed \$6,421,492, which exceeded the required contribution of \$4,414,888 (due to an adjustment in 1997 when the fiscal year change caused a nine-month "stub" year). As a result, the County had a negative net pension obligation (asset) of \$2,006,604. The required County contribution for the year ended September 30, 2000 based on the September 30, 1998 actuarial evaluation was 0% of covered payroll, expressed in dollars as \$365,699 which was not paid due to the prior period overpayment. The recommended rate of contribution for the year ended September 30, 2001 based on the actuarial evaluation of September 30, 1999 is again 0% of covered payroll, expressed in dollars as \$0. The contribution amount was determined using the aggregate actuarial cost method, whereby the excess of the actuarial present value of projected benefits of the plan members as a group over the actuarial value of assets is allocated on a level basis over the earnings of the members between the valuation date and assumed retirement. The aggregate actuarial cost method does not produce an accrued liability or separately amortize an unfunded actuarial liability. The pension liability (asset) for the Plan at adoption was \$0 and was determined in accordance with GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, which was adopted on January 1, 1997. The current negative net pension obligation (asset) is calculated as follows:

	2001	2000	1999
Overpayment at beginning of year	\$ (646,424)	\$ (941,510)	\$ (2,006,604)
Interest on NPO	<u>(48,482)</u>	<u>(70,613)</u>	<u>(150,495)</u>
Total NPO	(694,906)	(1,012,123)	(2,157,099)
Annual pension cost	<u>-</u>	<u>365,699</u>	<u>1,215,589</u>
NPO at end of year	<u>\$ (694,906)</u>	<u>\$ (646,424)</u>	<u>\$ (941,510)</u>

The Road Commission's annual pension costs for the year ended December 31, 2000 of \$2,494,250 exceeded the required contribution of \$1,840,456. The required Road Commission contribution was determined as part of the December 31, 1999 actuarial evaluation, using the "entry-age" actuarial cost method. Plan investments are valued at fair market value, based on quoted market prices.

**County of Oakland**  
**Notes to General Purpose Financial Statements**

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**14. Defined Benefit Pension Plans (continued)**

**Trend information**

The three-year trend information for the Road Commission PERS is as follows:

	<u>Fiscal year ended December 31,</u>		
	1998	1999	2000
Annual pension cost (APC)	\$ 3,223,200	\$ 2,861,250	\$ 2,494,250
Percentage of APC contributed	100%	100%	100%
Net pension obligation	\$ -	\$ -	\$ -

Required supplementary information, which includes: a Schedule of Employer Contributions, and significant actuarial assumptions, for both the County and the Road Commission, and a Schedule of Funding Progress for the Road Commission, is presented immediately following the notes.

**Fund balance reserved for employees' pension benefits**

Fund balances reserved for employees' pension benefits includes legally required reserves. Fund balance as of September 30, 2001 consists of the following reserves:

	County	Road Commission	Total
Annuity reserve	\$ 3,887,112	\$ 509,999	\$ 4,397,111
Pension reserve	213,771,946	45,026,644	258,798,590
Pension accumulated reserve	<u>491,453,210</u>	<u>101,708,945</u>	<u>593,162,155</u>
Total fund balance	<u>\$ 709,112,268</u>	<u>\$ 147,245,588</u>	<u>\$ 856,357,856</u>

Annuity reserve represents the cumulative contribution for retirees, disabled members, or surviving spouses who have elected monthly annuity benefits. Pension reserve represents the funded pension benefits available for retired lives and is funded by actuarially determined transfers from the pension accumulated reserve. Pension accumulated reserve represents the accumulated reserve for pension payable by the County and Road Commission.

## County of Oakland

### Notes to General Purpose Financial Statements

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#### 15. Defined Contribution Plans

The County maintains a defined contribution plan, Oakland Performance Retirement System (OPRS), which qualifies under Internal Revenue Code section 401(a). Employees in the County PERS were afforded the opportunity to transfer to the OPRS through December 31, 1995, retroactive to January 1, 1995. Employees who elected to transfer to the OPRS had their individually actuarially determined earned retirement benefits in the County PERS, determined as of January 1, 1995, plus accrued interest at the rate of 7.5% from January 1, 1995 until the date of election to transfer, transferred into the OPRS. The total amount transferred from the County PERS to the OPRS through December 31, 1996 was \$57,152,091. The County reopened the opportunity for transfer from the County PERS to the OPRS in 1997 and again in 1998. In 1997, 158 employees elected to transfer, and an additional 42 employees in 1998. This resulted in an additional transfer of \$31,881,325; a total of \$89,033,416 was transferred from the County PERS to the OPRS through September 30, 1998. In 1999, establishment of the Community Mental Health Authority component unit resulted in the transfer out of 247 employees from the County OPRS. In 2000, the option was open once again, and 100 employees elected to transfer to the OPRS, which resulted in an additional transfer of \$18,361,717. Total membership in the OPRS as of September 30, 2001 was 2,382, which includes 900 employees who elected to transfer from the PERS in 1995 through 2000 and 1,482 current employees hired since July 1, 1994.

The OPRS maintains a schedule of vesting, with the participants becoming fully vested upon completion of seven years of continuous service. Employees transferring from the County PERS were allowed a permanent selection of employee contributions of 0% or 3% of their salary, with the employer matching the contribution respectively with 6% or 9% for general employees, or 7% or 10% for employees in certain bargaining units. For employees hired on or after July 1, 1994, the employer contributes 5% of the employee's salary. Effective December 1999 employees were offered an opportunity to increase contribution with county match of 2% for new hire and 1% for all others. In December 2000, the employee and county match were increased 1%. All employees are able to contribute up to 10% of their salary on a voluntary after-tax basis. All contributions are remitted to a third-party plan administrator.

The County's payroll for employees covered by the OPRS for the year ended September 30, 2001 was \$102,650,475, and the County's total payroll was \$182,705,911. The required contributions, which matched those actually made, were \$4,246,946 by employees and \$9,663,038 by the County, representing 4.1% and 9.4% of covered payroll, respectively.

The contribution requirements of plan members and the County are established and may be amended by the Board of Commissioners in accordance with County policies, union contracts, and plan provisions.

The Community Mental Health Authority, component unit participates in a qualified defined contribution pension plan under IRS code section 401(a) managed by a third-party administrator. This pension plan was established by the Authority to provide benefits at retirement to the Authority's employees. At September 30, 2001 there were approximately 270 plan members. Plan members are not required to contribute to the plan but have the option of contributing up to 5% of covered salary depending on the date of hire, transfer from Oakland County and union contracts. The Authority is required to contribute from 5% to 6% of covered payroll. Contributions made by the Authority progressively vest over seven years. Plan provisions and contribution requirements are established and may be amended by the Authority. Employer and employee contributions were made in the amount of \$316,274 and \$71,236 respectively for the fiscal year ending September 30, 2001.

**County of Oakland**  
**Notes to General Purpose Financial Statements**

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**15. Defined Contribution Plans (continued)**

The Authority has also elected to participate in a qualified defined contribution pension plan under IRS code section 401(a) in lieu of social security contributions for full time and eligible part time employees. The plan requires contributions from qualified employees at a rate of 6.2% and a matching contribution from the Authority at a rate of 6.2%. Both employee and employer contributions are 100% vested at the time of contribution. Employer and employee contributions were made in the amount of \$316,793 and \$316,623 respectively in the fiscal year ending September 30, 2001.

**16. Post-Employment Benefits**

The Oakland VEBA Trust (the Trust), formerly titled Oakland County Retirees' Health Care Trust, provides medical care benefit insurance coverage to retired employees or survivors of deceased employees who were hired on or before September 20, 1985, or hired on or after September 21, 1985, and had 15 years of service (for family coverage) or 8 to 14 years of service (for retired members only).

For employees whose employment ends prior to retirement, the Trust provides benefits to those with 15 to 19 years of service (for members only) or 20 years of service (for family coverage).

In 2001 the County provided 1,502 retirees, excluding the Road Commission, medical insurance and reimbursed them for Medicare premiums under the Trust. In 2001, the County disbursed \$11,465,724 for this purpose.

Post-Employment benefits are established and may be amended by the Board of Commissioners in accordance with County policies, union contracts, and plan provisions.

Contributions are determined by independent consulting actuaries using the "individual entry age" actuarial cost method. Actuarial valuations for the County are as of September 30, 2000. The County's Trust has an estimated unfunded liability that was determined as part of an actuarial valuation as of September 30, 2000, the most recent date for which actuarial data are available, and is as follows:

Retirees and beneficiaries	\$ 138,863,232
Vested terminated employees who will be eligible when they collect retirement (age 60 in most cases) and their beneficiaries	31,624,574
Active employees and beneficiaries	<u>200,456,449</u>
Total	370,944,255
Net assets available for benefits, at market	<u>145,251,428</u>
Unfunded accrued liability	<u>\$ 225,692,827</u>

Unfunded actuarial accrued liabilities are being amortized as a fixed percentage of payroll over a period of 29 years.

## County of Oakland

### Notes to General Purpose Financial Statements

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#### 16. Post-Employment Benefits (continued)

The consulting actuary determines contribution requirements and actuarial present values for benefits by applying actuarial assumptions to the benefit provisions of the Trust and the following assumptions regarding future experiences: a long-term rate of investment return of 7.5%, future rate of increase in health care costs of 13.7%, and a salary inflation rate of 5.25%. They also use varied rates of mortality among employees, retirees, and beneficiaries. The County's contribution rate is 10.56% of payroll. In 2001, the County contributed \$16,182,512 and had a loss of \$13,466,070 due to decrease value of investments, with retirees contributing \$62,134 toward the cost of hospitalization riders.

The Road Commission provides healthcare benefits to all full-time employees and life insurance benefits to duty disability employees upon retirement, pursuant to agreements with various collective bargaining units or other action of the Oakland County Board of Road Commissioners. Currently, approximately 461 retirees and their spouses are eligible. The Road Commission includes retirees and their spouses in its health care plan, with no contribution required by the participant in most circumstances. Expenditures for post-employment benefits are on a "pay as you go" basis and accordingly are recognized as the life insurance premiums and medical costs become due. Approximately \$1,675,000 was charged to operations during the year ended September 30, 2001.

#### 17. Deferred Compensation Plan

In fiscal year 1998, both the County and the Road Commission adopted GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. During fiscal year 1999, as required by the statement, the County and Road Commission each placed all Deferred Compensation Plan assets with a trustee, relinquishing all fiduciary accountability for the assets. Accordingly, the related assets and liabilities of the plan are not reported in the County and Road Commission financial statements.



**County of Oakland**  
**Notes to General Purpose Financial Statements**

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**18. Residual Equity Transfers Reconciliation**

During fiscal year 2001 Materials Management, an internal service fund and County Library a special revenue fund ceased operations and were closed into the General fund. On October 1, 2001 the Retirees Health Care Trust, an expendable trust fund type was replaced by the VEBA Trust fund for post employment health care benefits.

After extensive review by the County over the last couple years, it was determined that several funds should be reclassified. The Delinquent Tax Revolving, CLEMIS, and Radio Communications that were previously classified as internal service funds were reclassified to enterprise funds because they provide the majority of services to external users. The Delinquent Personal Tax Administration fund, an expendable trust fund type, was reclassified to a special revenue fund type due to a lack of a trust arrangement. Also in the expendable trust fund type, the Water and Sewer Trust fund and the Jail Inmate Commissary Trust fund were reclassified to the enterprise fund type since they operate like a business.

	<u>Equity transfers</u>	
	<u>In</u>	<u>Out</u>
<b>General</b>	\$ 694,994	\$ -
<b>Special Revenue</b>		
Delinquent Personal Tax Administration	8,764,417	-
County Library	-	286,960
County Market	-	8,255
Total Special Revenue	<u>8,764,417</u>	<u>295,215</u>
<b>Internal Service</b>		
Delinquent Tax Revolving	-	183,176,461
Materials Management	-	408,034
CLEMIS	-	5,099,972
Radio Communications	-	5,066,422
Total Internal Service	<u>-</u>	<u>193,750,889</u>
<b>Enterprise</b>		
County Market	8,255	-
Delinquent Tax Revolving	183,176,461	-
CLEMIS	5,099,972	-
Radio Communications	5,066,422	-
Jail Commissionary	18,078,407	-
Water & Sewer Trust	271,682	-
Total Enterprise	<u>211,701,199</u>	<u>-</u>
<b>Fidiciary</b>		
VEBA Trust	147,851,426	-
Retiree's Health Care Trust	-	147,851,426
Delinquent Personal Tax Administration	-	8,764,417
Jail Inmate Commissary	-	271,682
Water & Sewer Trust	-	18,078,407
Total Fidiciary	<u>147,851,426</u>	<u>174,965,932</u>
Total	<u>\$ 369,012,036</u>	<u>\$ 369,012,036</u>

# County of Oakland

## Notes to General Purpose Financial Statements

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### 19. Risk Management

The County is exposed to various risks of loss related to property loss, employee injuries, general liability claims, and torts, as well as medical benefits provided to employees. The County has purchased insurance to cover losses to its buildings and contents in the amount of \$293,322,000. Liability insurance has been purchased for: airport operations in the amount of \$50,000,000, fleet operations in the amount of \$5,000,000, and employee bonds in the amount of \$3,000,000. Workers' compensation umbrella coverage in excess of \$500,000 to the statutory limit has also been purchased. The County is uninsured for all risks except as noted. The Road Commission has similar risks and is uninsured for these claims within certain limits. Depending on the type of claim, the per-occurrence limit ranges from \$300,000 to \$1,258,000 and the aggregate limit ranges from legal limits for workers' compensation to \$15,000,000 for general liability. The County and Road Commission estimate the liability for all the above-mentioned claims that have been incurred through September 30, 2001, including both claims that have been reported as well as those that have not yet been reported and estimates of both future payments of losses and related claim adjustment expenses.

Estimated liabilities for unpaid claims are based on historical claim payments, including related legal and administrative expenses. Neither the County nor the Road Commission has experienced settlements in excess of insurance coverage during the past three years.

**County of Oakland**  
**Notes to General Purpose Financial Statements**

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**19. Risk Management (Continued)**

The County records estimates in the Fringe Benefits and the Liability Insurance funds, both Internal Service funds, and the Road Commission records these estimates in the Governmental fund type and the General Long-Term Debt Account Group. Changes in the estimated claims liabilities are as follows:

	<b>September 30,</b>	
	<b>2001</b>	<b>2000</b>
<b>County</b>		
Beginning-of-period liability	<u>\$ 46,466,194</u>	<u>\$ 42,617,187</u>
Estimated claims incurred, claim adjustment expenses and changes in estimates		
Provisions for current-year events	29,173,207	29,948,744
Decrease in provisions for prior-year events	<u>(4,031,469)</u>	<u>110,716</u>
Total incurred claims, claim adjustment expenses and changes in estimates	25,141,738	30,059,460
Claim payments and claim adjustment expenses		
Related to current-year events	(23,848,647)	(24,931,816)
Related to prior-year events	<u>(1,929,820)</u>	<u>(1,278,637)</u>
Total claim payments and claim adjustment expenses	<u>(25,778,467)</u>	<u>(26,210,453)</u>
End-of-period liability	<u>\$ 45,829,465</u>	<u>\$ 46,466,194</u>
<b>Road Commission</b>		
Beginning-of-year liability	\$ 4,750,000	\$ 3,750,000
Estimated claims incurred and changes in estimates	6,624,483	8,328,432
Claim payments	<u>(6,434,483)</u>	<u>(7,328,432)</u>
End-of-year liability	<u>\$ 4,940,000</u>	<u>\$ 4,750,000</u>

The Community Mental Health Authority is exposed to various risks of loss related to property loss, torts, errors and omissions, worker's compensation, and medical benefits to employees. During the year ended September 30, 2001, the Authority carried commercial insurance to cover all risk of loss with premiums amounting to approximately \$176,193. The Authority had no settled claims resulting from these risks that exceeded their commercial coverage, for the past three fiscal years (length of existence).

**County of Oakland**  
**Notes to General Purpose Financial Statements**

**20. Leases**

The County (primary government) leases certain office facilities and other equipment under non-cancelable operating leases. The Community Mental Health Authority (component unit) is obligated under certain leases accounted for as operating leases for land and buildings associated with the Authority's operations. Total costs for such leases for the County and the Community Mental Health Authority for the year ended September 30, 2001 were \$1,189,482 and \$814,217 respectively. The future minimum lease payments as of September 30, 2001 are as follows:

Fiscal year	Primary government	Component unit	Total reporting entity
2002	\$ 1,077,817	\$ 599,059	\$ 1,676,876
2003	906,428	612,794	1,519,222
2004	770,613	612,794	1,383,407
2005	307,184	-	307,184
2006	157,604	-	157,604
Thereafter	<u>2,016,018</u>	<u>-</u>	<u>2,016,018</u>
	<u>\$ 5,235,664</u>	<u>\$ 1,824,647</u>	<u>\$ 7,060,311</u>

Additionally, the County leases portions of certain buildings to various governmental agencies. The amount received from these leases for the fiscal year ended September 30, 2001 amounted to \$728,176, recorded in the Facilities Maintenance & Operations fund, Internal Service Fund type.

**21. Commitments and Contingencies**

The County and the Road Commission are involved in legal actions in which plaintiffs seek damages of indeterminable amounts which may exceed insurance coverage where applicable. Litigation is subject to many uncertainties, and the outcome of individual matters cannot be predicted. Accordingly, a reasonable range of liability to the County or Road Commission pertaining to these matters cannot be determined. Management has taken steps to protect the County and believes any liability resulting from cases in which it is involved will not materially affect its financial position.

The County and the Road Commission received funds from various federal and State units to finance specific activities. The final determination of revenue is subject to the acceptance of project costs by the granting agency, usually after a compliance audit. To the extent that costs are disallowed by the granting agency, County and Road Commission resources would be required to reimburse the grant funds. Management believes that disallowed costs, if any, would be immaterial. Even though the County has no outstanding commitments (contracts) as of September 30, 2001, there is anticipation of some large scale construction projects in the near future.

**County of Oakland**  
**Notes to General Purpose Financial Statements**

**22. Combining Balance Sheet Component Unit – Drainage Districts – September 30, 2001**

	<u>Drainage Districts</u>			<b>Total</b>
	<b>Special revenue</b>	<b>Debt service</b>	<b>Capital projects</b>	
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 6,434,162	\$ 1,934,438	\$ 13,727,860	\$ 22,096,460
Investments	345,125	-	161,250	506,375
Receivables (net of allowance for uncollectibles where applicable)				
Special assessments	-	446,045	-	446,045
Due from other governmental units	347,945	81,173	155,559	584,677
Accrued interest receivable	2,364	3,370	12,509	18,243
<b>Total current assets</b>	<u>7,129,596</u>	<u>2,465,026</u>	<u>14,057,178</u>	<u>23,651,800</u>
<b>Long-term assets</b>				
Special assessments receivable	-	106,255,000	-	106,255,000
<b>Total assets</b>	<u>\$ 7,129,596</u>	<u>\$ 108,720,026</u>	<u>\$ 14,057,178</u>	<u>\$ 129,906,800</u>
<b>Liabilities and Fund Balances</b>				
<b>Current liabilities</b>				
Vouchers payable	\$ 4,812	\$ -	\$ 157,027	\$ 161,839
Due to other governmental units	2,141,712	506,184	4,583,375	7,231,271
Other accrued liabilities	107,902	5,534	1,381,133	1,494,569
<b>Total current liabilities</b>	<u>2,254,426</u>	<u>511,718</u>	<u>6,121,535</u>	<u>8,887,679</u>
<b>Long-term debt</b>				
<b>Total liabilities</b>	<u>-</u>	<u>106,255,000</u>	<u>-</u>	<u>106,255,000</u>
<b>Fund balances</b>				
Reserved	4,875,170	1,953,308	7,935,643	14,764,121
<b>Total fund balances</b>	<u>4,875,170</u>	<u>1,953,308</u>	<u>7,935,643</u>	<u>14,764,121</u>
<b>Total liabilities and fund balances</b>	<u>\$ 7,129,596</u>	<u>\$ 108,720,026</u>	<u>\$ 14,057,178</u>	<u>\$ 129,906,800</u>

**County of Oakland**  
**Notes to General Purpose Financial Statements**

**23. Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Component Unit – Drainage Districts – September 30, 2001**

	<u>Drainage Districts</u>			Total
	Special Revenue	Debt Service	Capital Projects	
Revenues				
Special assessments	\$ 1,635,403	\$ 12,768,736	\$ 1,157,733	\$ 15,561,872
Federal grants	-	-	1,412,639	1,412,639
Charges for services	6,011	9,001	1,414	16,426
Investment income	<u>228,465</u>	<u>122,672</u>	<u>669,453</u>	<u>1,020,590</u>
Total revenues	<u>1,869,879</u>	<u>12,900,409</u>	<u>3,241,239</u>	<u>18,011,527</u>
Expenditures				
Salaries	403,788	-	979,259	1,383,047
Fringe benefits	142,404	-	308,068	450,472
Contractual services	596,696	166,982	17,432,431	18,196,109
Commodities	42,149	-	3,969	46,118
Principal payments	-	7,276,247	-	7,276,247
Interest	-	4,555,789	-	4,555,789
Paying agent fees	-	19,341	-	19,341
Intergovernmental	267,489	375,693	901,315	1,544,497
Internal services	<u>81,924</u>	<u>-</u>	<u>85,819</u>	<u>167,743</u>
Total expenditures	<u>1,534,450</u>	<u>12,394,052</u>	<u>19,710,861</u>	<u>33,639,363</u>
Excess (deficiency) of revenues over (under) expenditures	<u>335,429</u>	<u>506,357</u>	<u>(16,469,622)</u>	<u>(15,627,836)</u>
Other financing sources (uses)				
Operating transfers in	388,160	519,459	-	907,619
Operating transfers out to	-	-	(907,619)	(907,619)
Proceeds from issuance of bonds	-	-	21,926,943	21,926,943
Payment to bond escrow agent	-	(26,519,195)	-	(26,519,195)
Discount on bonds sold	-	(117,400)	-	(117,400)
Proceeds from issuance of refunding bonds	<u>-</u>	<u>25,748,812</u>	<u>-</u>	<u>25,748,812</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	723,589	138,033	4,549,702	5,411,324
Fund balances at October 1, 2000	<u>4,151,581</u>	<u>1,815,275</u>	<u>3,385,941</u>	<u>9,352,797</u>
Fund balances (deficits) at September 30, 2001	<u>\$ 4,875,170</u>	<u>\$ 1,953,308</u>	<u>\$ 7,935,643</u>	<u>\$ 14,764,121</u>

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**REQUIRED SUPPLEMENTARY INFORMATION**

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**County of Oakland**  
**Primary Government – Retirement System**  
**Required Supplementary Information**  
**Schedule of Funding Progress and Employer Contributions**  
**Six-Year Historical Trend Information – Unaudited**

Actuarial valuation date December 31,	Actuarial value of assets	Actuarial accrued liability (AAL)	Unfunded AAL (UAAL)	Funded ratio	Covered payroll	UAAL as a percentage of covered payroll
1995*	\$ 445,623,015	\$ 526,260,698	\$ 80,637,683	83.8%	\$ 81,694,133	105.5%
1996	507,104,374	550,454,328	43,349,954	91.2%	83,880,701	58.3%
1997*#	569,951,791	539,167,269	(30,784,522)	105.7%	73,222,952	0.0%
1998*	632,758,322	539,845,227	(92,913,095)	115.6%	72,112,212	0.0%
1999*	716,127,212	567,224,551	(148,902,661)	123.9%	73,990,858	0.0%
2000*	775,243,552	573,768,933	(201,474,619)	135.1%	69,175,806	0.0%

\* Plan amended.

Schedule of employer contributions:

Year ended December 31,	Annual required contribution	Percentage contributed
1995	\$ 15,184,455	100%
1996	16,484,797	100%
1997#	6,019,810	100%
1998	4,414,888	145%
1999	1,215,589	0%
2000	365,699	0%

# For the nine-month period ended September 30, 1997. Beginning with 1998, contributions are for fiscal year ended September 30.

The information presented in the supplemental schedule was determined as part of the actuarial valuation at the dates indicated. Additional information as of the latest actual valuation follows:

Actuarial cost method	Aggregate actuarial cost beginning in 1995; entry-age normal cost previous to 1995
Asset valuation method	3-year average of adjusted market values
Actuarial assumptions	
Investment rate of return*	7.5%
Projected salary increases*	5.25% to 12.25%
Cost-of-living adjustments	1.5% non-compounding annually

\* Includes pay inflation at 5.25%

Note: The aggregate actuarial cost method does not produce an accrued liability or separately amortize an unfunded actuarial liability. The AAL values shown for 1995 and after are actually present values of future benefit payments (both accrued and future). The values for years 1993 through 1994 are entry-age accrued liability.



**County of Oakland**  
**Component Unit – Road Commission Retirement System**  
**Required Supplementary Information**  
**Schedule of Funding Progress and Employer Contributions**  
**Six-Year Historical Trend Information – Unaudited**

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Schedule of funding progress:

Actuarial valuation date December 31,	Actuarial value of assets	Actuarial accrued liability (AAL)	Funded ratio	Unfunded AAL (UAAL)	Covered payroll	UAAL as a percentage of covered payroll
1995	\$ 83,199,053	\$ 87,642,650	94.9%	\$ 4,443,597	\$ 22,607,897	19.7%
1996	92,473,246	93,066,767	99.4%	593,521	23,533,899	2.5%
1997	104,468,909	98,402,461	106.2%	(6,066,448)	24,429,429	0.0%
1998	117,790,193	102,590,655	114.8%	(15,199,538)	24,177,412	0.0%
1999	131,926,367	116,292,106	113.4%	(15,634,261)	25,345,063	0.0%
2000	143,780,578	122,490,587	117.4%	(21,289,991)	25,409,923	0.0%

Schedule of employer contributions:

Year ended December 31	Annual required contribution	Percentage contributed
1995 <sup>#</sup>	\$ 3,331,372	94.4%
1996	3,402,253	103.7%
1997	3,296,973	99.8%
1998	3,008,040	107.2%
1999	2,566,035	111.5%
2000	1,840,456	135.5%

<sup>#</sup> Employer-reduced contribution to adjust for inadvertent inclusion of seasonal employees in the actuarial valuation's contribution calculation.

The information presented in the supplemental schedule was determined as part of the actuarial valuation at the dates indicated. Additional information as of the latest actuarial valuation follows:

Actuarial cost method	Individual entry-age actuarial cost
Amortization method	Level percent of payroll contributions, closed
Remaining amortization period	18 years
Asset valuation method	5-year smoothed market
Actuarial assumptions	
Investment rate of return	7.5%
Projected salary increases*	4.5% to 8.0%
Cost-of-living adjustments	None

\* Includes pay inflation at 5.25%

(Continued)

**County of Oakland**  
**Component Unit – Road Commission Retirement System**  
**Required Supplementary Information**  
**Schedule of Funding Progress and Employer Contributions**  
**Six-Year Historical Trend Information – Unaudited**

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Note: Analysis of the dollar amount of the actuarial value of assets, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of the System's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the System is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the plan. Trends in unfunded actuarial accrued liability and annual valuation payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of annual valuation payroll approximately adjusts for the effect of inflation and aids analysis of the System's progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the plan.

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**COMBINING, INDIVIDUAL FUND,  
AND ACCOUNT GROUP STATEMENTS  
AND SCHEDULES**

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## Oakland County General Fund

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The **General Fund** is the principal operating fund of the County. It is used to account for all revenues, expenditures, and activities not specifically accounted for in another fund. The statutes of the State of Michigan require the existence and use of the General Fund.

**Oakland County**  
**General Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances – Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	Amended budget	Actual	Variance favorable (unfavorable)
<b>Revenues</b>			
<b>Taxes</b>			
Current property taxes	\$ 177,404,500	\$ 221,614,283	\$ 44,209,783
Delinquent taxes - prior years	600,000	510,579	(89,421)
Trailer tax	95,000	105,935	10,935
<b>Total</b>	<u>178,099,500</u>	<u>222,230,797</u>	<u>44,131,297</u>
<b>Other intergovernmental revenues</b>			
Cigarette tax distribution	900,000	1,117,018	217,018
Circuit judges' salaries	794,800	764,869	(29,931)
Probate judges' salaries	487,800	515,622	27,822
District judges' salaries	467,500	447,722	(19,778)
Indirect cost recovery	1,087,880	3,104,059	2,016,179
Marine safety	200,000	271,890	71,890
State income tax	23,009,700	23,707,232	697,532
State reimbursement - P.A. 228	2,090,300	2,090,337	37
State court fund - P.A. 189	6,500,000	6,599,828	99,828
Convention facility liquor tax	2,983,476	2,873,477	(109,999)
<b>Total</b>	<u>38,521,456</u>	<u>41,492,054</u>	<u>2,970,598</u>
<b>Charges for services</b>			
County Executive	211,637	70,582	(141,055)
Management and Budget	2,755,647	2,916,623	160,976
Central Services	60,800	89,661	28,861
Facilities Management	70,030	53,560	(16,470)
Personnel	9,706	21,665	11,959
Human Services	85,000	103,270	18,270
Public Services	1,341,310	1,285,453	(55,857)
Community and Economic Development	1,753,675	512,613	(1,241,062)
Clerk/Register of Deeds	14,289,201	15,461,753	1,172,552
Treasurer	2,103,000	301,832	(1,801,168)
Circuit Court	3,866,612	3,708,214	(158,398)
District Court	9,355,392	9,525,865	170,473
Probate Court	572,300	615,899	43,599
Prosecuting Attorney	229,700	443,347	213,647
Sheriff	26,361,512	31,218,982	4,857,470
Legislative	92,761	105,316	12,555
Drain Commissioner	681,578	564,643	(116,935)
<b>Total</b>	<u>63,839,861</u>	<u>66,999,278</u>	<u>3,159,417</u>

continued

**Oakland County**  
**General Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances – Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	Amended budget	Actual	Variance favorable (unfavorable)
<b>Revenues, continued</b>			
Use of money - investment income	\$ 11,767,258	\$ 12,137,434	\$ 370,176
Other revenue	<u>400,000</u>	<u>1,849,936</u>	<u>1,449,936</u>
Total operating revenues	292,628,075	344,709,499	52,081,424
Operating transfers in	<u>11,355,840</u>	<u>12,723,574</u>	<u>1,367,734</u>
Total revenues and operating transfers in	<u>303,983,915</u>	<u>357,433,073</u>	<u>53,449,158</u>
<b>Expenditures</b>			
County Executive			
Administration			
Administrative			
Controllable personnel expenditures	1,863,486	1,868,487	(5,001)
Controllable operating expenditures	273,933	259,648	14,285
Non-controllable operating expenditures	<u>489,706</u>	<u>476,766</u>	<u>12,940</u>
Total Administrative	<u>2,627,125</u>	<u>2,604,901</u>	<u>22,224</u>
Auditing			
Controllable personnel expenditures	1,164,569	1,034,333	130,236
Controllable operating expenditures	26,044	20,920	5,124
Non-controllable operating expenditures	<u>210,792</u>	<u>209,100</u>	<u>1,692</u>
Total Auditing	<u>1,401,405</u>	<u>1,264,353</u>	<u>137,052</u>
Corporation Counsel			
Controllable personnel expenditures	1,536,021	1,525,611	10,410
Controllable operating expenditures	33,301	31,946	1,355
Non-controllable operating expenditures	<u>299,097</u>	<u>295,540</u>	<u>3,557</u>
Total Corporation Counsel	<u>1,868,419</u>	<u>1,853,097</u>	<u>15,322</u>
Total Administration	<u>5,896,949</u>	<u>5,722,351</u>	<u>174,598</u>

continued

**Oakland County**  
**General Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances – Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	Amended budget	Actual	Variance favorable (unfavorable)
<b>Expenditures (continued)</b>			
County Executive (continued)			
Management and Budget			
Administration			
Controllable personnel expenditures	\$ 279,898	\$ 282,296	\$ (2,398)
Controllable operating expenditures	11,093	10,538	555
Non-controllable operating expenditures	<u>10,771</u>	<u>10,393</u>	<u>378</u>
Total Administration	<u>301,762</u>	<u>303,227</u>	<u>(1,465)</u>
Purchasing			
Controllable personnel expenditures	790,226	741,353	48,873
Controllable operating expenditures	49,541	42,869	6,672
Non-controllable operating expenditures	<u>149,691</u>	<u>162,454</u>	<u>(12,763)</u>
Total Purchasing	<u>989,458</u>	<u>946,676</u>	<u>42,782</u>
Fiscal Services			
Controllable personnel expenditures	3,900,884	3,888,277	12,607
Controllable operating expenditures	259,988	356,341	(96,353)
Non-controllable operating expenditures	<u>1,799,976</u>	<u>1,784,418</u>	<u>15,558</u>
Total Fiscal Services	<u>5,960,848</u>	<u>6,029,036</u>	<u>(68,188)</u>
Equalization			
Controllable personnel expenditures	6,302,877	5,733,954	568,923
Controllable operating expenditures	463,359	297,697	165,662
Non-controllable operating expenditures	<u>1,803,899</u>	<u>1,728,975</u>	<u>74,924</u>
Total Equalization	<u>8,570,135</u>	<u>7,760,626</u>	<u>809,509</u>
Reimbursement			
Controllable personnel expenditures	1,808,916	1,770,059	38,857
Controllable operating expenditures	108,051	104,656	3,395
Non-controllable operating expenditures	<u>508,625</u>	<u>456,941</u>	<u>51,684</u>
Total Reimbursement	<u>2,425,592</u>	<u>2,331,656</u>	<u>93,936</u>
Total Management and Budget	<u>18,247,795</u>	<u>17,371,221</u>	<u>876,574</u>

continued

**Oakland County**  
**General Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances – Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	Amended budget	Actual	Variance favorable (unfavorable)
<b>Expenditures (continued)</b>			
County Executive (continued)			
Central Services			
Administration			
Controllable personnel expenditures	\$ 152,076	\$ 153,748	\$ (1,672)
Controllable operating expenditures	2,016	358	1,658
Non-controllable operating expenditures	<u>11,338</u>	<u>12,749</u>	<u>(1,411)</u>
Total Administration	<u>165,430</u>	<u>166,855</u>	<u>(1,425)</u>
Support Services			
Controllable personnel expenditures	1,028,244	953,835	74,409
Controllable operating expenditures	84,157	66,425	17,732
Non-controllable operating expenditures	<u>973,293</u>	<u>1,023,116</u>	<u>(49,823)</u>
Total Support Services	<u>2,085,694</u>	<u>2,043,376</u>	<u>42,318</u>
Total Central Services	<u>2,251,124</u>	<u>2,210,231</u>	<u>40,893</u>
Facilities Management			
Administration			
Controllable personnel expenditures	435,560	368,571	66,989
Controllable operating expenditures	24,055	17,615	6,440
Non-controllable operating expenditures	<u>123,869</u>	<u>117,992</u>	<u>5,877</u>
Total Administration	<u>583,484</u>	<u>504,178</u>	<u>79,306</u>
Facilities Engineering			
Controllable personnel expenditures	898,106	851,964	46,142
Controllable operating expenditures	200,786	157,083	43,703
Non-controllable operating expenditures	<u>118,934</u>	<u>115,534</u>	<u>3,400</u>
Total Facilities Engineering	<u>1,217,826</u>	<u>1,124,581</u>	<u>93,245</u>
Total Facilities Management	<u>1,801,310</u>	<u>1,628,759</u>	<u>172,551</u>
Personnel			
Administration			
Controllable personnel expenditures	273,924	275,534	(1,610)
Controllable operating expenditures	9,920	10,211	(291)
Non-controllable operating expenditures	<u>34,983</u>	<u>33,910</u>	<u>1,073</u>
Total Administration	<u>318,827</u>	<u>319,655</u>	<u>(828)</u>
Human Resources			
Controllable personnel expenditures	1,986,587	2,015,357	(28,770)
Controllable operating expenditures	537,249	540,995	(3,746)
Non-controllable operating expenditures	<u>965,699</u>	<u>947,314</u>	<u>18,385</u>
Total Human Resources	<u>3,489,535</u>	<u>3,503,666</u>	<u>(14,131)</u>

continued



**Oakland County**  
**General Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances – Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	Amended budget	Actual	Variance favorable (unfavorable)
<b>Expenditures (continued)</b>			
County Executive (continued)			
Personnel (continued)			
Employee Relations			
Controllable personnel expenditures	\$ 677,604	\$ 575,889	\$ 101,715
Controllable operating expenditures	333,497	152,923	180,574
Non-controllable operating expenditures	<u>170,918</u>	<u>152,439</u>	<u>18,479</u>
Total Employee Relations	<u>1,182,019</u>	<u>881,251</u>	<u>300,768</u>
Total Personnel	<u>4,990,381</u>	<u>4,704,572</u>	<u>285,809</u>
Human Services			
Administration			
Controllable personnel expenditures	158,579	171,128	(12,549)
Controllable operating expenditures	4,937,185	4,829,562	107,623
Non-controllable operating expenditures	<u>12,639</u>	<u>8,271</u>	<u>4,368</u>
Total Administration	<u>5,108,403</u>	<u>5,008,961</u>	<u>99,442</u>
Medical Examiner			
Controllable personnel expenditures	2,027,230	2,030,309	(3,079)
Controllable operating expenditures	601,539	610,256	(8,717)
Non-controllable operating expenditures	<u>1,148,224</u>	<u>1,114,524</u>	<u>33,700</u>
Total Medical Examiner	<u>3,776,993</u>	<u>3,755,089</u>	<u>21,904</u>
Total Human Services	<u>8,885,396</u>	<u>8,764,050</u>	<u>121,346</u>
Public Services			
Administration			
Controllable personnel expenditures	140,047	141,109	(1,062)
Controllable operating expenditures	14,660	12,285	2,375
Non-controllable operating expenditures	<u>7,293</u>	<u>7,849</u>	<u>(556)</u>
Total Administration	<u>162,000</u>	<u>161,243</u>	<u>757</u>

continued

**Oakland County**  
**General Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances – Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	Amended budget	Actual	Variance favorable (unfavorable)
<b>Expenditures (continued)</b>			
County Executive (continued)			
Public Services (continued)			
Veterans' Services			
Controllable personnel expenditures	\$ 1,237,208	\$ 1,249,414	\$ (12,206)
Controllable operating expenditures	293,272	210,237	83,035
Non-controllable operating expenditures	<u>267,290</u>	<u>260,563</u>	<u>6,727</u>
Total Veterans' Services	<u>1,797,770</u>	<u>1,720,214</u>	<u>77,556</u>
Community Corrections			
Controllable personnel expenditures	2,016,216	1,887,825	128,391
Controllable operating expenditures	783,957	458,018	325,939
Non-controllable operating expenditures	<u>405,628</u>	<u>534,222</u>	<u>(128,594)</u>
Total Community Corrections	<u>3,205,801</u>	<u>2,880,065</u>	<u>325,736</u>
MSU Extension - Oakland			
Controllable personnel expenditures	696,863	738,059	(41,196)
Controllable operating expenditures	257,443	180,965	76,478
Non-controllable operating expenditures	<u>245,360</u>	<u>275,102</u>	<u>(29,742)</u>
Total MSU Extension - Oakland	<u>1,199,666</u>	<u>1,194,126</u>	<u>5,540</u>
Animal Control			
Controllable personnel expenditures	1,352,314	1,316,527	35,787
Controllable operating expenditures	119,703	117,223	2,480
Non-controllable operating expenditures	<u>512,835</u>	<u>522,272</u>	<u>(9,437)</u>
Total Animal Control	<u>1,984,852</u>	<u>1,956,022</u>	<u>28,830</u>
Circuit Court Probation			
Controllable operating expenditures	50,596	49,805	791
Non-controllable operating expenditures	<u>809,241</u>	<u>830,168</u>	<u>(20,927)</u>
Total Circuit Court Probation	<u>859,837</u>	<u>879,973</u>	<u>(20,136)</u>
Total Public Services	<u>9,209,926</u>	<u>8,791,643</u>	<u>418,283</u>

continued

**Oakland County**  
**General Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances – Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	Amended budget	Actual	Variance favorable (unfavorable)
<b>Expenditures (continued)</b>			
County Executive (continued)			
Community and Economic Development Administration			
Controllable personnel expenditures	\$ 521,064	\$ 421,648	\$ 99,416
Controllable operating expenditures	343,818	213,455	130,363
Non-controllable operating expenditures	<u>36,878</u>	<u>30,182</u>	<u>6,696</u>
Total Administration	<u>901,760</u>	<u>665,285</u>	<u>236,475</u>
Planning and Economic Development Services			
Controllable personnel expenditures	2,517,968	2,462,442	55,526
Controllable operating expenditures	839,566	511,809	327,757
Non-controllable operating expenditures	<u>674,420</u>	<u>675,363</u>	<u>(943)</u>
Total Planning and Economic Development Services	<u>4,031,954</u>	<u>3,649,614</u>	<u>382,340</u>
Community Development			
Controllable operating expenditures	<u>335,250</u>	<u>335,250</u>	<u>-</u>
Total Community Development	<u>335,250</u>	<u>335,250</u>	<u>-</u>
Workforce Development			
Controllable personnel expenditures	689,039	17,291	671,748
Controllable operating expenditures	239,621	3,121	236,500
Non-controllable operating expenditures	<u>121,115</u>	<u>3,222</u>	<u>117,893</u>
Total Workforce Development	<u>1,049,775</u>	<u>23,634</u>	<u>1,026,141</u>
Total Community and Economic Development	<u>6,318,739</u>	<u>4,673,783</u>	<u>1,644,956</u>
Total County Executive	<u>57,601,620</u>	<u>53,866,610</u>	<u>3,735,010</u>
Clerk/Register of Deeds Administration			
Controllable personnel expenditures	392,429	400,330	(7,901)
Controllable operating expenditures	765,507	85,706	679,801
Non-controllable operating expenditures	<u>152,755</u>	<u>149,876</u>	<u>2,879</u>
Total Administration	<u>1,310,691</u>	<u>635,912</u>	<u>674,779</u>

continued

**Oakland County**  
**General Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances – Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	Amended budget	Actual	Variance favorable (unfavorable)
<b>Expenditures (continued)</b>			
Clerk/Register of Deeds (continued)			
County Clerk			
Controllable personnel expenditures	\$ 3,349,014	\$ 3,237,541	\$ 111,473
Controllable operating expenditures	280,587	232,675	47,912
Non-controllable operating expenditures	<u>803,245</u>	<u>815,322</u>	<u>(12,077)</u>
Total County Clerk	<u>4,432,846</u>	<u>4,285,538</u>	<u>147,308</u>
Elections			
Controllable personnel expenditures	396,827	357,663	39,164
Controllable operating expenditures	581,991	462,950	119,041
Non-controllable operating expenditures	<u>254,937</u>	<u>268,732</u>	<u>(13,795)</u>
Total Elections	<u>1,233,755</u>	<u>1,089,345</u>	<u>144,410</u>
Register of Deeds			
Controllable personnel expenditures	1,843,137	1,945,747	(102,610)
Controllable operating expenditures	1,562,773	1,178,318	384,455
Non-controllable operating expenditures	<u>824,791</u>	<u>902,117</u>	<u>(77,326)</u>
Total Register of Deeds	<u>4,230,701</u>	<u>4,026,182</u>	<u>204,519</u>
Jury Commission			
Controllable personnel expenditures	14,546	14,203	343
Controllable operating expenditures	44,363	52,603	(8,240)
Non-controllable operating expenditures	<u>97,501</u>	<u>83,525</u>	<u>13,976</u>
Total Jury Commission	<u>156,410</u>	<u>150,331</u>	<u>6,079</u>
Total Clerk/Register of Deeds	<u>11,364,403</u>	<u>10,187,308</u>	<u>1,177,095</u>
Treasurer			
Controllable personnel expenditures	2,411,115	2,358,721	52,394
Controllable operating expenditures	295,598	229,826	65,772
Non-controllable operating expenditures	<u>809,844</u>	<u>769,914</u>	<u>39,930</u>
Total Treasurer	<u>3,516,557</u>	<u>3,358,461</u>	<u>158,096</u>

continued

**Oakland County**  
**General Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances – Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	Amended budget	Actual	Variance favorable (unfavorable)
<b>Expenditures (continued)</b>			
Justice Administration			
Circuit Court			
Administration			
Controllable personnel expenditures	\$ 18,431,873	\$ 16,990,555	\$ 1,441,318
Controllable operating expenditures	12,810,295	12,581,640	228,655
Non-controllable operating expenditures	<u>4,839,800</u>	<u>4,868,905</u>	<u>(29,105)</u>
Total Circuit Court	<u>36,081,968</u>	<u>34,441,100</u>	<u>1,640,868</u>
District Court			
Administration			
Controllable personnel expenditures	66,199	16,999	49,200
Controllable operating expenditures	<u>98,240</u>	<u>73,330</u>	<u>24,910</u>
Total Administration	<u>164,439</u>	<u>90,329</u>	<u>74,110</u>
Division I			
Controllable personnel expenditures	2,814,040	2,795,169	18,871
Controllable operating expenditures	805,870	907,650	(101,780)
Non-controllable operating expenditures	<u>536,307</u>	<u>553,350</u>	<u>(17,043)</u>
Total Division I	<u>4,156,217</u>	<u>4,256,169</u>	<u>(99,952)</u>
Division II			
Controllable personnel expenditures	1,000,983	970,856	30,127
Controllable operating expenditures	328,962	322,337	6,625
Non-controllable operating expenditures	<u>244,832</u>	<u>233,420</u>	<u>11,412</u>
Total Division II	<u>1,574,777</u>	<u>1,526,613</u>	<u>48,164</u>
Division III			
Controllable personnel expenditures	2,415,358	2,474,341	(58,983)
Controllable operating expenditures	819,529	755,468	64,061
Non-controllable operating expenditures	<u>483,681</u>	<u>474,428</u>	<u>9,253</u>
Total Division III	<u>3,718,568</u>	<u>3,704,237</u>	<u>14,331</u>
Division IV			
Controllable personnel expenditures	1,864,741	1,754,034	110,707
Controllable operating expenditures	513,399	568,284	(54,885)
Non-controllable operating expenditures	<u>447,886</u>	<u>445,098</u>	<u>2,788</u>
Total Division IV	<u>2,826,026</u>	<u>2,767,416</u>	<u>58,610</u>
Total District Court	<u>12,440,027</u>	<u>12,344,764</u>	<u>95,263</u>

continued

**Oakland County**  
**General Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances – Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	Amended budget	Actual	Variance favorable (unfavorable)
<b>Expenditures (continued)</b>			
Justice Administration (continued)			
Probate Court			
Judicial Administration			
Controllable personnel expenditures	\$ 1,595,394	\$ 1,465,647	\$ 129,747
Controllable operating expenditures	77,528	59,591	17,937
Non-controllable operating expenditures	<u>438,938</u>	<u>441,226</u>	<u>(2,288)</u>
Total Judicial Administration	<u>2,111,860</u>	<u>1,966,464</u>	<u>145,396</u>
Judicial Support			
Controllable personnel expenditures	1,371,571	1,598,020	(226,449)
Controllable operating expenditures	620,882	589,522	31,360
Non-controllable operating expenditures	<u>768,454</u>	<u>612,657</u>	<u>155,797</u>
Total Judicial Support	<u>2,760,907</u>	<u>2,800,199</u>	<u>(39,292)</u>
Court Services			
Controllable personnel expenditures	-	-	-
Controllable operating expenditures	-	431	(431)
Non-controllable operating expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Court Services	<u>-</u>	<u>431</u>	<u>(431)</u>
Total Probate Court	<u>4,872,767</u>	<u>4,767,094</u>	<u>105,673</u>
Total Justice Administration	<u>53,394,762</u>	<u>51,552,958</u>	<u>1,841,804</u>
Law Enforcement			
Prosecuting Attorney			
Administration			
Controllable personnel expenditures	1,961,558	1,911,703	49,855
Controllable operating expenditures	1,811,025	1,468,861	342,164
Non-controllable operating expenditures	<u>2,071,265</u>	<u>2,197,534</u>	<u>(126,269)</u>
Total Administration	<u>5,843,848</u>	<u>5,578,098</u>	<u>265,750</u>
Litigation			
Controllable personnel expenditures	6,582,937	5,921,865	661,072
Controllable operating expenditures	<u>56,492</u>	<u>32,540</u>	<u>23,952</u>
Total Litigation	<u>6,639,429</u>	<u>5,954,405</u>	<u>685,024</u>

continued

**Oakland County**  
**General Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances – Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	Amended budget	Actual	Variance favorable (unfavorable)
<b>Expenditures (continued)</b>			
Law enforcement (continued)			
Prosecuting Attorney (continued)			
Warrants			
Controllable personnel expenditures	\$ 1,872,102	\$ 1,739,100	\$ 133,002
Controllable operating expenditures	<u>2,758</u>	<u>1,608</u>	<u>1,150</u>
Total Warrants	<u>1,874,860</u>	<u>1,740,708</u>	<u>134,152</u>
Appellate Court			
Controllable personnel expenditures	1,416,286	1,354,230	62,056
Controllable operating expenditures	<u>6,885</u>	<u>5,162</u>	<u>1,723</u>
Total Appellate Courts	<u>1,423,171</u>	<u>1,359,392</u>	<u>63,779</u>
Total Prosecuting Attorney	<u>15,781,308</u>	<u>14,632,603</u>	<u>1,148,705</u>
Sheriff			
Sheriff's Office			
Controllable personnel expenditures	973,561	995,835	(22,274)
Controllable operating expenditures	419,246	214,627	204,619
Non-controllable operating expenditures	<u>1,642,028</u>	<u>1,142,127</u>	<u>499,901</u>
Total Sheriff's Office	<u>3,034,835</u>	<u>2,352,589</u>	<u>682,246</u>
Administrative Services			
Controllable personnel expenditures	919,344	994,311	(74,967)
Controllable operating expenditures	685,674	667,675	17,999
Non-controllable operating expenses	<u>511,862</u>	<u>763,894</u>	<u>(252,032)</u>
Total Administrative Services	<u>2,116,880</u>	<u>2,425,880</u>	<u>(309,000)</u>
Corrective Services			
Controllable personnel expenditures	17,387,352	17,507,568	(120,216)
Controllable operating expenditures	6,230,239	5,794,014	436,225
Non-controllable operating expenditures	<u>6,838,749</u>	<u>7,025,387</u>	<u>(186,638)</u>
Total Corrective Services	<u>30,456,340</u>	<u>30,326,969</u>	<u>129,371</u>
Corrective Services - Satellites			
Controllable personnel expenditures	12,094,388	12,012,332	82,056
Controllable operating expenditures	143,820	237,595	(93,775)
Non-controllable operating expenditures	<u>1,026,346</u>	<u>1,027,471</u>	<u>(1,125)</u>
Total Corrective Services - Satellites	<u>13,264,554</u>	<u>13,277,398</u>	<u>(12,844)</u>

continued

**Oakland County**  
**General Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances – Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	Amended budget	Actual	Variance favorable (unfavorable)
<b>Expenditures (continued)</b>			
Law enforcement (continued)			
Sheriff (continued)			
Protective Services			
Controllable personnel expenditures	\$ 22,521,955	\$ 23,187,498	\$ (665,543)
Controllable operating expenditures	537,001	486,500	50,501
Non-controllable operating expenditures	<u>3,897,401</u>	<u>2,743,401</u>	<u>1,154,000</u>
Total Protective Services	<u>26,956,357</u>	<u>26,417,399</u>	<u>538,958</u>
Technical Services			
Controllable personnel expenditures	7,963,982	7,925,605	38,377
Controllable operating expenditures	775,509	678,426	97,083
Non-controllable operating expenditures	<u>1,174,436</u>	<u>1,352,601</u>	<u>(178,165)</u>
Total Technical Services	<u>9,913,927</u>	<u>9,956,632</u>	<u>(42,705)</u>
Total Sheriff	<u>85,742,893</u>	<u>84,756,867</u>	<u>986,026</u>
Total Law Enforcement	<u>101,524,201</u>	<u>99,389,470</u>	<u>2,134,731</u>
Legislative			
Board of Commissioners			
Administration			
Controllable personnel expenditures	1,696,806	1,613,626	83,180
Controllable operating expenditures	432,572	394,860	37,712
Non-controllable operating expenditures	<u>452,985</u>	<u>414,417</u>	<u>38,568</u>
Total Administration	<u>2,582,363</u>	<u>2,422,903</u>	<u>159,460</u>
Library Board			
Controllable personnel expenditures	891,938	889,513	2,425
Controllable operating expenditures	930,021	930,783	(762)
Non-controllable operating expenditures	<u>1,128,568</u>	<u>1,118,754</u>	<u>9,814</u>
Total Library board	<u>2,950,527</u>	<u>2,939,050</u>	<u>11,477</u>
Total Legislative	<u>5,532,890</u>	<u>5,361,953</u>	<u>170,937</u>

continued



**Oakland County**  
**General Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances – Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	Amended budget	Actual	Variance favorable (unfavorable)
<b>Expenditures (continued)</b>			
Drain Commissioner			
Administration			
Controllable personnel expenditures	\$ 756,269	\$ 870,303	\$ (114,034)
Controllable operating expenditures	150,935	161,992	(11,057)
Non-controllable operating expenditures	<u>780,702</u>	<u>677,872</u>	<u>102,830</u>
Total Administration	<u>1,687,906</u>	<u>1,710,167</u>	<u>(22,261)</u>
Operations and Maintenance			
Controllable personnel expenditures	77,491	49,640	27,851
Controllable operating expenditures	<u>360</u>	<u>-</u>	<u>360</u>
Total Operations and Maintenance	<u>77,851</u>	<u>49,640</u>	<u>28,211</u>
Engineering and Construction			
Controllable personnel expenditures	1,330,901	1,262,917	67,984
Controllable operating expenditures	<u>30,000</u>	<u>19,716</u>	<u>10,284</u>
Total Engineering and Construction	<u>1,360,901</u>	<u>1,282,633</u>	<u>78,268</u>
Total Drain Commissioner	<u>3,126,658</u>	<u>3,042,440</u>	<u>84,218</u>
Non-departmental			
Assessments	1,200,000	1,092,038	107,962
Building maintenance and other services	1,345,800	1,514,078	(168,278)
Other	<u>3,952,142</u>	<u>3,165,072</u>	<u>787,070</u>
Total non-departmental	<u>6,497,942</u>	<u>5,771,188</u>	<u>726,754</u>
Total expenditures	<u>242,559,033</u>	<u>232,530,388</u>	<u>10,028,645</u>
<b>Operating transfers out</b>			
Special Revenue			
County Health	25,876,205	23,090,327	2,785,878
Juvenile Maintenance	13,496,954	14,787,640	(1,290,686)
Social Welfare Foster Care	45,000	6,365	38,635
Drains-Act 40 Maintenance Chapter 4 & 18	43,165	30,165	13,000
Friend of the Court	5,541	5,541	-
Environmental Infrastructure	5,000,000	5,000,000	-
Oakland Enhancement	<u>55,685</u>	<u>-</u>	<u>55,685</u>
Total special revenue	<u>44,522,550</u>	<u>42,920,038</u>	<u>1,602,512</u>

continued

**Oakland County**  
**General Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances – Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	Amended budget	Actual	Variance favorable (unfavorable)
<b>Operating Transfers Out (continued)</b>			
<b>Debt Service</b>			
Building Authority Refunding Series 1992	\$ 1,085,647	\$ 1,086,968	\$ (1,321)
Building Authority Computer Center	109,943	109,942	1
Building Authority West Wing Extension	92,605	92,605	-
Building Authority Refunding Series 1998	<u>435,455</u>	<u>435,455</u>	<u>-</u>
Total Debt Service	<u>1,723,650</u>	<u>1,724,970</u>	<u>(1,320)</u>
<b>Capital Projects</b>			
Building Improvement	5,750,000	5,750,000	-
Project Work Orders	<u>650,000</u>	<u>650,000</u>	<u>-</u>
Total Capital Projects	<u>6,400,000</u>	<u>6,400,000</u>	<u>-</u>
<b>Internal Service</b>			
Information Technology	4,839,334	4,860,534	(21,200)
C.L.E.M.I.S.	1,445,156	1,445,156	-
Drain Equipment	1,070,629	1,070,629	-
Facilities, Maintenance, and Operations	54,000	54,000	-
Fringe Benefits	745,000	745,000	-
Mailing, Copier, and Printing	45,900	45,900	-
Motor Pool	508,797	493,365	15,432
Office Equipment	158,165	158,165	-
Radio Communications	122,120	137,120	(15,000)
Communications Fund	<u>20,905</u>	<u>20,905</u>	<u>-</u>
Total internal services	<u>9,010,006</u>	<u>9,030,774</u>	<u>(20,768)</u>
<b>Enterprise</b>			
Airport Facilities	333,400	333,400	-
Medical Care Facility	76,000	76,000	-
Fire Records Management	<u>90,050</u>	<u>90,050</u>	<u>-</u>
Total enterprise	<u>499,450</u>	<u>499,450</u>	<u>-</u>
Total operating transfers out	<u>62,155,656</u>	<u>60,575,232</u>	<u>1,580,424</u>
<b>Operating transfer out to component units</b>	<u>10,870,616</u>	<u>10,870,616</u>	<u>-</u>
Total expenditures and operating transfers out	<u>315,585,305</u>	<u>303,976,236</u>	<u>11,609,069</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	<u>(11,601,390)</u>	<u>53,456,837</u>	<u>65,058,227</u>
Fund balance at October 1, 2000	42,989,362	42,989,362	-
Residual equity transfers in	<u>-</u>	<u>694,994</u>	<u>694,994</u>
Fund balance at September 30, 2001	<u>\$ 31,387,972</u>	<u>\$ 97,141,193</u>	<u>\$ 65,753,221</u>

## Oakland County Special Revenue Funds

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### Special Revenue Funds

These funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes such as special assessment revenues, non-capital grants, and other earmarked revenues not included within other fund categories.

*\*County Health Fund* - is used to account for revenue reserved for the purpose of providing health protection, maintenance, and improvement for the residents of Oakland County.

*\*The Juvenile Maintenance Fund* - is used to account for revenue earmarked for the placement of children to foster care homes and for the detention of children in the Children's Village, as ordered by Probate Court.

*\*The Social Welfare Foster Care Fund* - is used to reimburse agencies and individuals for board and care expenditures of foster care children. Partial reimbursement of these expenditures is received from the State of Michigan.

*The Friend of the Court Fund* - is used to account for revenue reserved for the operation of this division of the Circuit Court, responsible for the processing of alimony and child support payments as directed by the State of Michigan Child Support Enforcement System.

*The Delinquent Personal Tax Administration Fund* - is used to account for the collection of delinquent personal property taxes and their subsequent disbursement to various municipalities, school districts, and other governmental units. Cost-related activities involving the collection of taxes are also recorded in this fund. Per State of Michigan statutes, money collected in excess of costs shall be intermittently transferred to the County General Fund. This fund was transferred from Fiduciary/Expendable Trust fund type at October 1, 2000.

*The Parks and Recreation Fund* - is used to account for revenue earmarked for the operation of the County parks (currently 11). Principal revenues are from a voter-approved millage and user charges.

*The County Library Fund* - is used to account for revenue designated for library purposes. This fund was closed into the County General Fund at September 30, 2001.

*The State Court Disbursement Fund* - was established to account for the receipt and disbursement of State funding designated for the courts in accordance with Public Act 189 of 1993. This fund was transferred to the Restricted Funds Fund in fiscal year 2001.

*The County Veterans' Trust Fund* - is used to account for revenue earmarked for aid to needy veterans.

*The County Market Fund* - is used to account for the operations of the Farmers' Market located in Waterford. This fund was transferred to Enterprise fund type at October 1, 2000.

## Oakland County Special Revenue Funds

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### Special Revenue Funds (continued)

***The Restricted Funds Fund*** - is used to account for donations made for various specific purposes or other amounts held for disbursement at a future date:

- Donations made to, and their disbursements from, Oakland County Children's Village to benefit youths. These monies are invested, and investment earnings remain in this fund.
- Blind Handicapped Gift, to account for donations made to the Blind Handicapped Library.
- Oakland County Sheriff's Department Seized Funds, accounting for monies relinquished to the Sheriff's Department as a result of investigation by the department and their disbursement pending trial.
- Prosecutor Citizens Reward program is used to account for monies received from public donations and awarded to citizens for their special assistance on major cases initiated by the Prosecutor's Office.
- Intergovernmental Utility Defense Fund accounts for contributions from cities, townships, villages school districts, and counties in the State of Michigan to finance the cost of a legal challenge to State Tax Commission enacted multipliers for utility personal property tax.
- State Court Disbursement, to account for State funding designated for the courts in accordance with Public Act 189 of 1993. Previously recorded in a separate Special Revenue type fund.
- Litigation ChildCare, to account for legal fees paid in a lawsuit case initiated by Oakland County and several other Michigan counties against the State of Michigan involving childcare.
- Probate Court Trust, used to account for individual donations made to the court and their subsequent disbursement to assist youths. This fund was previously accounted for in Fiduciary/Expendable Trust fund type.

***The Social Welfare Fund*** - is used to account for payments made to General Assistance recipients through the Oakland County Office of the Michigan Family Independence Agency. The State of Michigan, in turn, reimburses Oakland County for the disbursements.

***The Environmental Infrastructure Fund*** - permits the annual transfer of \$5,000,000 annually for five years from the Delinquent Tax Revolving Fund to the General Fund to establish an Environmental Infrastructure Fund. These funds are then to be allocated and transferred from the General Fund for the purpose of reimbursing local cities, villages and townships for costs incurred on environmental issues, based on criteria developed by the Board of Commissioners.

***The Oakland Enhancement Fund*** - is used to account for revenue received from various sources for the purpose of coordinating economic development within the County.

***The Millage Reduction and Stabilization Fund*** - was created to provide resources for the primary purpose of reducing the County's millage rate.

***The Drains Act 40 Maintenance Chapter 4 & 18 Fund*** - is used to record expenditures for the operations and maintenance of drainage districts created under Chapter 4 and 18 of Public Act 40 of 1956 (currently 214 drains). Revenues are provided from special assessments against the benefiting properties within the district.



## **Oakland County Special Revenue Funds**

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### **Special Revenue Funds (continued)**

***The Lake Levels Act 146 Fund*** - is used to account for funds from special assessments to finance the cost of maintaining County lake levels (currently 29) created under Public Act 146 of 1961.

***The Lake Improvements Act 345 Fund*** - is used to account for special assessment revenues collected to oversee the improvement (i.e., weed control) for various lakes in Oakland County where the lake improvement board has named the Oakland County Treasurer as treasurer of the respective improvement board. There are currently 28 such lakes under Public Act 345 of 1966.

***The Pollution Control Grants Fund*** – consists of grant sub-funds for costs relating to:

- On-site Sewage Disposal Management, which utilizes federal funds for public education and illicit discharge elimination in drains maintained by local communities in the Rouge River watershed.
- Clinton River Illicit Investigation utilizing non-profit funds to investigate and eliminate illicit discharges.
- Rouge River Illicit Connection, which utilizes federal funds to evaluate alternative approaches for controlling sources of water pollution.

***The Multi-Organizational Grants Fund*** - accounts for costs in the following sub-funds:

- Community Corrections, which utilizes State funds to increase utilization of community-based sanctions and services for nonviolent offenders.
- Juvenile Accountability Incentive Block Grant – utilizes federal and County funds to develop programs to promote greater accountability in the juvenile justice system.
- Law Enforcement Block Grant, which utilizes federal and County funds to enhance the adjudication process of drug cases in Oakland County.

***The Workforce Development Grants Fund*** - accounts for costs involved in providing employment services to individuals who are unemployed, physically or economically disadvantaged, or transitioning from school to employment. Costs include training, education and transportation, funded through State and federal grants. Formerly known as J.T.P.A. (Jobs Training Partnership Training Act) Grants.

***The Judicial Grants Fund*** - accounts for drug court programs through Oakland County Circuit and 52<sup>nd</sup> District Courts.

***The Law Enforcement Grants Fund*** - consists of sub-funds used to record costs of various law enforcement programs utilizing Federal, State and Local funds.

***The Housing and Community Development Fund*** - accounts for block grants received from the U.S. Department of Housing and Urban Development for the use of low to moderate-income home improvement loans, municipal projects, and homeless-assistance projects, including counseling.

***The Human Service Grants Fund*** - accounts for the cost of various health-related/grant-funded programs.

## Oakland County Special Revenue Funds

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### Special Revenue Funds

***The Other Grants Fund*** - consisting of grant sub-funds where the function does not relate specifically to one of the other areas:

- F.O.C. (Friend of the Court) Medical Support, which accounts for utilization of State and federal funds to identify backlogs of existing Title IV-D cases requiring medical support enforcement and determine and initiate action needed for backlogged and new cases.
- Clerk/Register of Deeds Survey/Re monumentation, utilizing State funds to locate, verify, replace, or reposition government sector corners and quarter corners within the County, per Public Act 345 of 1990.
- Tornado Siren, which utilizes County and Municipal funds in the procurement and installation of tornado siren units used in the tornado warning system.
- Grants for programs such as Arts, Culture & Film, Medical Examiner Family Counseling, Community Corrections In-Step, Domestic Preparedness Equipment, and Brownfields Assessment & Greenspace.

***The Human Services Coordinating Council Fund*** - accounts for costs in the following programs/sub-funds:

- Strong Families/Safe Children, which utilizes Federal Title IV-B funds to provide community-based, family focused, new or enhanced family preservation and family support services to at-risk children and families.
- Child Protection Program utilizes Federal funds to provide services and support to a targeted group of families who may “fall between the cracks” because abuse and neglect have not been substantiated, or they are considered at low risk of child abuse and neglect.
- Services to Children 0-3 utilizes Federal funds to support secondary prevention programs designed to promote strong, nurturing families and prevent child abuse and neglect. The target population is families with children age zero – three who are “at risk” and not involved with Children’s Protective Services.

***The COPS (Community Oriented Policing Services) More Grant Fund*** - accounts for Federal and State funding to help police departments become more efficient by providing funds for technology, equipment and the support resources that will allow officers to spend more time engaged in community policing activities.

\* Fund included in “Total Budgeted Special Revenue Funds” combining statement of revenues, expenditures, and changes in fund balance on pages 121 to 128.

**Oakland County  
Special Revenue Funds  
Combining Balance Sheets  
September 30, 2001**

	County Health	Juvenile Maintenance	Social Welfare Foster Care	Friend of the Court	Delinquent Personal Tax Administration	Parks and Recreation	County Library
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents	\$ 2,600,243	\$ -	\$ 12,135	\$ -	\$ 138,560	\$ 5,782,178	\$ 286,960
Investments	-	-	-	-	9,154,284	-	-
Current & delinquent property taxes	-	-	-	-	-	97,226	-
Special assessments receivable	-	-	-	-	-	-	-
Due from other governmental units	328,197	1,642,763	-	1,961,629	-	13,701	-
Accrued interest receivable	-	-	-	-	82,567	23	-
Accounts receivable (net of allowance for uncollectibles where applicable)	189,990	210	-	2,718	-	349,952	-
Due from other funds	35,211	1,397,518	-	419,066	-	17,716	-
Inventories and supplies	-	-	-	-	-	16,117	-
<b>Total current assets</b>	<b>3,153,641</b>	<b>3,040,491</b>	<b>12,135</b>	<b>2,383,413</b>	<b>9,375,411</b>	<b>6,276,913</b>	<b>286,960</b>
<b>Long-term assets</b>							
Special assessments receivable	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 3,153,641</b>	<b>\$ 3,040,491</b>	<b>\$ 12,135</b>	<b>\$ 2,383,413</b>	<b>\$ 9,375,411</b>	<b>\$ 6,276,913</b>	<b>\$ 286,960</b>
<b>Liabilities and Fund Balances</b>							
<b>Current liabilities</b>							
Vouchers payable	\$ 400,091	\$ 368,687	\$ -	\$ 1,360	\$ -	\$ 268,403	\$ -
Due to other governmental units	78,618	-	-	-	-	-	-
Due to other funds	1,932,849	2,232,520	8,635	2,904,841	-	425	286,960
Deferred revenue	-	-	-	-	-	2,955	-
Other accrued liabilities	408,677	433,500	3,500	28,826	6,281	19,789	-
<b>Total current liabilities</b>	<b>2,820,235</b>	<b>3,034,707</b>	<b>12,135</b>	<b>2,935,027</b>	<b>6,281</b>	<b>291,572</b>	<b>286,960</b>
<b>Other liabilities - advances</b>							
<b>Total liabilities</b>	<b>2,820,235</b>	<b>3,034,707</b>	<b>12,135</b>	<b>2,935,027</b>	<b>6,281</b>	<b>291,572</b>	<b>286,960</b>
<b>Fund balances (deficit)</b>							
Reserve for encumbrances	333,406	5,784	-	-	-	161,228	-
Reserve for inventories and supplies	-	-	-	-	-	16,117	-
<b>Total reserved</b>	<b>333,406</b>	<b>5,784</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>177,345</b>	<b>-</b>
<b>Unreserved</b>							
Designated for construction and maintenance	-	-	-	-	-	-	-
Designated for programs	-	-	-	-	9,369,130	5,807,996	-
Undesignated	-	-	-	(551,614)	-	-	-
<b>Total unreserved</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(551,614)</b>	<b>9,369,130</b>	<b>5,807,996</b>	<b>-</b>
<b>Total fund balances (deficit)</b>	<b>333,406</b>	<b>5,784</b>	<b>-</b>	<b>(551,614)</b>	<b>9,369,130</b>	<b>5,985,341</b>	<b>-</b>
<b>Total liabilities and fund balances (deficit)</b>	<b>\$ 3,153,641</b>	<b>\$ 3,040,491</b>	<b>\$ 12,135</b>	<b>\$ 2,383,413</b>	<b>\$ 9,375,411</b>	<b>\$ 6,276,913</b>	<b>\$ 286,960</b>

continued

**Oakland County  
Special Revenue Funds  
Combining Balance Sheets  
September 30, 2001**

	State Court Disbursement	County Veterans' Trust	County Market	Restricted Funds	Social Welfare	Environmental Infrastructure	Oakland Enhancement	Millage Reduction and Stabilization
<b>Assets</b>								
<b>Current assets</b>								
Cash and cash equivalents	\$ 1,831,268	\$ 17,120	\$ -	\$ -	\$ -	\$ -	\$ 116,985	\$ -
Investments	-	-	-	5,301	-	-	150,000	-
Current & delinquent property taxes	-	-	-	-	-	-	-	-
Special assessments receivable	-	-	-	-	-	-	-	-
Due from other governmental units	-	-	-	-	33,460	-	-	-
Accrued interest receivable	-	-	-	-	-	-	900	-
Accounts receivable (net of allowance for uncollectibles where applicable)	-	-	-	-	72,080	-	15,250	-
Due from other funds	-	-	-	1,843,462	-	8,397,215	-	-
Inventories and supplies	-	-	-	-	-	-	-	-
<b>Total current assets</b>	<b>1,831,268</b>	<b>17,120</b>	<b>-</b>	<b>1,848,763</b>	<b>105,540</b>	<b>8,397,215</b>	<b>283,135</b>	<b>-</b>
<b>Long-term assets</b>								
Special assessments receivable	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 1,831,268</b>	<b>\$ 17,120</b>	<b>\$ -</b>	<b>\$ 1,848,763</b>	<b>\$ 105,540</b>	<b>\$ 8,397,215</b>	<b>\$ 283,135</b>	<b>\$ -</b>
<b>Liabilities and Fund Balances</b>								
<b>Current liabilities</b>								
Vouchers payable	\$ -	\$ 860	\$ -	\$ 629	\$ -	\$ 3,782	\$ 7,586	\$ -
Due to other governmental units	-	-	-	-	72,080	-	-	-
Due to other funds	1,831,268	-	-	32,880	33,460	67,656	-	-
Deferred revenue	-	-	-	-	-	-	-	-
Other accrued liabilities	-	-	-	106,957	-	-	5,000	-
<b>Total current liabilities</b>	<b>1,831,268</b>	<b>860</b>	<b>-</b>	<b>140,466</b>	<b>105,540</b>	<b>71,438</b>	<b>12,586</b>	<b>-</b>
<b>Other liabilities - advances</b>								
<b>Total liabilities</b>	<b>1,831,268</b>	<b>860</b>	<b>-</b>	<b>140,466</b>	<b>105,540</b>	<b>71,438</b>	<b>12,586</b>	<b>-</b>
<b>Fund balances (deficit)</b>								
Reserve for encumbrances	-	-	-	-	-	-	4,688	-
Reserve for inventories and supplies	-	-	-	-	-	-	-	-
<b>Total reserved</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,688</b>	<b>-</b>
<b>Unreserved</b>								
Designated for construction and maintenance	-	-	-	-	-	-	-	-
Designated for programs	-	16,260	-	1,708,297	-	8,325,777	265,861	-
Undesignated	-	-	-	-	-	-	-	-
<b>Total unreserved</b>	<b>-</b>	<b>16,260</b>	<b>-</b>	<b>1,708,297</b>	<b>-</b>	<b>8,325,777</b>	<b>265,861</b>	<b>-</b>
<b>Total fund balances (deficit)</b>	<b>-</b>	<b>16,260</b>	<b>-</b>	<b>1,708,297</b>	<b>-</b>	<b>8,325,777</b>	<b>270,549</b>	<b>-</b>
<b>Total liabilities and fund balances (deficit)</b>	<b>\$ 1,831,268</b>	<b>\$ 17,120</b>	<b>\$ -</b>	<b>\$ 1,848,763</b>	<b>\$ 105,540</b>	<b>\$ 8,397,215</b>	<b>\$ 283,135</b>	<b>\$ -</b>

continued



**Oakland County  
Special Revenue Funds  
Combining Balance Sheets  
September 30, 2001**

	<b>Drains-Act 40 Maintenance Chapter 4 &amp; 18</b>	<b>Lake Levels Act 146</b>	<b>Lake Improvements Act 345</b>	<b>Pollution Control Grants</b>	<b>Multi- Organizational Grants</b>	<b>Workforce Development Grants</b>	<b>Judicial Grants</b>
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents	\$ 4,318,933	\$ 193,950	\$ 1,747,681	\$ 8,507	\$ -	\$ 1,608,405	\$ -
Investments	-	-	-	-	-	-	-
Current & delinquent property taxes	-	-	-	-	-	-	-
Special assessments receivable	8,113	582	-	-	-	-	-
Due from other governmental units	-	-	-	22,704	1,833,347	1,377,788	76,165
Accrued interest receivable	-	-	-	-	-	-	-
Accounts receivable (net of allowance for uncollectibles where applicable)	-	-	-	26,773	755	-	-
Due from other funds	27,399	-	-	10,097	97,533	-	-
Inventories and supplies	-	-	-	-	-	-	-
<b>Total current assets</b>	<b>4,354,445</b>	<b>194,532</b>	<b>1,747,681</b>	<b>68,081</b>	<b>1,931,635</b>	<b>2,986,193</b>	<b>76,165</b>
<b>Long-term assets</b>							
Special assessments receivable	-	32,546	-	-	-	-	-
<b>Total assets</b>	<b>\$ 4,354,445</b>	<b>\$ 227,078</b>	<b>\$ 1,747,681</b>	<b>\$ 68,081</b>	<b>\$ 1,931,635</b>	<b>\$ 2,986,193</b>	<b>\$ 76,165</b>
<b>Liabilities and Fund Balances</b>							
<b>Current liabilities</b>							
Vouchers payable	\$ -	\$ -	\$ -	\$ 38,267	\$ 132,956	\$ 1,109,127	\$ 225
Due to other governmental units	270	-	-	-	3,081	7,046	-
Due to other funds	330,544	94,649	507,803	29,814	741,681	65,284	75,940
Deferred revenue	-	32,546	-	-	-	-	-
Other accrued liabilities	2,925,414	14,486	-	-	1,053,917	1,804,736	-
<b>Total current liabilities</b>	<b>3,256,228</b>	<b>141,681</b>	<b>507,803</b>	<b>68,081</b>	<b>1,931,635</b>	<b>2,986,193</b>	<b>76,165</b>
Other liabilities - advances	-	51,192	-	-	-	-	-
<b>Total liabilities</b>	<b>3,256,228</b>	<b>192,873</b>	<b>507,803</b>	<b>68,081</b>	<b>1,931,635</b>	<b>2,986,193</b>	<b>76,165</b>
<b>Fund balances (deficit)</b>							
Reserve for encumbrances	-	-	-	-	-	-	-
Reserve for inventories and supplies	-	-	-	-	-	-	-
<b>Total reserved</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Unreserved</b>							
Designated for construction and maintenance	1,098,217	34,205	1,239,878	-	-	-	-
Designated for programs	-	-	-	-	-	-	-
Undesignated	-	-	-	-	-	-	-
<b>Total unreserved</b>	<b>1,098,217</b>	<b>34,205</b>	<b>1,239,878</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total fund balances (deficit)</b>	<b>1,098,217</b>	<b>34,205</b>	<b>1,239,878</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities and fund balances (deficit)</b>	<b>\$ 4,354,445</b>	<b>\$ 227,078</b>	<b>\$ 1,747,681</b>	<b>\$ 68,081</b>	<b>\$ 1,931,635</b>	<b>\$ 2,986,193</b>	<b>\$ 76,165</b>

continued

**Oakland County  
Special Revenue Funds  
Combining Balance Sheets  
September 30, 2001**

	Law Enforcement Grants	Housing and Community Development	Human Service Grants	Other Grants	Human Services Coordinating Council	COPS More Grant	Total
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents	\$ -	\$ 3,351,184	\$ 1,258,568	\$ -	\$ -	\$ 2,931,378	\$ 26,204,055
Investments	-	-	-	-	-	-	9,309,585
Current & delinquent property taxes	-	-	-	-	-	-	97,226
Special assessments receivable	-	-	-	-	-	-	8,695
Due from other governmental units	1,595,113	131,331	2,914,164	2,449,556	76,035	7,268,994	21,724,947
Accrued interest receivable	-	-	-	-	-	-	83,490
Accounts receivable (net of allowance for uncollectibles where applicable)	7,275	-	7,094	-	-	26,280	698,377
Due from other funds	258,693	-	35,778	33,751	-	39,887	12,613,326
Inventories and supplies	-	-	-	-	-	-	16,117
<b>Total current assets</b>	<b>1,861,081</b>	<b>3,482,515</b>	<b>4,215,604</b>	<b>2,483,307</b>	<b>76,035</b>	<b>10,266,539</b>	<b>70,755,818</b>
<b>Long-term assets</b>							
Special assessments receivable	-	-	-	-	-	-	32,546
<b>Total assets</b>	<b>\$ 1,861,081</b>	<b>\$ 3,482,515</b>	<b>\$ 4,215,604</b>	<b>\$ 2,483,307</b>	<b>\$ 76,035</b>	<b>\$ 10,266,539</b>	<b>\$ 70,788,364</b>
<b>Liabilities and Fund Balances</b>							
<b>Current liabilities</b>							
Vouchers payable	\$ 52,056	\$ 104,384	\$ 219,580	\$ 4,847	\$ -	\$ -	\$ 2,712,840
Due to other governmental units	46,422	-	362,028	-	-	-	569,545
Due to other funds	1,305,163	-	80,890	2,381,701	44,215	-	14,989,178
Deferred revenue	124,427	3,347,474	1,532,294	61,226	31,820	10,063,422	15,196,164
Other accrued liabilities	333,013	657	2,020,812	35,533	-	203,117	9,404,215
<b>Total current liabilities</b>	<b>1,861,081</b>	<b>3,452,515</b>	<b>4,215,604</b>	<b>2,483,307</b>	<b>76,035</b>	<b>10,266,539</b>	<b>42,871,942</b>
<b>Other liabilities - advances</b>	<b>-</b>	<b>30,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>81,192</b>
<b>Total liabilities</b>	<b>1,861,081</b>	<b>3,482,515</b>	<b>4,215,604</b>	<b>2,483,307</b>	<b>76,035</b>	<b>10,266,539</b>	<b>42,953,134</b>
<b>Fund balances (deficit)</b>							
Reserve for encumbrances	-	-	-	-	-	-	505,106
Reserve for inventories and supplies	-	-	-	-	-	-	16,117
<b>Total reserved</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>521,223</b>
<b>Unreserved</b>							
Designated for construction and maintenance	-	-	-	-	-	-	2,372,300
Designated for programs	-	-	-	-	-	-	25,493,321
Undesignated	-	-	-	-	-	-	(551,614)
<b>Total unreserved</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,314,007</b>
<b>Total fund balances (deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,835,230</b>
<b>Total liabilities and fund balances (deficit)</b>	<b>\$ 1,861,081</b>	<b>\$ 3,482,515</b>	<b>\$ 4,215,604</b>	<b>\$ 2,483,307</b>	<b>\$ 76,035</b>	<b>\$ 10,266,539</b>	<b>\$ 70,788,364</b>

**Oakland County  
Special Revenue Funds  
Combining Statements of Revenues, Expenditures, and  
Changes in Fund Balances  
For the Year Ended September 30, 2001**

	County Health	Juvenile Maintenance	Social Welfare Foster Care	Friend of the Court	Delinquent Personal Tax Administration	Parks and Recreation	County Library
<b>Revenues</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,830,298	\$ -
Special assessments	-	-	-	-	-	-	-
Federal grants	4,610	231,022	-	-	-	-	-
State grants	3,668,694	8,943,856	8,864	4,974,309	-	-	-
Other intergovernmental revenues	245,655	-	-	1,048,588	-	-	-
Charges for services	2,992,341	3,829,769	-	6,523,431	812,005	6,887,893	2,790
Investment income	-	-	-	-	511,502	337,808	16,544
Other	18,809	205,432	-	-	-	16,312	1,395
<b>Total revenues</b>	<b>6,930,109</b>	<b>13,210,079</b>	<b>8,864</b>	<b>12,546,328</b>	<b>1,323,507</b>	<b>20,072,311</b>	<b>20,729</b>
<b>Expenditures</b>							
Salaries	15,067,234	7,441,049	-	6,384,473	287,680	6,432,692	-
Fringe benefits	5,840,395	2,834,615	-	2,402,499	110,298	1,877,613	-
Contractual services	3,924,019	15,073,197	15,229	1,346,658	170,446	3,198,583	6,979
Commodities	830,041	443,335	-	249,326	24,809	932,498	-
Capital outlay	766,825	-	-	2,083	125,561	478,639	-
Internal services	3,517,164	2,207,842	-	2,161,289	-	1,008,727	-
Intergovernmental	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>29,945,678</b>	<b>28,000,038</b>	<b>15,229</b>	<b>12,546,328</b>	<b>718,794</b>	<b>13,928,752</b>	<b>6,979</b>
Excess (deficiency) of revenues over (under) expenditures	(23,015,569)	(14,789,959)	(6,365)	-	604,713	6,143,559	13,750
<b>Other financing sources (uses)</b>							
Operating transfers in	23,090,327	14,787,640	6,365	-	-	-	-
Operating transfers out	(240,224)	-	-	(558,500)	-	(5,189,167)	(36,893)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(165,466)	(2,319)	-	(558,500)	604,713	954,392	(23,143)
Fund balances (deficit) at October 1, 2000	498,872	8,103	-	6,886	-	5,030,949	310,103
Residual equity transfers in	-	-	-	-	8,764,417	-	-
Residual equity transfers out	-	-	-	-	-	-	(286,960)
<b>Fund balances (deficits) at September 30, 2001</b>	<b>\$ 333,406</b>	<b>\$ 5,784</b>	<b>\$ -</b>	<b>\$ (551,614)</b>	<b>\$ 9,369,130</b>	<b>\$ 5,985,341</b>	<b>\$ -</b>

continued

**Oakland County  
Special Revenue Funds  
Combining Statements of Revenues, Expenditures, and  
Changes in Fund Balances  
For the Year Ended September 30, 2001**

	State Court Disbursement	County Vererans' Trust	County Market	Restricted Funds	Social Welfare	Environmental Infrastructure	Oakland Enhancement	Millage Reduction and Stabilization
<b>Revenues</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-	-
Federal grants	-	-	-	-	-	-	-	-
State grants	-	122,820	-	-	-	-	-	-
Other intergovernmental revenues	-	-	-	728,133	-	-	-	-
Charges for services	-	-	-	-	1,097,327	-	352,532	-
Investment income	-	-	-	4,863	-	-	13,080	-
Other	-	-	-	29,315	-	-	9,100	-
<b>Total revenues</b>	<b>-</b>	<b>122,820</b>	<b>-</b>	<b>762,311</b>	<b>1,097,327</b>	<b>-</b>	<b>374,712</b>	<b>-</b>
<b>Expenditures</b>								
Salaries	-	-	-	-	-	-	161,839	-
Fringe benefits	-	-	-	-	-	-	65,331	-
Contractual services	-	143,912	-	783,343	1,181,433	-	128,614	-
Commodities	-	535	-	10,631	-	-	15,925	-
Capital outlay	-	-	-	-	-	-	-	-
Internal services	411,673	-	-	148,102	-	-	-	-
Intergovernmental	-	-	-	-	-	4,997,081	-	-
<b>Total expenditures</b>	<b>411,673</b>	<b>144,447</b>	<b>-</b>	<b>942,076</b>	<b>1,181,433</b>	<b>4,997,081</b>	<b>371,709</b>	<b>-</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(411,673)</b>	<b>(21,627)</b>	<b>-</b>	<b>(179,765)</b>	<b>(84,106)</b>	<b>(4,997,081)</b>	<b>3,003</b>	<b>-</b>
<b>Other financing sources (uses)</b>								
Operating transfers in	-	-	-	1,843,462	-	5,000,000	-	-
Operating transfers out	(1,948,493)	-	-	-	-	-	-	(1,093,816)
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	<b>(2,360,166)</b>	<b>(21,627)</b>	<b>-</b>	<b>1,663,697</b>	<b>(84,106)</b>	<b>2,919</b>	<b>3,003</b>	<b>(1,093,816)</b>
<b>Fund balances (deficit) at October 1, 2000</b>	<b>2,360,166</b>	<b>37,887</b>	<b>8,255</b>	<b>44,600</b>	<b>84,106</b>	<b>8,322,858</b>	<b>267,546</b>	<b>1,093,816</b>
Residual equity transfers in	-	-	-	-	-	-	-	-
Residual equity transfers out	-	-	(8,255)	-	-	-	-	-
<b>Fund balances (deficits) at September 30, 2001</b>	<b>\$ -</b>	<b>\$ 16,260</b>	<b>\$ -</b>	<b>\$ 1,708,297</b>	<b>\$ -</b>	<b>\$ 8,325,777</b>	<b>\$ 270,549</b>	<b>\$ -</b>

continued

**Oakland County  
Special Revenue Funds  
Combining Statements of Revenues, Expenditures, and  
Changes in Fund Balances  
For the Year Ended September 30, 2001**

	<b>Drains-Act 40 Maintenance Chapter 4 &amp; 18</b>	<b>Lake Levels Act 146</b>	<b>Lake Improvements Act 345</b>	<b>Pollution Control Grants</b>	<b>Multi- Organizational Grants</b>	<b>Workforce Development Grants</b>	<b>Judicial Grants</b>
<b>Revenues</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	233,503	488,142	850,953	-	-	-	-
Federal grants	-	-	-	247,066	-	15,439,737	-
State grants	-	-	-	10,000	3,794,860	1,664,435	127,950
Other intergovernmental revenues	-	-	-	-	-	-	-
Charges for services	10,617	6,940	-	243,334	-	-	-
Investment income	181,745	10,547	78,706	-	-	5,492	-
Other	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>425,865</b>	<b>505,629</b>	<b>929,659</b>	<b>500,400</b>	<b>3,794,860</b>	<b>17,109,664</b>	<b>127,950</b>
<b>Expenditures</b>							
Salaries	164,174	168,474	-	96,659	1,166,804	355,016	85,730
Fringe benefits	60,452	53,758	-	29,865	422,074	121,727	23,513
Contractual services	116,343	28,256	580,491	292,734	2,033,169	16,514,298	11,866
Commodities	12,243	17,239	42,976	51,257	40,171	3,285	6,777
Capital outlay	-	-	-	-	44,378	-	-
Internal services	40,413	51,180	212	29,885	66,266	115,338	64
Intergovernmental	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>393,625</b>	<b>318,907</b>	<b>623,679</b>	<b>500,400</b>	<b>3,772,862</b>	<b>17,109,664</b>	<b>127,950</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>32,240</b>	<b>186,722</b>	<b>305,980</b>	<b>-</b>	<b>21,998</b>	<b>-</b>	<b>-</b>
<b>Other financing sources (uses)</b>							
Operating transfers in	21,115	-	9,050	-	-	-	-
Operating transfers out	-	-	-	-	(21,998)	-	-
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	<b>53,355</b>	<b>186,722</b>	<b>315,030</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances (deficit) at October 1, 2000</b>	<b>1,044,862</b>	<b>(152,517)</b>	<b>924,848</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Residual equity transfers in	-	-	-	-	-	-	-
Residual equity transfers out	-	-	-	-	-	-	-
<b>Fund balances (deficits) at September 30, 2001</b>	<b>\$ 1,098,217</b>	<b>\$ 34,205</b>	<b>\$ 1,239,878</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

continued

**Oakland County  
Special Revenue Funds  
Combining Statements of Revenues, Expenditures, and  
Changes in Fund Balances  
For the Year Ended September 30, 2001**

	Law Enforcement Grants	Housing and Community Development	Human Service Grants	Other Grants	Human Services Coordinating Council	COPS More Grant	Total
<b>Revenues</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,830,298
Special assessments	-	-	-	-	-	-	1,572,598
Federal grants	-	8,198,567	-	-	-	1,135,187	25,256,189
State grants	4,398,530	-	11,205,029	1,441,183	137,932	33,130	40,531,592
Other intergovernmental revenues	-	326,835	-	-	-	828,037	3,177,248
Charges for services	126,919	862,309	72,463	4,900	588	-	23,826,158
Investment income	-	-	-	-	-	-	1,160,287
Other	-	-	87,526	-	3,521	-	371,410
<b>Total revenues</b>	<b>4,525,449</b>	<b>9,387,711</b>	<b>11,365,018</b>	<b>1,446,083</b>	<b>142,041</b>	<b>1,996,354</b>	<b>108,725,780</b>
<b>Expenditures</b>							
Salaries	2,346,569	1,064,023	3,589,452	459,680	89,209	138,873	45,499,630
Fringe benefits	896,347	419,395	1,259,822	178,316	39,515	52,184	16,687,719
Contractual services	462,612	7,628,528	5,861,990	472,794	5,888	361,213	60,342,595
Commodities	23,571	46,621	227,026	48,149	1,303	44,820	3,072,538
Capital outlay	360,279	17,011	-	274,328	-	1,287,208	3,356,312
Internal services	436,071	212,133	426,728	12,816	6,126	112,056	10,964,085
Intergovernmental	-	-	-	-	-	-	4,997,081
<b>Total expenditures</b>	<b>4,525,449</b>	<b>9,387,711</b>	<b>11,365,018</b>	<b>1,446,083</b>	<b>142,041</b>	<b>1,996,354</b>	<b>144,919,960</b>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	(36,194,180)
<b>Other financing sources (uses)</b>							
Operating transfers in	-	-	-	-	-	-	44,757,959
Operating transfers out	-	-	-	-	-	-	(9,089,091)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	-	-	-	-	-	(525,312)
Fund balances (deficit) at October 1, 2000	-	-	-	-	-	-	19,891,340
Residual equity transfers in	-	-	-	-	-	-	8,764,417
Residual equity transfers out	-	-	-	-	-	-	(295,215)
<b>Fund balances (deficits) at September 30, 2001</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 27,835,230</b>

**Oakland County**  
**Special Revenue Funds**  
**Combining Statements of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	<u>County Health</u>		
	Amended budget	Actual	Variance favorable (unfavorable)
Revenues			
Federal grants	\$ 25,000	\$ 4,610	\$ (20,390)
State grants	4,400,000	3,668,694	(731,306)
Other intergovernmental revenues	183,700	245,655	61,955
Charges for services	1,771,145	2,992,341	1,221,196
Other	495,707	18,809	(476,898)
Total revenues	<u>6,875,552</u>	<u>6,930,109</u>	<u>54,557</u>
Expenditures			
Current operations			
County Executive			
Management and Budget			
Fiscal Services			
Controllable personnel expenditures	149,002	87,804	61,198
Controllable operating expenditures	265	582	(317)
Non-controllable operating expenditures	3,343	3,742	(399)
Total Fiscal Services	<u>152,610</u>	<u>92,128</u>	<u>60,482</u>
Total Management and Budget	<u>152,610</u>	<u>92,128</u>	<u>60,482</u>
Human Services			
Health			
Controllable personnel expenditures	21,939,368	20,487,312	1,452,056
Controllable operating expenditures	5,165,617	4,631,671	533,946
Non-controllable operating expenditures	3,443,869	3,224,337	219,532
Total Health	<u>30,548,854</u>	<u>28,343,320</u>	<u>2,205,534</u>
Total Human Services	<u>30,548,854</u>	<u>28,343,320</u>	<u>2,205,534</u>
Information Technology			
Emergency Management Services			
Controllable personnel expenditures	412,893	332,513	80,380
Controllable operating expenditures	916,563	888,632	27,931
Non-controllable operating expenditures	236,696	289,085	(52,389)
Total Emergency Management Services	<u>1,566,152</u>	<u>1,510,230</u>	<u>55,922</u>
Total Information Technology	<u>1,566,152</u>	<u>1,510,230</u>	<u>55,922</u>

continued

**Oakland County**  
**Special Revenue Funds**  
**Combining Statements of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	<u>County Health</u>		
	Amended budget	Actual	Variance favorable (unfavorable)
Expenditures, continued			
Current operations, continued			
County Executive, continued			
Total County Executive	<u>\$ 32,267,616</u>	<u>\$ 29,945,678</u>	<u>\$ 2,321,938</u>
Total expenditures	<u>32,267,616</u>	<u>29,945,678</u>	<u>2,321,938</u>
Deficiency of revenues under expenditures	(25,392,064)	(23,015,569)	2,376,495
Other financing sources (uses)			
Operating transfers in	25,876,205	23,090,327	(2,785,878)
Operating transfers out	<u>(484,141)</u>	<u>(240,224)</u>	<u>243,917</u>
Deficiency of revenues and other financing sources under expenditures and other financing uses	-	(165,466)	(165,466)
Fund balance at October 1, 2000	<u>498,872</u>	<u>498,872</u>	<u>-</u>
Fund balance at September 30, 2001	<u>\$ 498,872</u>	<u>\$ 333,406</u>	<u>\$ (165,466)</u>

continued



**Oakland County**  
**Special Revenue Funds**  
**Combining Statements of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	<u>Juvenile Maintenance</u>		
	Amended budget	Actual	Variance favorable (unfavorable)
Revenues			
Federal grants	\$ 180,000	\$ 231,022	\$ 51,022
State grants	9,100,000	8,943,856	(156,144)
Charges for services	3,530,500	3,829,769	299,269
Other	<u>8,103</u>	<u>205,432</u>	<u>197,329</u>
Total revenues	<u>12,818,603</u>	<u>13,210,079</u>	<u>391,476</u>
Expenditures			
Current operations			
County Executive			
Human Services			
Juvenile Maintenance			
Controllable personnel expenditures	9,378,530	9,129,252	249,278
Controllable operating expenditures	2,664,561	2,906,450	(241,889)
Non-controllable operating expenditures	<u>2,246,091</u>	<u>2,204,193</u>	<u>41,898</u>
Total Juvenile Maintenance	<u>14,289,182</u>	<u>14,239,895</u>	<u>49,287</u>
Social Services			
Controllable operating expenditures	<u>4,967,849</u>	<u>5,241,503</u>	<u>(273,654)</u>
Total Social Services	<u>4,967,849</u>	<u>5,241,503</u>	<u>(273,654)</u>
Total Human Services	<u>19,257,031</u>	<u>19,481,398</u>	<u>(224,367)</u>
Total County Executive	<u>19,257,031</u>	<u>19,481,398</u>	<u>(224,367)</u>

continued

**Oakland County**  
**Special Revenue Funds**  
**Combining Statements of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	<u>Juvenile Maintenance</u>		
	Amended budget	Actual	Variance favorable (unfavorable)
Expenditures, continued			
Current operations, continued			
Justice Administration			
Probate Court			
Juvenile Maintenance			
Controllable personnel expenditures	\$ 938,693	\$ 1,146,412	\$ (207,719)
Controllable operating expenditures	6,117,252	7,368,579	(1,251,327)
Non-controllable operating expenditures	2,581	3,649	(1,068)
Total Juvenile Maintenance	<u>7,058,526</u>	<u>8,518,640</u>	<u>(1,460,114)</u>
Total Probate Court	<u>7,058,526</u>	<u>8,518,640</u>	<u>(1,460,114)</u>
Total Justice Administration	<u>7,058,526</u>	<u>8,518,640</u>	<u>(1,460,114)</u>
Total expenditures	<u>26,315,557</u>	<u>28,000,038</u>	<u>(1,684,481)</u>
Deficiency of revenues under expenditures	(13,496,954)	(14,789,959)	(1,293,005)
Other financing sources			
Operating transfers in	<u>13,496,954</u>	<u>14,787,640</u>	<u>1,290,686</u>
Deficiency of revenues and other financing sources under expenditures	-	(2,319)	(2,319)
Fund balance at October 1, 2000	<u>8,103</u>	<u>8,103</u>	<u>-</u>
Fund balance at September 30, 2001	<u>\$ 8,103</u>	<u>\$ 5,784</u>	<u>\$ (2,319)</u>

continued

**Oakland County**  
**Special Revenue Funds**  
**Combining Statements of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	<u>Social Welfare Foster Care</u>		
	Amended budget	Actual	Variance favorable (unfavorable)
Revenues			
State grants	\$ 15,000	\$ 8,864	\$ (6,136)
Total revenues	<u>15,000</u>	<u>8,864</u>	<u>(6,136)</u>
Expenditures			
Current operations			
County Executive			
Human Services			
Social Services			
Controllable operating expenditures	60,000	15,229	44,771
Total Social Services	<u>60,000</u>	<u>15,229</u>	<u>44,771</u>
Total Human Services	<u>60,000</u>	<u>15,229</u>	<u>44,771</u>
Total County Executive	<u>60,000</u>	<u>15,229</u>	<u>44,771</u>
Total expenditures	<u>60,000</u>	<u>15,229</u>	<u>44,771</u>
Deficiency of revenues under expenditures	(45,000)	(6,365)	38,635
Other financing sources			
Operating transfers in	45,000	6,365	(38,635)
Excess of revenues and other financing sources over expenditures	-	-	-
Fund balance at October 1, 2000	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at September 30, 2001	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

continued

**Oakland County**  
**Special Revenue Funds**  
**Combining Statements of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	<u>Total Budgeted Special Revenue Funds</u>		
	<u>Amended budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues			
Federal grants	\$ 205,000	\$ 235,632	\$ 30,632
State grants	13,515,000	12,621,414	(893,586)
Other intergovernmental revenues	183,700	245,655	61,955
Charges for services	5,301,645	6,822,110	1,520,465
Other	503,810	224,241	(279,569)
<b>Total revenues</b>	<u>19,709,155</u>	<u>20,149,052</u>	<u>439,897</u>
Expenditures			
Current operations			
County Executive			
Management and Budget			
Fiscal Services			
Controllable personnel expenditures	149,002	87,804	61,198
Controllable operating expenditures	265	582	(317)
Non-controllable operating expenditures	3,343	3,742	(399)
<b>Total Fiscal Services</b>	<u>152,610</u>	<u>92,128</u>	<u>60,482</u>
Human Services			
Health			
Controllable personnel expenditures	21,939,368	20,487,312	1,452,056
Controllable operating expenditures	5,165,617	4,631,671	533,946
Non-controllable operating expenditures	3,443,869	3,224,337	219,532
<b>Total Health</b>	<u>30,548,854</u>	<u>28,343,320</u>	<u>2,205,534</u>
Juvenile Maintenance			
Controllable personnel expenditures	9,378,530	9,129,252	249,278
Controllable operating expenditures	2,664,561	2,906,450	(241,889)
Non-controllable operating expenditures	2,246,091	2,204,193	41,898
<b>Total Juvenile Maintenance</b>	<u>14,289,182</u>	<u>14,239,895</u>	<u>49,287</u>
Social Services			
Controllable operating expenditures	5,027,849	5,256,732	(228,883)
<b>Total Social Services</b>	<u>5,027,849</u>	<u>5,256,732</u>	<u>(228,883)</u>
<b>Total Human Services</b>	<u>49,865,885</u>	<u>47,839,947</u>	<u>2,025,938</u>

continued

**Oakland County**  
**Special Revenue Funds**  
**Combining Statements of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	<u>Total Budgeted Special Revenue Funds</u>		
	<u>Amended budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Expenditures, continued			
Current operations, continued			
County Executive, continued			
Information Technology			
Emergency Management Services			
Controllable personnel expenditures	\$ 412,893	\$ 332,513	\$ 80,380
Controllable operating expenditures	916,563	888,632	27,931
Non-controllable operating expenditures	<u>236,696</u>	<u>289,085</u>	<u>(52,389)</u>
Total Emergency Management Services	<u>1,566,152</u>	<u>1,510,230</u>	<u>55,922</u>
Total Information Technology	<u>1,566,152</u>	<u>1,510,230</u>	<u>55,922</u>
Total County Executive	<u>51,584,647</u>	<u>49,442,305</u>	<u>2,142,342</u>
Justice Administration			
Probate Court			
Juvenile Maintenance			
Controllable personnel expenditures	938,693	1,146,412	(207,719)
Controllable operating expenditures	6,117,252	7,368,579	(1,251,327)
Non-controllable operating expenditures	<u>2,581</u>	<u>3,649</u>	<u>(1,068)</u>
Total Juvenile Maintenance	<u>7,058,526</u>	<u>8,518,640</u>	<u>(1,460,114)</u>
Total Probate Court	<u>7,058,526</u>	<u>8,518,640</u>	<u>(1,460,114)</u>
Total Justice Administration	<u>7,058,526</u>	<u>8,518,640</u>	<u>(1,460,114)</u>
Total expenditures	<u>58,643,173</u>	<u>57,960,945</u>	<u>682,228</u>

continued

**Oakland County**  
**Special Revenue Funds**  
**Combining Statements of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Amended Budget and Actual**  
**For the Year Ended September 30, 2001**

	<u>Total Budgeted Special Revenue Funds</u>		
	<u>Amended budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Deficiency of revenues under expenditures	\$ (38,934,018)	\$ (37,811,893)	\$ 1,122,125
Other financing sources (uses)			
Operating transfers in	39,418,159	37,884,332	(1,533,827)
Operating transfers out	<u>(484,141)</u>	<u>(240,224)</u>	<u>243,917</u>
Deficiency of revenues and other financing sources under expenditures and other financing uses	-	(167,785)	(167,785)
Fund balances at October 1, 2000	<u>506,975</u>	<u>506,975</u>	<u>-</u>
Fund balances at September 30, 2001	<u>\$ 506,975</u>	<u>\$ 339,190</u>	<u>\$ (167,785)</u>

## **Oakland County Debt Service Funds**

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### **Debt Service Funds**

These funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

*The Building Authority Lyon Oaks Park Fund* - was established to accumulate the resources for the payment of bonded debt issued for the construction of facilities at the Lyon Oaks Park.

*The Building Authority Refunding Series 1992 Fund* - was established to accumulate resources for the payment of bonded debt issued for the refinancing of debt obligations for various Building Authority funds.

*The Building Authority Computer Center Fund* - was established to accumulate resources for the payment of bonded debt issued to construct the Oakland County Computer Center.

*The Building Authority West Wing Extension Fund* - was established to accumulate resources for the payment of bonded debt issued to construct an addition to the Oakland County Courthouse West Wing.

*The Building Authority Refunding Series 1998 Fund* - was established to accumulate resources for the payment of bonded debt issued for the refinancing of debt obligations of the Building Authority West Wing Extension.

*The Water and Sewer Act 342 Fund* - is used to account for the accumulation of resources for the payment of bonded debt issued for the construction of water and sewer systems under Public Act 342 of 1939 (currently 35 issues).

*The Water and Sewer Refunding Act 202 Fund* - is used to account for the accumulation of resources for the payment of bonded debt issued for the refinancing of debt obligations for construction of various water and sewer systems (currently 10 issues).

*The Water and Sewer Act 185 Fund* - is used to account for the accumulation of resources for the payment of bonded debt issued for the construction of water and sewer systems under Public Act 185 of 1957 (currently 8 issues).

**Oakland County  
Debt Service Funds  
Combining Balance Sheet  
September 30, 2001**

	Building Authority Lyon Oaks Park	Building Authority Refunding Series 1992	Building Authority Computer Center	Building Authority West Wing Extension	Building Authority Refunding Series 1998	Water and Sewer Act 342	Water and Sewer Refunding Act 202	Water and Sewer Act 185	Total
<b>Assets</b>									
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 325,631	\$ 56,017	\$ 8,231	\$ 389,879
Investments	-	-	-	-	-	5,432,800	1,069,900	1,611,528	8,114,228
Special assessments receivable	-	-	-	-	-	49,500,000	37,155,000	9,475,000	96,130,000
Accrued interest receivable	-	-	-	-	-	103,390	19,013	31,293	153,696
Accounts receivable	-	76,856	-	-	-	2,600	-	-	79,456
Due from other funds	5	5	5	5	5	1,634	-	-	1,659
<b>Total assets</b>	<b>\$ 5</b>	<b>\$ 76,861</b>	<b>\$ 5</b>	<b>\$ 5</b>	<b>\$ 5</b>	<b>\$ 55,366,055</b>	<b>\$ 38,299,930</b>	<b>\$ 11,126,052</b>	<b>\$ 104,868,918</b>
<b>Liabilities and Fund Balances</b>									
<b>Liabilities</b>									
Due to other governmental units	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 347,654	\$ -	\$ 670,605	\$ 1,018,259
Due to other funds	-	-	-	-	-	-	1,634	-	1,634
Deferred revenue	-	-	-	-	-	49,500,000	37,155,000	9,475,000	96,130,000
Other accrued liabilities	-	76,856	-	-	-	311,679	169	1,344	390,048
<b>Total liabilities</b>	<b>-</b>	<b>76,856</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,159,333</b>	<b>37,156,803</b>	<b>10,146,949</b>	<b>97,539,941</b>
Fund balances - reserved for debt service	5	5	5	5	5	5,206,722	1,143,127	979,103	7,328,977
<b>Total liabilities and fund balances</b>	<b>\$ 5</b>	<b>\$ 76,861</b>	<b>\$ 5</b>	<b>\$ 5</b>	<b>\$ 5</b>	<b>\$ 55,366,055</b>	<b>\$ 38,299,930</b>	<b>\$ 11,126,052</b>	<b>\$ 104,868,918</b>



**Oakland County**  
**Debt Service Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended September 30, 2001**

	Building Authority Lyon Oaks Park	Building Authority Refunding Series 1992	Building Authority Computer Center	Building Authority West Wing Extension	Building Authority Refunding Series 1998	Water and Sewer Act 342	Water and Sewer Refunding Act 202	Water and Sewer Act 185	Total
<b>Revenues</b>									
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,565,438	\$ 5,465,527	\$ 4,263,107	\$ 22,294,072
Charges for services	-	-	-	-	-	13,136	3,225	1,126	17,487
Investment income	7	-	-	-	-	313,847	95,051	119,152	528,057
Total revenues	7	-	-	-	-	12,892,421	5,563,803	4,383,385	22,839,616
<b>Expenditures</b>									
Principal payments	400,000	1,400,000	-	800,000	110,000	9,340,000	3,740,000	3,560,000	19,350,000
Interest	177,575	185,963	108,937	91,600	435,150	3,159,984	1,723,435	674,925	6,557,569
Paying agent fees	300	1,000	1,000	1,000	300	21,153	4,459	3,103	32,315
Intergovernmental	-	-	-	-	-	46,658	-	945,407	992,065
Other	-	-	-	-	-	34,188	-	-	34,188
Total expenditures	577,875	1,586,963	109,937	892,600	545,450	12,601,983	5,467,894	5,183,435	26,966,137
Excess (deficiency) of revenues under expenditures	(577,868)	(1,586,963)	(109,937)	(892,600)	(545,450)	290,438	95,909	(800,050)	(4,126,521)
<b>Other financing sources (uses)</b>									
Operating transfers in	577,867	1,586,968	109,942	892,605	545,455	-	-	-	3,712,837
Payment to bond escrow agent	-	-	-	-	-	(2,414,514)	-	-	(2,414,514)
Discounts on bonds	-	-	-	-	-	(22,752)	-	-	(22,752)
Proceeds from issuance of refunding bonds	-	-	-	-	-	2,395,000	-	-	2,395,000
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(1)	5	5	5	5	248,172	95,909	(800,050)	(455,950)
Fund balances at October 1, 2000	6	-	-	-	-	4,958,550	1,047,218	1,779,153	7,784,927
Fund balances at September 30, 2001	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5,206,722	\$ 1,143,127	\$ 979,103	\$ 7,328,977

## **Oakland County Capital Project Funds**

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### **Capital Projects Funds**

These funds account for the purchase or construction of major capital facilities which are not financed by Proprietary funds.

*The Building Improvement Fund* - was established to account for the funding of major County building programs.

*The Project Work Orders Fund* - was established to account for the costs of various improvement projects for County facilities.

*The Major Projects Fund* - was established to account for the costs of major improvement projects to various County facilities, which are funded by current available resources rather than bond issues.

*The Lyon Oaks Park Fund* - was established to account for the cost of construction of the golf course and facilities at Lyon Oaks Park.

*The Parks and Recreation Capital Improvements Fund* - was established to account for the cost of construction and capital improvements at the various County parks.

*The Work Release and Administration Facility Fund* - is used to account for the cost of construction of a Work Release Facility, development of a Jail Management and Video Conference System.

*The Water and Sewer Act 342 Fund* - is used to account for the construction of water and sewer systems (currently 20) under Act 342 of 1939.

*The Lake Levels Act 146 Fund* - is to account for the costs of construction or reconstruction of various dam structures for purposes of lake level control and augmentation wells (currently 3) under Act 146 of 1961.

*The Lake Improvements Act 345 Fund* - is used to account for the costs of construction of an augmentation well for purposes of lake level control for a lake in Waterford Township. Financing is provided by a special assessment roll as permitted under Public Act 345 of 1966.

*The Drain Commissioner Revolving Fund* - was established to provide funds for preliminary costs of various drains, lake level projects, and lake improvements.

*The Long-term Revolving Fund* - was established to provide preliminary financing for specific capital projects as approved by the Board of Commissioners. Funds advanced are recovered through special assessments.

**Oakland County  
Capital Project Funds  
Combining Balance Sheet  
September 30, 2001**

	<b>Building Improvement</b>	<b>Project Work Orders</b>	<b>Major Projects</b>	<b>Lyon Oaks Park</b>	<b>Parks &amp; Recr. Capital Improvements</b>	<b>Work Release &amp; Administration Facility</b>
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	\$ 4,690,758	\$ 18,148,440	\$ 18,795	\$ 1,378,445	\$ 12,579,791	\$ -
Due from other governmental units	-	-	-	-	-	-
Accrued interest receivable	-	-	-	-	-	-
Due from other funds	-	285	-	-	-	-
<b>Total current assets</b>	<b>4,690,758</b>	<b>18,148,725</b>	<b>18,795</b>	<b>1,378,445</b>	<b>12,579,791</b>	<b>-</b>
<b>Long-term assets</b>						
Advances	-	-	-	-	-	-
Special assessments receivable	-	-	-	-	-	-
<b>Total long-term assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>\$ 4,690,758</b>	<b>\$ 18,148,725</b>	<b>\$ 18,795</b>	<b>\$ 1,378,445</b>	<b>\$ 12,579,791</b>	<b>\$ -</b>
<b>Liabilities and Fund Balances</b>						
<b>Current liabilities</b>						
Vouchers payable	\$ -	\$ 27,326	\$ -	\$ -	\$ 113,030	\$ -
Due to other governmental units	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	1,682
Deferred revenue	-	-	-	-	-	-
Other accrued liabilities	-	311,557	-	293,253	946	-
<b>Total current liabilities</b>	<b>-</b>	<b>338,883</b>	<b>-</b>	<b>293,253</b>	<b>113,976</b>	<b>1,682</b>
<b>Other liabilities - advances</b>						
<b>Total liabilities</b>	<b>-</b>	<b>338,883</b>	<b>-</b>	<b>293,253</b>	<b>113,976</b>	<b>1,682</b>
<b>Fund balances</b>						
<b>Reserved</b>						
Long-term advances	-	-	-	-	-	-
Work projects	-	-	-	1,085,192	12,465,815	-
<b>Total reserved</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,085,192</b>	<b>12,465,815</b>	<b>-</b>
<b>Unreserved</b>						
Designated for work projects	-	17,809,842	18,795	-	-	-
Undesignated	4,690,758	-	-	-	-	(1,682)
<b>Total unreserved</b>	<b>4,690,758</b>	<b>17,809,842</b>	<b>18,795</b>	<b>-</b>	<b>-</b>	<b>(1,682)</b>
<b>Total fund balances (deficit)</b>	<b>4,690,758</b>	<b>17,809,842</b>	<b>18,795</b>	<b>1,085,192</b>	<b>12,465,815</b>	<b>(1,682)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 4,690,758</b>	<b>\$ 18,148,725</b>	<b>\$ 18,795</b>	<b>\$ 1,378,445</b>	<b>\$ 12,579,791</b>	<b>\$ -</b>

continued

**Oakland County  
Capital Project Funds  
Combining Balance Sheet  
September 30, 2001**

	<b>Water and Sewer Act 342</b>	<b>Lake Levels Act 146</b>	<b>Lake Improvements Act 345</b>	<b>Drain Commissioner Revolving</b>	<b>Long-term Revolving</b>	<b>Total</b>
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	\$ 3,659,111	\$ 24,859	\$ 3,174	\$ 480,270	\$ 380,253	\$ 41,363,896
Due from other governmental units	243,787	-	-	333,449	-	577,236
Accrued interest receivable	2,186	-	-	-	-	2,186
Due from other funds	6,728,272	-	-	1,026,141	-	7,754,698
<b>Total current assets</b>	<b>10,633,356</b>	<b>24,859</b>	<b>3,174</b>	<b>1,839,860</b>	<b>380,253</b>	<b>49,698,016</b>
<b>Long-term assets</b>						
Advances	-	-	-	-	110,747	110,747
Special assessments receivable	-	72,364	22,051	-	-	94,415
<b>Total long-term assets</b>	<b>-</b>	<b>72,364</b>	<b>22,051</b>	<b>-</b>	<b>110,747</b>	<b>205,162</b>
<b>Total assets</b>	<b>\$ 10,633,356</b>	<b>\$ 97,223</b>	<b>\$ 25,225</b>	<b>\$ 1,839,860</b>	<b>\$ 491,000</b>	<b>\$ 49,903,178</b>
<b>Liabilities and Fund Balances</b>						
<b>Current liabilities</b>						
Vouchers payable	\$ 2,209	\$ -	\$ -	\$ 14,817	\$ -	\$ 157,382
Due to other governmental units	-	-	-	43	-	43
Due to other funds	6,806,523	23,737	83	-	-	6,832,025
Deferred revenue	-	72,364	22,051	-	-	94,415
Other accrued liabilities	158,856	11,247	112	-	-	775,971
<b>Total current liabilities</b>	<b>6,967,588</b>	<b>107,348</b>	<b>22,246</b>	<b>14,860</b>	<b>-</b>	<b>7,859,836</b>
Other liabilities - advances	-	95,124	8,386	-	-	103,510
<b>Total liabilities</b>	<b>6,967,588</b>	<b>202,472</b>	<b>30,632</b>	<b>14,860</b>	<b>-</b>	<b>7,963,346</b>
<b>Fund balances</b>						
<b>Reserved</b>						
Long-term advances	-	-	-	-	110,747	110,747
Work projects	3,665,768	-	-	1,825,000	380,253	19,422,028
<b>Total reserved</b>	<b>3,665,768</b>	<b>-</b>	<b>-</b>	<b>1,825,000</b>	<b>491,000</b>	<b>19,532,775</b>
<b>Designated for work projects</b>						
Undesignated	-	(105,249)	(5,407)	-	-	17,828,637
<b>Total unreserved</b>	<b>-</b>	<b>(105,249)</b>	<b>(5,407)</b>	<b>-</b>	<b>-</b>	<b>4,578,420</b>
<b>Total fund balances (deficit)</b>	<b>3,665,768</b>	<b>(105,249)</b>	<b>(5,407)</b>	<b>1,825,000</b>	<b>491,000</b>	<b>41,939,832</b>
<b>Total liabilities and fund balances</b>	<b>\$ 10,633,356</b>	<b>\$ 97,223</b>	<b>\$ 25,225</b>	<b>\$ 1,839,860</b>	<b>\$ 491,000</b>	<b>\$ 49,903,178</b>

**Oakland County**  
**Capital Project Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended September 30, 2001**

	<b>Building Improvement</b>	<b>Project Work Orders</b>	<b>Major Projects</b>	<b>Lyon Oaks Park</b>	<b>Parks &amp; Recr. Capital Improvements</b>	<b>Work Release &amp; Administration Facility</b>
Revenues						
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	-	187,258	593,512	-
Other	-	-	-	-	27,442	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>187,258</u>	<u>620,954</u>	<u>-</u>
Expenditures - capital outlay	<u>165</u>	<u>6,757,143</u>	<u>11,757</u>	<u>3,911,487</u>	<u>2,372,896</u>	<u>1,682</u>
Excess (deficiency) of revenues over (under) expenditures	(165)	(6,757,143)	(11,757)	(3,724,229)	(1,751,942)	(1,682)
Other financing sources (uses)						
Operating transfers in	7,437,498	15,647,587	181,493	-	4,611,300	-
Operating transfers out	<u>(15,179,080)</u>	<u>-</u>	<u>(152,498)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(7,741,747)	8,890,444	17,238	(3,724,229)	2,859,358	(1,682)
Fund balances (deficits) at October 1, 2000	<u>12,432,505</u>	<u>8,919,398</u>	<u>1,557</u>	<u>4,809,421</u>	<u>9,606,457</u>	<u>-</u>
Fund balances (deficits) at September 30, 2001	<u>\$ 4,690,758</u>	<u>\$ 17,809,842</u>	<u>\$ 18,795</u>	<u>\$ 1,085,192</u>	<u>\$ 12,465,815</u>	<u>\$ (1,682)</u>

continued

**Oakland County**  
**Capital Project Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended September 30, 2001**

	<b>Water and Sewer Act 342</b>	<b>Lake Levels Act 146</b>	<b>Lake Improvements Act 345</b>	<b>Drain Commissioner Revolving</b>	<b>Long-term Revolving</b>	<b>Total</b>
Revenues						
Special assessments	\$ 108,597	\$ 41,445	\$ 11,518	\$ -	\$ -	\$ 161,560
Investment income	176,428	-	-	-	-	957,198
Other	<u>4,253</u>	<u>4,239</u>	<u>1,194</u>	<u>-</u>	<u>-</u>	<u>37,128</u>
Total revenues	<u>289,278</u>	<u>45,684</u>	<u>12,712</u>	<u>-</u>	<u>-</u>	<u>1,155,886</u>
Expenditures - capital outlay	<u>737,158</u>	<u>19,536</u>	<u>910</u>	<u>-</u>	<u>-</u>	<u>13,812,734</u>
Excess (deficiency) of revenues over (under) expenditures	(447,880)	26,148	11,802	-	-	(12,656,848)
Other financing sources (uses)						
Operating transfers in	-	-	-	-	-	27,877,878
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(15,331,578)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(447,880)	26,148	11,802	-	-	(110,548)
Fund balances (deficits) at October 1, 2000	<u>4,113,648</u>	<u>(131,397)</u>	<u>(17,209)</u>	<u>1,825,000</u>	<u>491,000</u>	<u>42,050,380</u>
Fund balances (deficits) at September 30, 2001	<u>\$ 3,665,768</u>	<u>\$ (105,249)</u>	<u>\$ (5,407)</u>	<u>\$ 1,825,000</u>	<u>\$ 491,000</u>	<u>\$ 41,939,832</u>



## Oakland County Internal Service Funds

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### **Internal Service Funds**

These funds account for the financing of goods or services provided by one County department or agency to other departments or agencies on a cost-reimbursed basis.

*The Delinquent Tax Revolving Fund* - is used to account for money advanced by the County to cities, townships, villages, and County funds for unpaid property taxes, and the subsequent collections of delinquencies from taxpayers. Short-term notes are sold to fund the advances necessary. This fund was reclassified to Enterprise Fund type at October 1, 2000.

*The Fringe Benefits Fund* - is used as a clearing account for the County's employee fringe benefits. Monies are accumulated in this fund as a result of payroll allocations made on a departmental and/or bargaining unit basis. This fund also accumulates and disburses monies related to workers' compensation and unemployment compensation claims.

*The Materials Management Fund* - centrally assembles materials and supplies for redistribution to other departments. The user departments are billed for the cost of the requisitioned supplies and services. This fund was permanently closed into the General Fund at September 30, 2001.

*The Information Technology Fund* - accounts for the operations of the Department of Information Technology, a service bureau that provides I.T. services to other County departments and divisions, local governmental units, private sector and @access Oakland customers. Costs include the program and system support, maintenance, enhancements and new development for all major systems applications.

*The CLEMIS (Courts and Law Enforcement Management Information System) Fund* - was established to accumulate revenues and costs associated with providing law enforcement units with immediate access to criminal and vehicle information throughout the United States and Canada. This includes the costs of purchasing, servicing, and operating mobile data terminals and base stations. This fund was reclassified to Enterprise Fund type at October 1, 2000.

*The Drain Equipment Fund* - accounts for the cost of vehicles and other equipment used for the construction and maintenance of various drains and lake level projects. The fund is reimbursed as the accumulated costs are distributed to specific projects or funds.

*The Building and Liability Insurance Fund* - was established to accumulate monies, which are available to settle claims against the County when no insurance coverage exists and to make insurance premium payments. The fund is reimbursed by the user departments for insurance premiums paid and monies accumulated for self-insurance.

*The Office Equipment Fund* - accumulates the costs of servicing and operating County-owned office equipment. The fund recovers these costs by developing rates and billing user departments.

*The Facilities Maintenance and Operations Fund* - accumulates the costs of operating and maintaining the County's buildings, grounds, and utilities. The fund recovers costs by developing rates and billing user departments.

*The Motor Pool Fund* - accumulates the costs of purchasing, servicing, and operating County-owned vehicles. The fund recovers these costs by developing rates and billing user departments.

## **Oakland County Internal Service Funds**

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### **Internal Service Funds (continued)**

***The Radio Communications Fund*** - accumulates the costs of purchasing, servicing, and operating the County-radio system. The fund recovers costs by developing rates and billing users, and also receives revenue from a 911 surcharge. This fund was reclassified to Enterprise Fund type at October 1, 2000.

***The Micrographics Fund*** - accumulates the costs of microfilming and photocopying County records. The fund recovers costs by developing rates and billing user departments and title insurance companies.

***The Telephone Communications Fund*** - accumulates the costs of operating the County telephone system. The fund is reimbursed for the accumulated costs by distributing the charges to the specific fund or department.

***The Mailing, Copier, and Printing Fund*** - accumulates the costs of County mail, printing services, and servicing and operating leased copier machines. The fund recovers these costs by developing rates and billing user departments.

***The Sheriff Aviation Fund*** - accumulates the cost of the purchase and operations of the helicopter(s) used by the Oakland County Sheriff Department. The fund recovers the costs through user charges to the Sheriff Dept./General Fund.



**Oakland County  
Internal Service Funds  
Combining Balance Sheet  
September 30, 2001**

	<b>Delinquent Tax Revolving</b>	<b>Fringe Benefits</b>	<b>Materials Management</b>	<b>Information Technology</b>	<b>CLEMIS</b>	<b>Drain Equipment</b>	<b>Building and Liability Insurance</b>	<b>Office Equipment</b>
<b>Assets</b>								
<b>Current assets</b>								
Cash and cash equivalents	\$ -	\$ 33,744,542	\$ 407,445	\$ 6,144,454	\$ -	\$ 2,144,845	\$ 2,820,910	\$ 2,156,208
Investments	-	13,030,000	-	-	-	-	21,573,127	-
Due from other governmental units	-	115,616	-	165,800	-	-	-	-
Accrued interest receivable	-	55,113	-	2,354	-	546	168,591	7,657
Accounts receivable (net of allowance for uncollectibles where applicable)	-	3,325	589	395,574	-	230,428	6,690	10,075
Due from other funds	-	2,107,186	-	610,601	-	183,334	-	-
Inventories and supplies	-	-	-	141,327	-	-	-	-
Prepayments and other assets	-	1,517,756	-	645,168	-	-	-	-
<b>Total current assets</b>	<b>-</b>	<b>50,573,538</b>	<b>408,034</b>	<b>8,105,278</b>	<b>-</b>	<b>2,559,153</b>	<b>24,569,318</b>	<b>2,173,940</b>
<b>Fixed assets, at cost</b>								
Land and improvements	-	-	-	-	-	130,000	-	-
Buildings and improvements	-	-	-	-	-	371,407	-	-
Equipment and vehicles	-	-	-	59,067,026	-	5,601,525	2,129	4,807,284
	-	-	-	59,067,026	-	6,102,932	2,129	4,807,284
<b>Less: Accumulated depreciation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,780,603</b>	<b>-</b>	<b>3,655,645</b>	<b>2,129</b>	<b>3,525,712</b>
<b>Fixed assets, net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,286,423</b>	<b>-</b>	<b>2,447,287</b>	<b>-</b>	<b>1,281,572</b>
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 50,573,538</b>	<b>\$ 408,034</b>	<b>\$ 35,391,701</b>	<b>\$ -</b>	<b>\$ 5,006,440</b>	<b>\$ 24,569,318</b>	<b>\$ 3,455,512</b>

continued

**Oakland County  
Internal Service Funds  
Combining Balance Sheet  
September 30, 2001**

	<b>Delinquent Tax Revolving</b>	<b>Fringe Benefits</b>	<b>Materials Management</b>	<b>Information Technology</b>	<b>CLEMIS</b>	<b>Drain Equipment</b>	<b>Building and Liability Insurance</b>	<b>Office Equipment</b>
<b>Liabilities and Equity</b>								
<b>Current liabilities</b>								
Vouchers payable	\$ -	\$ 418,765	\$ -	\$ 481,118	\$ -	\$ 8,331	\$ 627	\$ 12,305
Due to other funds	-	15,083	408,034	95,316	-	23,963	500	-
Current portion of workers' compensation	-	1,341,092	-	-	-	-	-	-
Other accrued liabilities	-	709,494	-	3,230,034	-	232,666	17,066,089	5,717
<b>Total current liabilities</b>	<b>-</b>	<b>2,484,434</b>	<b>408,034</b>	<b>3,806,468</b>	<b>-</b>	<b>264,960</b>	<b>17,067,216</b>	<b>18,022</b>
<b>Other liabilities</b>								
Accrued workers' compensation	-	12,707,166	-	-	-	-	-	-
Accrued unreported health costs	-	2,368,000	-	-	-	-	-	-
Accrued sick and annual leave	-	12,347,118	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-
<b>Total other liabilities</b>	<b>-</b>	<b>27,422,284</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>-</b>	<b>29,906,718</b>	<b>408,034</b>	<b>3,806,468</b>	<b>-</b>	<b>264,960</b>	<b>17,067,216</b>	<b>18,022</b>
<b>Equity</b>								
Contributed capital	-	-	-	8,405,754	-	472,099	-	246,223
<b>Retained earnings</b>								
Reserved for programs	-	-	-	5,723,599	-	1,000,000	-	-
<b>Total reserved</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,723,599</b>	<b>-</b>	<b>1,000,000</b>	<b>-</b>	<b>-</b>
Unreserved	-	20,666,820	-	17,455,880	-	3,269,381	7,502,102	3,191,267
<b>Total retained earnings</b>	<b>-</b>	<b>20,666,820</b>	<b>-</b>	<b>23,179,479</b>	<b>-</b>	<b>4,269,381</b>	<b>7,502,102</b>	<b>3,191,267</b>
<b>Total equity</b>	<b>-</b>	<b>20,666,820</b>	<b>-</b>	<b>31,585,233</b>	<b>-</b>	<b>4,741,480</b>	<b>7,502,102</b>	<b>3,437,490</b>
<b>Total liabilities and equity</b>	<b>\$ -</b>	<b>\$ 50,573,538</b>	<b>\$ 408,034</b>	<b>\$ 35,391,701</b>	<b>\$ -</b>	<b>\$ 5,006,440</b>	<b>\$ 24,569,318</b>	<b>\$ 3,455,512</b>

continued

**Oakland County  
Internal Service Funds  
Combining Balance Sheet  
September 30, 2001**

	<b>Facilities Maintenance and Operations</b>	<b>Motor Pool</b>	<b>Radio Communications</b>	<b>Micrographics</b>	<b>Telephone Communications</b>	<b>Mailing, Copier, and Printing</b>	<b>Sheriff Aviation</b>	<b>Total</b>
<b>Assets</b>								
<b>Current assets</b>								
Cash and cash equivalents	\$ 3,213,988	\$ 899,407	\$ -	\$ 10,745	\$ 768,095	\$ 220,366	\$ 4,379	\$ 52,535,384
Investments	-	-	-	1,239,834	-	-	-	35,842,961
Due from other governmental units	-	3,095	-	195	-	2,487	-	287,193
Accrued interest receivable	3,376	992	-	2,512	712	-	-	241,853
Accounts receivable (net of allowance for uncollectibles where applicable)	419,591	6,685	-	32,450	1,000	6,513	-	1,112,920
Due from other funds	294,370	500	-	-	20,905	45,900	14,539	3,277,335
Inventories and supplies	119,226	99,944	-	-	-	133,258	-	493,755
Prepayments and other assets	-	630,704	-	-	29,789	38,614	-	2,862,031
<b>Total current assets</b>	<b>4,050,551</b>	<b>1,641,327</b>	<b>-</b>	<b>1,285,736</b>	<b>820,501</b>	<b>447,138</b>	<b>18,918</b>	<b>96,653,432</b>
<b>Fixed assets, at cost</b>								
Land and improvements	598,657	-	-	-	-	-	-	728,657
Buildings and improvements	3,096,309	424,860	-	-	-	-	-	3,892,576
Equipment and vehicles	1,599,590	7,596,344	-	452,231	3,323,082	384,995	1,950,244	84,784,450
	5,294,556	8,021,204	-	452,231	3,323,082	384,995	1,950,244	89,405,683
<b>Less: Accumulated depreciation</b>	<b>4,007,277</b>	<b>5,153,084</b>	<b>-</b>	<b>230,485</b>	<b>977,980</b>	<b>371,943</b>	<b>64,893</b>	<b>49,769,751</b>
<b>Fixed assets, net</b>	<b>1,287,279</b>	<b>2,868,120</b>	<b>-</b>	<b>221,746</b>	<b>2,345,102</b>	<b>13,052</b>	<b>1,885,351</b>	<b>39,635,932</b>
<b>Total assets</b>	<b>\$ 5,337,830</b>	<b>\$ 4,509,447</b>	<b>\$ -</b>	<b>\$ 1,507,482</b>	<b>\$ 3,165,603</b>	<b>\$ 460,190</b>	<b>\$ 1,904,269</b>	<b>\$ 136,289,364</b>

continued

**Oakland County  
Internal Service Funds  
Combining Balance Sheet  
September 30, 2001**

	Facilities Maintenance and Operations	Motor Pool	Radio Communications	Micrographics	Telephone Communications	Mailing, Copier, and Printing	Sheriff Aviation	Total
<b>Liabilities and Equity</b>								
<b>Current liabilities</b>								
Vouchers payable	\$ 92,853	\$ 59,444	\$ -	\$ 6	\$ 33,934	\$ 130,408	\$ 4,269	1,242,060
Due to other funds	2,524	17,818	-	-	59,853	422	-	623,513
Current portion of workers' compensation	-	-	-	-	-	-	-	1,341,092
Other accrued liabilities	55,302	725	-	-	41,801	-	-	21,341,828
Total current liabilities	150,679	77,987	-	6	135,588	130,830	4,269	24,548,493
<b>Other liabilities</b>								
Accrued workers' compensation	-	-	-	-	-	-	-	12,707,166
Accrued unreported health costs	-	-	-	-	-	-	-	2,368,000
Accrued sick and annual leave	-	-	-	-	-	-	-	12,347,118
Advances	-	-	-	-	-	-	1,900,000	1,900,000
Total other liabilities	-	-	-	-	-	-	1,900,000	29,322,284
Total liabilities	150,679	77,987	-	6	135,588	130,830	1,904,269	53,870,777
<b>Equity</b>								
Contributed capital	59,814	51,439	-	-	-	-	-	9,235,329
<b>Retained earnings</b>								
Reserved for programs	-	280,654	-	-	683,891	-	-	7,688,144
Total reserved	-	280,654	-	-	683,891	-	-	7,688,144
Unreserved	5,127,337	4,099,367	-	1,507,476	2,346,124	329,360	-	65,495,114
Total retained earnings	5,127,337	4,380,021	-	1,507,476	3,030,015	329,360	-	73,183,258
Total equity	5,187,151	4,431,460	-	1,507,476	3,030,015	329,360	-	82,418,587
<b>Total liabilities and equity</b>	\$ 5,337,830	\$ 4,509,447	\$ -	\$ 1,507,482	\$ 3,165,603	\$ 460,190	\$ 1,904,269	\$ 136,289,364

**Oakland County**  
**Internal Service Funds**  
**Combining Statement of Revenues, Expenses and Changes in Retained Earnings**  
**For the Year Ended September 30, 2001**

	<b>Delinquent Tax Revolving</b>	<b>Fringe Benefits</b>	<b>Materials Management</b>	<b>Information Technology</b>	<b>CLEMIS</b>	<b>Drain Equipment</b>	<b>Building and Liability Insurance</b>	<b>Office Equipment</b>
Operating revenue								
Charges for services	\$ -	\$ 71,216,845	\$ 1,380,260	\$ 23,272,320	\$ -	\$ 2,395,726	\$ 4,556,690	\$ 534,536
Operating expenses								
Salaries	-	556,133	141,101	7,062,105	-	270,460	446,681	22,066
Fringe benefits	-	66,396,268	60,854	2,503,600	-	93,058	159,058	7,940
Contractual services	-	6,672,264	121,889	12,569,072	-	571,403	2,173,357	107,750
Commodities	-	18,988	1,210,059	458,571	-	216,830	3,068	-
Depreciation	-	-	425	9,438,312	-	531,889	-	440,531
Internal services	-	58,560	111,167	1,589,298	-	822,767	85,513	974
Total operating expenses	-	73,702,213	1,645,495	33,620,958	-	2,506,407	2,867,677	579,261
Operating income (loss)	-	(2,485,368)	(265,235)	(10,348,638)	-	(110,681)	1,689,013	(44,725)
Nonoperating revenues (expenses)								
Interest revenue	-	2,461,666	5,161	131,978	-	71,096	1,170,557	84,717
Contributions	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-
Gain on sale of property and equipment	-	-	-	43,889	-	81,168	-	818
Net nonoperating revenues	-	2,461,666	5,161	175,867	-	152,264	1,170,557	85,535
Income (loss) before operating transfers	-	(23,702)	(260,074)	(10,172,771)	-	41,583	2,859,570	40,810
Operating transfers in	-	745,000	-	8,271,758	-	1,070,629	-	158,165
Operating transfers out	-	-	-	-	-	-	-	-
Net income (loss)	-	721,298	(260,074)	(1,901,013)	-	1,112,212	2,859,570	198,975
Retained earnings at October 1, 2000	183,176,461	19,945,522	668,108	25,080,492	5,099,972	3,157,169	4,642,532	2,992,292
Residual equity transfers out	(183,176,461)	-	(408,034)	-	(5,099,972)	-	-	-
Retained earnings at September 30, 2001	\$ -	\$ 20,666,820	\$ -	\$ 23,179,479	\$ -	\$ 4,269,381	\$ 7,502,102	\$ 3,191,267

continued

**Oakland County**  
**Internal Service Funds**  
**Combining Statement of Revenues, Expenses and Changes in Retained Earnings**  
**For the Year Ended September 30, 2001**

	Facilities Maintenance and Operations	Motor Pool	Radio Communications	Micrographics	Telephone Communications	Mailing, Copier, and Printing	Sheriff Aviation	Total
Operating revenue								
Charges for services	\$ 23,324,051	\$ 4,990,597	\$ -	\$ 945,594	\$ 4,591,717	\$ 2,712,102	\$ 342,060	\$ 140,262,498
Operating expenses								
Salaries	6,859,782	589,561	-	337,664	267,680	292,863	122,380	16,968,476
Fringe benefits	2,941,408	248,487	-	109,638	107,448	124,903	49,582	72,802,244
Contractual services	8,718,153	1,512,664	-	138,965	3,415,600	776,776	15,467	36,793,360
Commodities	1,085,382	2,347,617	-	2,657	235,285	1,319,617	13,006	6,911,080
Depreciation	132,413	1,233,243	-	42,777	106,204	3,269	64,893	11,993,956
Internal services	1,011,043	231,635	-	73,993	52,466	181,831	76,732	4,295,979
Total operating expenses	20,748,181	6,163,207	-	705,694	4,184,683	2,699,259	342,060	149,765,095
Operating income (loss)	2,575,870	(1,172,610)	-	239,900	407,034	12,843	-	(9,502,597)
Nonoperating revenues (expenses)								
Interest revenue	133,855	34,990	-	52,169	62,400	-	-	4,208,589
Contributions	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-
Gain on sale of property and equipment	18,078	439,555	-	-	-	2,000	-	585,508
Net nonoperating revenues	151,933	474,545	-	52,169	62,400	2,000	-	4,794,097
Income (loss) before operating transfers	2,727,803	(698,065)	-	292,069	469,434	14,843	-	(4,708,500)
Operating transfers in	54,000	533,863	-	-	20,905	45,900	-	10,900,220
Operating transfers out	(2,410,000)	-	-	-	(535,000)	-	-	(2,945,000)
Net income (loss)	371,803	(164,202)	-	292,069	(44,661)	60,743	-	3,246,720
Retained earnings at October 1, 2000	4,755,534	4,544,223	5,066,422	1,215,407	3,074,676	268,617	-	263,687,427
Residual equity transfers out	-	-	(5,066,422)	-	-	-	-	(193,750,889)
Retained earnings at September 30, 2001	\$ 5,127,337	\$ 4,380,021	\$ -	\$ 1,507,476	\$ 3,030,015	\$ 329,360	\$ -	\$ 73,183,258

**Oakland County**  
**Internal Service Funds**  
**Combining Statement of Cash Flows**  
**For the Year Ended September 30, 2001**

	<b>Delinquent Tax Revolving</b>	<b>Fringe Benefits</b>	<b>Materials Management</b>	<b>Information Technology</b>	<b>CLEMIS</b>	<b>Drain Equipment</b>	<b>Building and Liability Insurance</b>	<b>Office Equipment</b>
<b>Cash flows from operating activities</b>								
Cash received from users	\$ -	\$ 71,560,859	\$ 1,392,974	\$ 22,556,046	\$ -	\$ 2,770,057	\$ 4,558,581	\$ 587,832
Cash paid to suppliers	-	(75,100,991)	(1,278,896)	(15,693,440)	-	(1,967,342)	(3,264,578)	(112,279)
Cash paid to employees	-	(556,133)	(141,101)	(7,062,105)	-	(270,460)	(446,681)	(22,066)
<b>Net cash provided by (used in) operating activities</b>	<b>-</b>	<b>(4,096,265)</b>	<b>(27,023)</b>	<b>(199,499)</b>	<b>-</b>	<b>532,255</b>	<b>847,322</b>	<b>453,487</b>
<b>Cash flows from noncapital financing activities</b>								
Operating transfers in	-	745,000	-	4,287,159	-	70,629	-	-
Operating transfers out	-	-	-	-	-	-	-	-
Residual equity transfers out	(20,028,029)	-	-	-	(4,667,813)	-	-	-
Issuance of long-term debt	-	-	-	-	-	-	-	-
Advances issued	-	-	-	-	-	-	-	-
Interest paid on long-term debt	-	-	-	-	-	-	-	-
Principal payment on long-term debt	-	-	-	-	-	-	-	-
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>(20,028,029)</b>	<b>745,000</b>	<b>-</b>	<b>4,287,159</b>	<b>(4,667,813)</b>	<b>70,629</b>	<b>-</b>	<b>-</b>
<b>Cash flows from capital and related financing activities</b>								
Operating transfers in	-	-	-	3,984,599	-	1,000,000	-	158,165
Advances	-	-	-	-	-	-	-	-
Proceeds on sale of fixed assets	-	-	-	121,935	-	84,468	-	3,172
Acquisition of fixed assets	-	-	-	(9,295,298)	-	(1,129,161)	-	(439,454)
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,188,764)</b>	<b>-</b>	<b>(44,693)</b>	<b>-</b>	<b>(278,117)</b>
<b>Cash flows from investing activities</b>								
Purchase of investments	-	(44,029,923)	-	(1,504,808)	-	-	(51,671,026)	-
Interest on investments	-	2,436,951	5,206	149,297	-	71,883	1,005,950	92,876
Sale of investments	-	49,395,994	-	1,504,808	-	-	30,097,899	-
<b>Net cash provided by (used in) investing activities</b>	<b>-</b>	<b>7,803,022</b>	<b>5,206</b>	<b>149,297</b>	<b>-</b>	<b>71,883</b>	<b>(20,567,177)</b>	<b>92,876</b>
Net increase (decrease) in cash and cash equivalents	(20,028,029)	4,451,757	(21,817)	(951,807)	(4,667,813)	630,074	(19,719,855)	268,246
Cash and cash equivalents at October 1, 2000	20,028,029	29,292,785	429,262	7,096,261	4,667,813	1,514,771	22,540,765	1,887,962
Cash and cash equivalents at September 30, 2001	\$ -	\$ 33,744,542	\$ 407,445	\$ 6,144,454	\$ -	\$ 2,144,845	\$ 2,820,910	\$ 2,156,208

continued

**Oakland County  
Internal Service Funds  
Combining Statement of Cash Flows  
For the Year Ended September 30, 2001**

	Delinquent Tax Revolving	Fringe Benefits	Materials Management	Information Technology	CLEMIS	Drain Equipment	Building and Liability Insurance	Office Equipment
Operating income (loss)	\$ -	\$ (2,485,368)	\$ (265,235)	\$ (10,348,638)	\$ -	\$ (110,681)	\$ 1,689,013	\$ (44,725)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities								
Depreciation expense	-	-	425	9,438,312	-	531,889	-	440,531
Decrease in delinquent property taxes receivable	-	-	-	-	-	-	-	-
(Increase) decrease in due from other governmental units	-	(122)	489	23,669	-	-	-	17,244
(Increase) decrease in accounts receivable	-	1,482,904	10,848	(171,973)	-	18,326	1,800	(9,948)
(Increase) decrease in due from other funds	-	(1,138,768)	1,377	(593,655)	-	356,005	91	46,000
(Increase) decrease in inventories and supplies	-	-	226,353	69,446	-	2,075	-	-
(Increase) decrease in prepayments and other assets	-	(1,469,901)	-	368,738	-	-	-	-
Increase (decrease) in vouchers payable	-	(422,451)	(72)	370,023	-	(304,269)	(3,216)	12,305
Increase (decrease) in due to other funds	-	8,484	(1,208)	456	-	(9,835)	500	-
(Decrease) in current portion of workers' compensation	-	(188,704)	-	-	-	-	-	-
Increase (decrease) in other accrued liabilities	-	(275,180)	-	644,123	-	48,745	(840,866)	(7,920)
Decrease in accrued workers' compensation	-	(590,627)	-	-	-	-	-	-
Increase in accrued unreported health care costs	-	18,000	-	-	-	-	-	-
Increase in accrued sick and annual leave	-	965,468	-	-	-	-	-	-
Net cash provided by (used in) operating activities	\$ -	\$ (4,096,265)	\$ (27,023)	\$ (199,499)	\$ -	\$ 532,255	\$ 847,322	\$ 453,487

continued



**Oakland County**  
**Internal Service Funds**  
**Combining Statement of Cash Flows**  
**For the Year Ended September 30, 2001**

	Facilities Maintenance and Operations	Motor Pool	Radio Communications	Micrographics	Telephone Communications	Mailing, Copier, and Printing	Sheriff Aviation	Total
<b>Cash flows from operating activities</b>								
Cash received from users	\$ 23,171,042	\$ 5,001,038	\$ -	\$ 930,582	\$ 4,573,657	\$ 2,678,075	\$ 327,521	\$ 140,108,264
Cash paid to suppliers	(14,163,462)	(4,176,422)	-	(373,942)	(4,449,159)	(2,290,796)	(150,518)	(123,021,825)
Cash paid to employees	(6,859,782)	(589,561)	-	(337,664)	(267,680)	(292,863)	(122,380)	(16,968,476)
<b>Net cash provided by (used in) operating activities</b>	<b>2,147,798</b>	<b>235,055</b>	<b>-</b>	<b>218,976</b>	<b>(143,182)</b>	<b>94,416</b>	<b>54,623</b>	<b>117,963</b>
<b>Cash flows from noncapital financing activities</b>								
Operating transfers in	54,000	103,865	-	-	20,905	45,900	-	5,327,458
Operating transfers out	(2,410,000)	-	-	-	(535,000)	-	-	(2,945,000)
Residual equity transfers out	-	-	(2,841,709)	-	-	-	-	(27,537,551)
Issuance of long-term debt	-	-	-	-	-	-	-	-
Advances issued	-	-	-	-	-	-	-	-
Interest paid on long-term debt	-	-	-	-	-	-	-	-
Principal payment on long-term debt	-	-	-	-	-	-	-	-
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>(2,356,000)</b>	<b>103,865</b>	<b>(2,841,709)</b>	<b>-</b>	<b>(514,095)</b>	<b>45,900</b>	<b>-</b>	<b>(25,155,093)</b>
<b>Cash flows from capital and related financing activities</b>								
Operating transfers in	-	429,998	-	-	-	-	-	5,572,762
Advances	-	-	-	-	-	-	1,900,000	1,900,000
Proceeds on sale of fixed assets	10,958	601,000	-	-	-	2,000	-	823,533
Acquisition of fixed assets	(85,800)	(1,714,108)	-	(106,462)	(1,175,063)	(12,614)	(1,950,244)	(15,908,204)
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(74,842)</b>	<b>(683,110)</b>	<b>-</b>	<b>(106,462)</b>	<b>(1,175,063)</b>	<b>(10,614)</b>	<b>(50,244)</b>	<b>(7,611,909)</b>
<b>Cash flows from investing activities</b>								
Purchase of investments	-	-	-	(3,167,554)	-	-	-	(100,373,311)
Interest on investments	136,081	34,569	-	55,436	66,694	-	-	4,054,943
Sale of investments	-	-	-	2,577,720	-	-	-	83,576,421
<b>Net cash provided by (used in) investing activities</b>	<b>136,081</b>	<b>34,569</b>	<b>-</b>	<b>(534,398)</b>	<b>66,694</b>	<b>-</b>	<b>-</b>	<b>(12,741,947)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(146,963)</b>	<b>(309,621)</b>	<b>(2,841,709)</b>	<b>(421,884)</b>	<b>(1,765,646)</b>	<b>129,702</b>	<b>4,379</b>	<b>(45,390,986)</b>
Cash and cash equivalents at October 1, 2000	3,360,951	1,209,028	2,841,709	432,629	2,533,741	90,664	-	97,926,370
Cash and cash equivalents at September 30, 2001	\$ 3,213,988	\$ 899,407	\$ -	\$ 10,745	\$ 768,095	\$ 220,366	\$ 4,379	\$ 52,535,384

continued

**Oakland County  
Internal Service Funds  
Combining Statement of Cash Flows  
For the Year Ended September 30, 2001**

	Facilities Maintenance and Operations	Motor Pool	Radio Communications	Micrographics	Telephone Communications	Mailing, Copier, and Printing	Sheriff Aviation	Total
Operating income (loss)	\$ 2,575,870	\$ (1,172,610)	\$ -	\$ 239,900	\$ 407,034	\$ 12,843	\$ -	\$ (9,502,597)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Depreciation expense	132,413	1,233,243	-	42,777	106,204	3,269	64,893	11,993,956
Decrease in delinquent property taxes receivable	-	-	-	-	-	-	-	-
(Increase) decrease in due from other governmental units	2,265	16,029	-	1,226	-	1,275	-	62,075
(Increase) decrease in accounts receivable	97,256	(5,088)	-	(16,238)	2,764	10,598	-	1,421,249
(Increase) decrease in due from other funds	(252,530)	(500)	-	-	(20,824)	(45,900)	(14,539)	(1,663,243)
(Increase) decrease in inventories and supplies	(31,749)	(19,286)	-	-	-	44,384	-	291,223
(Increase) decrease in prepayments and other assets	-	123,130	-	-	(29,789)	41,386	-	(966,436)
Increase (decrease) in vouchers payable	68,596	59,444	-	(205)	14,432	129,235	4,269	(71,909)
Increase (decrease) in due to other funds	(49,411)	(32)	-	(1,624)	59,853	422	-	7,605
(Decrease) in current portion of workers' compensation	-	-	-	-	-	-	-	(188,704)
Increase (decrease) in other accrued liabilities	(394,912)	725	-	(46,860)	(682,856)	(103,096)	-	(1,658,097)
Decrease in accrued workers' compensation	-	-	-	-	-	-	-	(590,627)
Increase in accrued unreported health care costs	-	-	-	-	-	-	-	18,000
Increase in accrued sick and annual leave	-	-	-	-	-	-	-	965,468
Net cash provided by (used in) operating activities	<u>\$ 2,147,798</u>	<u>\$ 235,055</u>	<u>\$ -</u>	<u>\$ 218,976</u>	<u>\$ (143,182)</u>	<u>\$ 94,416</u>	<u>\$ 54,623</u>	<u>\$ 117,963</u>

Noncash transactions:

Noncash capital and related financing included \$1,996,353 of capital assets contributed and disposal of \$1,435,917 of fully depreciated assets in the CLEMIS Fund, \$2,100,877 purchase of assets included in payables in the Information Technology Fund, write off of \$138,191 of fully depreciated assets and \$7,120 sale of fixed assets in accounts receivable in the Facilities Maintenance & Operations fund.

Noncash, noncapital related transactions include an equity transfer out for \$408,034 in the Materials Management Fund recorded in due to other funds. Also, noncash portion of residual equity transfers out for the following: \$163,148,432 in the Delinquent Tax Revolving fund, \$12,199,657 in the CLEMIS fund, and \$6,326,730 in the Radio Communicaitons fund.

## Oakland County Enterprise Funds

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### Enterprise Funds

These funds account for operations and services provided for County residents and are financed primarily through user charges.

*The Medical Care Facility Fund* - was established to account for the financial operations of a 120-bed skilled nursing facility. Costs are recovered by charges to Medicare, Medicaid, or other third-party insurers for patient services.

*The Fire Records Management Fund* – was established to accumulate revenues and costs associated with providing a centralized Fire Records Management System (FRMS). The system will aid in uniform reporting and data sharing for participating local fire departments.

*The Airport Facilities Fund* - was established to account for operations of the County's Oakland County International, Oakland/Troy, and Oakland/Southwest airports. Revenues are primarily derived from leases, hangar rentals, landing fees, and other rentals or service charges.

*The Clinton-Oakland S.D.S. (Sewage Disposal System) Fund* - was established to record operations and maintenance of the system, which is used to move sewage to the City of Detroit for treatment. Costs are recovered by developing rates and billing the municipalities being serviced.

*The Huron-Rouge S.D.S. Fund* - was established to record operations and maintenance of the system, which is used to move sewage to Wayne County for treatment. Costs are recovered by developing rates and billing the municipalities being serviced.

*The Evergreen-Farmington S.D.S. Fund* - was established to record the operations and maintenance of the system, which is used to move sewage to the City of Detroit for treatment. Costs are recovered by developing rates and billing the municipalities being serviced.

*The Southeastern Oakland County S.D.S. (S.O.C.S.D.S.) Fund* - was established to record operations and maintenance of the system, which is used to move sewage and storm water to the City of Detroit for treatment. Costs are recovered by developing rates and billing the municipalities being serviced.

*The County Market Fund* – is used to account for the operations of the farmer's market located in Waterford. This fund was transferred from Special Revenue Fund type at October 1, 2000.

*The Delinquent Tax Revolving Fund* – is used to account for money advanced by the County to cities, townships, villages and County funds for unpaid property taxes, and the subsequent collections of delinquencies from taxpayers. This fund was transferred from Internal Service Fund type at October 1, 2000.

*The CLEMIS (Courts and Law Enforcement Management Information System) Fund* - was established to accumulate revenues and costs associated with providing law enforcement units with immediate access to criminal and vehicle information throughout the United States and Canada. This includes the costs of purchasing, servicing, and operating mobile data terminals and base stations. This fund was transferred from Internal Service Fund type at October 1, 2000.

*The Radio Communications Fund* – accumulates the costs of purchasing, servicing and operating the County radio system. The fund recovers costs by developing rates and billing users, and also receives revenue from 911 surcharge. This fund was transferred from Internal Service Fund type at October 1, 2000.

## Oakland County Enterprise Funds

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### Enterprise Funds (continued)

*The Water and Sewer Trust Fund* – is used to account for monies received from those County residents whose water and sewer systems are maintained for their municipality under contractual arrangement with Oakland County (Drain Commissioner). This fund was transferred from Fiduciary Fund, Expendable Trust fund type at October 1, 2000.

*The Jail Inmate Commissary Fund* – is used to account for commissary operations and services, library operations and services, and indigent services for inmates at the Oakland County Jail. Inmate commissary transactions are logged in individual accounts in the Jail Management System (JAMS). Monies collected for these individual accounts are held in the Jail Inmate Trust Account. This fund was transferred from Fiduciary Fund, Expendable Trust Fund type at October 1, 2000.



**Oakland County  
Enterprise Funds  
Combining Balance Sheet  
September 30, 2001**

	Medical Care Facility	Fire Records Management	Airport Facilities	Clinton- Oakland S.D.S.	Huron- Rouge S.D.S.	Evergreen- Farmington S.D.S.	S.O.C.S.D.S.
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents	\$ -	\$ 43,581	\$ 4,082,904	\$ 12,413,572	\$ 2,374,264	\$ 6,309,629	\$ 13,160,845
Investments	-	-	7,689,244	5,000,556	-	15,111,250	-
Delinquent property taxes receivable	-	-	-	-	-	-	-
Due from other governmental units	-	8,350	-	4,755,193	803,144	5,912,951	3,907,326
Accrued interest receivable	-	9	74,572	99,037	4,464	13,164	2,023
Accounts receivable (net of allowances for uncollectibles where applicable)	1,574,905	-	201,030	-	-	-	-
Due from other funds	90,265	-	-	53,971	-	2,633,647	44,829
Inventories and supplies	-	-	-	-	-	-	-
Prepayments and other assets	130	-	97,142	-	-	-	-
<b>Total current assets</b>	<b>1,665,300</b>	<b>51,940</b>	<b>12,144,892</b>	<b>22,322,329</b>	<b>3,181,872</b>	<b>29,980,641</b>	<b>17,115,023</b>
<b>Fixed assets, at cost</b>							
Land and improvements	15,533	-	40,876,757	25,725	19,748	27,681	625,998
Buildings and improvements	2,970,108	-	11,795,397	734,721	348,504	3,167,894	3,364,094
Equipment and vehicles	56,696	108,664	1,546,926	7,047	-	24,848	353,329
Sewage disposal systems	-	-	-	36,799,208	2,962,297	25,784,033	76,214,844
Construction in progress	-	392,311	7,441,434	-	-	-	-
	3,042,337	500,975	61,660,514	37,566,701	3,330,549	29,004,456	80,558,265
Less accumulated depreciation	1,881,478	18,111	13,211,969	16,567,012	1,852,640	17,559,926	60,236,002
<b>Fixed assets, net</b>	<b>1,160,859</b>	<b>482,864</b>	<b>48,448,545</b>	<b>20,999,689</b>	<b>1,477,909</b>	<b>11,444,530</b>	<b>20,322,263</b>
Advances Receivable	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 2,826,159</b>	<b>\$ 534,804</b>	<b>\$ 60,593,437</b>	<b>\$ 43,322,018</b>	<b>\$ 4,659,781</b>	<b>\$ 41,425,171</b>	<b>\$ 37,437,286</b>
<b>Liabilities and Equity</b>							
<b>Liabilities</b>							
Vouchers payable	\$ 51,855	\$ -	\$ 278,817	\$ 1,284,949	\$ 110,588	\$ 78,499	\$ 1,319
Due to other governmental units	-	-	38,574	3,543,446	672,425	4,199,172	6,760,081
Due to other funds	836,443	52,491	-	316,590	13,633	110,122	56,119
Notes payable	-	-	-	-	-	-	-
Accrued interest payable	-	-	-	-	-	-	-
Other accrued liabilities	20,463	8,256	527,752	287,206	-	437,123	54,630
<b>Total liabilities</b>	<b>908,761</b>	<b>60,747</b>	<b>845,143</b>	<b>5,432,191</b>	<b>796,646</b>	<b>4,824,916</b>	<b>6,872,149</b>
<b>Equity</b>							
Contributed capital	1,273,519	800,000	44,617,043	20,999,689	1,477,909	11,444,530	19,865,774
Retained earnings (deficit)							
Reserved for operations and maintenance	-	-	3,586,951	10,283,432	1,744,887	11,008,377	10,115,100
Unreserved	643,879	(325,943)	11,544,300	6,606,706	640,339	14,147,348	584,263
<b>Total retained earnings (deficit)</b>	<b>643,879</b>	<b>(325,943)</b>	<b>15,131,251</b>	<b>16,890,138</b>	<b>2,385,226</b>	<b>25,155,725</b>	<b>10,699,363</b>
<b>Total equity</b>	<b>1,917,398</b>	<b>474,057</b>	<b>59,748,294</b>	<b>37,889,827</b>	<b>3,863,135</b>	<b>36,600,255</b>	<b>30,565,137</b>
<b>Total liabilities and equity</b>	<b>\$ 2,826,159</b>	<b>\$ 534,804</b>	<b>\$ 60,593,437</b>	<b>\$ 43,322,018</b>	<b>\$ 4,659,781</b>	<b>\$ 41,425,171</b>	<b>\$ 37,437,286</b>

continued

**Oakland County  
Enterprise Funds  
Combining Balance Sheet  
September 30, 2001**

	County Market	Delinquent Tax Revolving	CLEMIS	Radio Communications	Water and Sewer Trust	Jail Inmate Commissary	Total
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents	\$ -	\$ 26,120,688	\$ 4,203,477	\$ 1,104,563	\$ 1,649,814	\$ 150,779	71,614,116
Investments	-	122,644,236	-	7,494,275	13,984,904	67,000	171,991,465
Delinquent property taxes receivable	-	49,346,417	-	-	-	-	49,346,417
Due from other governmental units	-	1,203,482	232,241	93,105	139,422	-	17,055,214
Accrued interest receivable	-	8,541,698	5,658	95,069	182,575	358	9,018,627
Accounts receivable (net of allowances for uncollectibles where applicable)	-	2,531,381	12,789	682,263	9,504,027	99,144	14,605,539
Due from other funds	5,541	-	36,082	62,840	273,414	-	3,200,589
Inventories and supplies	-	-	-	414,162	110,254	38,799	563,215
Prepayments and other assets	-	-	4,280	235,816	-	-	337,368
<b>Total current assets</b>	<b>5,541</b>	<b>210,387,902</b>	<b>4,494,527</b>	<b>10,182,093</b>	<b>25,844,410</b>	<b>356,080</b>	<b>337,732,550</b>
<b>Fixed assets, at cost</b>							
Land and improvements	-	-	-	-	-	-	41,591,442
Buildings and improvements	-	-	-	-	-	-	22,380,718
Equipment and vehicles	-	-	16,678,980	11,289,825	-	-	30,066,315
Sewage disposal systems	-	-	-	-	-	-	141,760,382
Construction in progress	-	-	-	-	-	-	7,833,745
	-	-	16,678,980	11,289,825	-	-	243,632,602
Less accumulated depreciation	-	-	3,104,034	6,435,183	-	-	120,866,355
<b>Fixed assets, net</b>	<b>-</b>	<b>-</b>	<b>13,574,946</b>	<b>4,854,642</b>	<b>-</b>	<b>-</b>	<b>122,766,247</b>
Advances receivable	-	1,900,000	-	-	-	-	1,900,000
<b>Total assets</b>	<b>\$ 5,541</b>	<b>\$ 212,287,902</b>	<b>\$ 18,069,473</b>	<b>\$ 15,036,735</b>	<b>\$ 25,844,410</b>	<b>\$ 356,080</b>	<b>\$ 462,398,797</b>
<b>Liabilities and Equity</b>							
<b>Liabilities</b>							
Vouchers payable	\$ -	\$ 786,409	\$ 1,020	\$ 12,713	\$ 1,312,835	\$ 70,662	\$ 3,989,666
Due to other governmental units	-	-	200,900	-	667,650	-	16,082,248
Due to other funds	2,943	8,397,215	26,782	75	2,848,879	60,744	12,722,036
Notes payable	-	12,000,000	-	-	-	-	12,000,000
Accrued interest payable	-	20,230	-	-	-	-	20,230
Other accrued liabilities	-	1,124,446	1,340,225	181,210	1,824,780	-	5,806,091
<b>Total liabilities</b>	<b>2,943</b>	<b>22,328,300</b>	<b>1,568,927</b>	<b>193,998</b>	<b>6,654,144</b>	<b>131,406</b>	<b>50,620,271</b>
<b>Equity</b>							
Contributed capital	-	-	11,767,498	4,102,017	-	-	116,347,979
Retained earnings (deficit)	-	-	-	-	-	-	-
Reserved for operations and maintenance	2,598	50,265,156	129,301	8,623,078	19,190,266	224,674	115,173,820
Unreserved	-	139,694,446	4,603,747	2,117,642	-	-	180,256,727
<b>Total retained earnings (deficit)</b>	<b>2,598</b>	<b>189,959,602</b>	<b>4,733,048</b>	<b>10,740,720</b>	<b>19,190,266</b>	<b>224,674</b>	<b>295,430,547</b>
<b>Total equity</b>	<b>2,598</b>	<b>189,959,602</b>	<b>16,500,546</b>	<b>14,842,737</b>	<b>19,190,266</b>	<b>224,674</b>	<b>411,778,526</b>
<b>Total liabilities and equity</b>	<b>\$ 5,541</b>	<b>\$ 212,287,902</b>	<b>\$ 18,069,473</b>	<b>\$ 15,036,735</b>	<b>\$ 25,844,410</b>	<b>\$ 356,080</b>	<b>\$ 462,398,797</b>

**Oakland County  
Enterprise Funds  
Combining Statement of Revenue, Expenses and Changes in Retained Earnings  
For the Year Ended September 30, 2001**

	Medical Care Facility	Fire Records Management	Airport Facilities	Clinton- Oakland S.D.S.	Huron- Rouge S.D.S.	Evergreen- Farmington S.D.S.	S.O.C.S.D.S.
Operating revenues							
Service revenue	\$ 10,100,585	\$ 16,275	\$ 3,919,202	\$ 14,266,369	\$ 2,243,809	\$ 21,339,633	\$ 25,579,863
Provision for doubtful accounts and contractual discounts	(366,974)	-	(62,478)	-	-	-	-
Total charges for services	9,733,611	16,275	3,856,724	14,266,369	2,243,809	21,339,633	25,579,863
Other	-	-	-	852,279	32,827	168,992	18,678
Total operating revenues	9,733,611	16,275	3,856,724	15,118,648	2,276,636	21,508,625	25,598,541
Operating expenses							
Salaries	3,734,501	126,724	938,550	670,612	63,786	622,782	455,408
Fringe benefits	1,394,603	49,096	361,646	223,405	21,826	209,265	151,107
Contractual services	1,353,448	33,856	1,530,997	19,057,672	2,345,864	16,954,175	23,250,274
Commodities	1,685,134	78,000	109,756	27,966	324	81,660	181,969
Depreciation	98,266	18,111	1,124,076	751,383	66,216	585,229	1,662,406
Internal services	753,333	99,499	169,310	178,000	15,130	226,358	128,432
Distribution to municipalities	-	-	-	-	-	-	-
Total operating expenses	9,019,285	405,286	4,234,335	20,909,038	2,513,146	18,679,469	25,829,596
Operating income (loss)	714,326	(389,011)	(377,611)	(5,790,390)	(236,510)	2,829,156	(231,055)
Nonoperating revenues							
Interest revenue	-	14,949	477,022	1,060,384	125,615	1,027,070	588,252
Interest expense	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-
Gain on sale of property and equipment	-	-	1,150	-	-	-	-
Net nonoperating revenues	-	14,949	478,172	1,060,384	125,615	1,027,070	588,252
Income (loss) before operating transfers	714,326	(374,062)	100,561	(4,730,006)	(110,895)	3,856,226	357,197
Operating transfers in	90,050	76,000	333,400	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Net income (loss)	804,376	(298,062)	433,961	(4,730,006)	(110,895)	3,856,226	357,197
Add back depreciation closed to contributed capital	-	-	659,649	751,383	66,216	585,229	1,623,506
Net income (loss) closed to retained earnings	804,376	(298,062)	1,093,610	(3,978,623)	(44,679)	4,441,455	1,980,703
Retained earnings (deficit) at October 1, 2000	(160,497)	(27,881)	14,037,641	20,868,761	2,429,905	20,714,270	8,718,660
Residual equity transfers in	-	-	-	-	-	-	-
Retained earnings (deficit) at September 30, 2001	\$ 643,879	\$ (325,943)	\$ 15,131,251	\$ 16,890,138	\$ 2,385,226	\$ 25,155,725	\$ 10,699,363

continued

**Oakland County  
Enterprise Funds  
Combining Statement of Revenue, Expenses and Changes in Retained Earnings  
For the Year Ended September 30, 2001**

	County Market	Delinquent Tax Revolving	CLEMIS	Radio Communications	Water and Sewer Trust	Jail Inmate Commissary	Total
Operating revenues							
Service revenue	\$ 113,414	\$ 13,700,152	\$ 819,635	\$ 8,799,132	\$ 27,354,950	\$ 1,160,671	\$ 129,413,690
Provision for doubtful accounts and contractual discounts	-	-	-	-	-	-	(429,452)
Total charges for services	113,414	13,700,152	819,635	8,799,132	27,354,950	1,160,671	128,984,238
Other	-	-	-	-	-	-	1,072,776
Total operating revenues	113,414	13,700,152	819,635	8,799,132	27,354,950	1,160,671	130,057,014
Operating expenses							
Salaries	55,469	-	743,645	507,900	4,734,657	209,002	12,863,036
Fringe benefits	8,872	-	231,936	164,216	1,674,816	88,499	4,579,287
Contractual services	5,850	636,418	785,090	1,455,128	17,196,215	22,253	84,627,240
Commodities	-	3,309	6,767	205,028	1,429,028	817,259	4,626,200
Depreciation	-	-	2,194,406	871,226	-	-	7,371,319
Internal services	54,421	154,894	900,000	313,494	1,512,728	15,834	4,521,433
Distribution to municipalities	-	-	-	-	602,441	-	602,441
Total operating expenses	124,612	794,621	4,861,844	3,516,992	27,149,885	1,152,847	119,190,956
Operating income (loss)	(11,198)	12,905,531	(4,042,209)	5,282,140	205,065	7,824	10,866,058
Nonoperating revenues							
Interest revenue	-	8,610,758	252,276	255,038	906,794	17,189	13,335,347
Interest expense	-	(717,029)	-	-	-	-	(717,029)
Contributions	-	-	1,996,353	-	-	-	1,996,353
Gain on sale of property and equipment	-	-	-	-	-	-	1,150
Net nonoperating revenues	-	7,893,729	2,248,629	255,038	906,794	17,189	14,615,821
Income (loss) before operating transfers	(11,198)	20,799,260	(1,793,580)	5,537,178	1,111,859	25,013	25,481,879
Operating transfers in	5,541	-	1,445,156	137,120	-	-	2,087,267
Operating transfers out	-	(14,016,119)	(18,500)	-	-	(72,021)	(14,106,640)
Net income (loss)	(5,657)	6,783,141	(366,924)	5,674,298	1,111,859	(47,008)	13,462,506
Add back depreciation closed to contributed capital	-	-	-	-	-	-	3,685,983
Net income (loss) closed to retained earnings	(5,657)	6,783,141	(366,924)	5,674,298	1,111,859	(47,008)	17,148,489
Retained earnings (deficit) at October 1, 2000	-	-	-	-	-	-	66,580,859
Residual equity transfers in	8,255	183,176,461	5,099,972	5,066,422	18,078,407	271,682	211,701,199
Retained earnings (deficit) at September 30, 2001	\$ 2,598	\$ 189,959,602	\$ 4,733,048	\$ 10,740,720	\$ 19,190,266	\$ 224,674	\$ 295,430,547



**Oakland County  
Enterprise Funds  
Combining Statement of Cash Flows  
For the Year Ended September 30, 2001**

	Medical Care Facility	Fire Records Management	Airport Facilities	Clinton- Oakland S.D.S.	Huron- Rouge S.D.S.	Evergreen- Farmington S.D.S.	S.O.C.S.D.S.
<b>Cash flows from operating activities</b>							
Cash received from users	\$ 9,357,678	\$ 7,925	\$ 3,884,256	\$ 14,694,738	\$ 2,281,187	\$ 19,747,928	\$ 24,568,354
Cash paid to suppliers	(5,713,227)	(199,280)	(1,986,303)	(16,943,207)	(2,482,931)	(16,515,516)	(23,001,505)
Cash paid to employees	(3,734,501)	(126,724)	(938,550)	(670,612)	(63,786)	(622,782)	(455,408)
<b>Net cash provided by (used in) operating activities</b>	<u>(90,050)</u>	<u>(318,079)</u>	<u>959,403</u>	<u>(2,919,081)</u>	<u>(265,530)</u>	<u>2,609,630</u>	<u>1,111,441</u>
<b>Cash flows from noncapital financing activities</b>							
Operating transfers in	90,050	-	333,400	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Residual equity transfers in	-	-	-	-	-	-	-
Issuance of long-term debt	-	-	-	-	-	-	-
Advances issued	-	-	-	-	-	-	-
Interest paid on long-term debt	-	-	-	-	-	-	-
Principal payments on long-term debt	-	-	-	-	-	-	-
<b>Net cash used in noncapital financing activities</b>	<u>90,050</u>	<u>-</u>	<u>333,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash flows from capital and related financing activities</b>							
Operating transfers in	-	76,000	-	-	-	-	-
Proceeds from sale of fixed assets	-	-	1,150	-	-	-	-
Acquisition of fixed assets	-	(500,975)	(599,946)	-	-	-	(68,213)
<b>Net cash used in capital and related financing activities</b>	<u>-</u>	<u>(424,975)</u>	<u>(598,796)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(68,213)</u>
<b>Cash flows from investing activities</b>							
Purchase of investments	-	-	(15,341,744)	(41,077,088)	(1,722,601)	(15,236,250)	(2,545,535)
Interest on investments	-	19,467	470,926	1,052,482	135,538	1,068,572	595,855
Proceeds from sale of investments	-	-	11,805,500	40,076,532	3,497,601	125,000	2,545,535
<b>Net cash provided by investing activities</b>	<u>-</u>	<u>19,467</u>	<u>(3,065,318)</u>	<u>51,926</u>	<u>1,910,538</u>	<u>(14,042,678)</u>	<u>595,855</u>
Net increase (decrease) in cash and cash equivalents	-	(723,587)	(2,371,311)	(2,867,155)	1,645,008	(11,433,048)	1,639,083
Cash and cash equivalents at October 1, 2000	-	767,168	6,454,215	15,280,727	729,256	17,742,677	11,521,762
Cash and cash equivalents at September 30, 2001	<u>\$ -</u>	<u>\$ 43,581</u>	<u>\$ 4,082,904</u>	<u>\$ 12,413,572</u>	<u>\$ 2,374,264</u>	<u>\$ 6,309,629</u>	<u>\$ 13,160,845</u>

continued

**Oakland County  
Enterprise Funds  
Combining Statement of Cash Flows  
For the Year Ended September 30, 2001**

	County Market	Delinquent Tax Revolving	CLEMIS	Radio Communications	Water and Sewer Trust	Jail Inmate Commissary	Total
<b>Cash flows from operating activities</b>							
Cash received from users	\$ 107,873	\$ 14,829,614	\$ 659,271	\$ 8,484,568	\$ 26,604,153	\$ 1,154,676	\$ 126,382,221
Cash paid to suppliers	(66,200)	(794,621)	(2,062,047)	(2,414,555)	(21,776,569)	(849,571)	(94,805,532)
Cash paid to employees	(55,469)	-	(743,645)	(507,900)	(4,734,657)	(209,002)	(12,863,036)
Net cash provided by (used in) operating activities	(13,796)	14,034,993	(2,146,421)	5,562,113	92,927	96,103	18,713,653
<b>Cash flows from noncapital financing activities</b>							
Operating transfers in	5,541	-	1,432,906	52,445	-	-	1,914,342
Operating transfers out	-	(14,016,119)	(18,500)	-	-	(72,021)	(14,106,640)
Residual equity transfers in	8,255	20,028,029	4,667,813	2,841,709	2,071,149	109,189	29,726,144
Issuance of long-term debt	-	25,000,000	-	-	-	-	25,000,000
Advances issued	-	(1,900,000)	-	-	-	-	(1,900,000)
Interest paid on long-term debt	-	(755,288)	-	-	-	-	(755,288)
Principal payments on long-term debt	-	(33,000,000)	-	-	-	-	(33,000,000)
Net cash used in noncapital financing activities	13,796	(4,643,378)	6,082,219	2,894,154	2,071,149	37,168	6,878,558
<b>Cash flows from capital and related financing activities</b>							
Operating transfers in	-	-	12,250	84,675	-	-	172,925
Proceeds from sale of fixed assets	-	-	-	16,894	-	-	18,044
Acquisition of fixed assets	-	-	-	(125,833)	-	-	(1,294,967)
Net cash used in capital and related financing activities	-	-	12,250	(24,264)	-	-	(1,103,998)
<b>Cash flows from investing activities</b>							
Purchase of investments	-	(122,644,236)	(800,000)	(10,744,432)	(1,505,692)	-	(211,617,578)
Interest on investments	-	9,922,296	255,429	166,835	991,430	17,508	14,696,338
Proceeds from sale of investments	-	129,451,013	800,000	3,250,157	-	-	191,551,338
Net cash provided by investing activities	-	16,729,073	255,429	(7,327,440)	(514,262)	17,508	(5,369,902)
Net increase (decrease) in cash and cash equivalents	-	26,120,688	4,203,477	1,104,563	1,649,814	150,779	19,118,311
Cash and cash equivalents at October 1, 2000	-	-	-	-	-	-	52,495,805
Cash and cash equivalents at September 30, 2001	\$ -	\$ 26,120,688	\$ 4,203,477	\$ 1,104,563	\$ 1,649,814	\$ 150,779	\$ 71,614,116

continued

**Oakland County  
Enterprise Funds  
Combining Statement of Cash Flows  
For the Year Ended September 30, 2001**

	<b>Medical Care Facility</b>	<b>Fire Records Management</b>	<b>Airport Facilities</b>	<b>Clinton- Oakland S.D.S.</b>	<b>Huron- Rouge S.D.S.</b>	<b>Evergreen- Farmington S.D.S.</b>	<b>S.O.C.S.D.S.</b>
Operating income (loss)	\$ 714,326	\$ (389,011)	\$ (377,611)	\$ (5,790,390)	\$ (236,510)	\$ 2,829,156	\$ (231,055)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities							
Depreciation expense	98,266	18,111	1,124,076	751,383	66,216	585,229	1,662,406
Increase in property taxes receivable	-	-	-	-	-	-	-
(Increase) decrease in due from other governmental units	-	(8,350)	-	(416,724)	4,551	(1,352,592)	(1,028,771)
(Increase) decrease in accounts receivable	(285,668)	-	27,532	-	-	-	-
(Increase) decrease in due from other funds	(90,265)	-	-	(7,186)	-	(408,105)	(1,416)
(Increase) decrease in inventories and supplies	-	-	-	-	-	-	-
(Increase) decrease in prepayments and other assets	(130)	1,418	(77,540)	-	-	-	-
Increase (decrease) in vouchers payable	51,367	(920)	235,886	1,211,753	110,588	17,371	(177,723)
Increase (decrease) in due to other governmental units	-	-	(3,761)	1,226,331	(213,292)	714,020	844,160
Increase (decrease) in due to other funds	(547,198)	52,417	(795)	(20,756)	2,917	(50,126)	616
Increase (decrease) in other accrued liabilities	(30,748)	8,256	31,616	126,508	-	274,677	43,224
Net cash provided by (used in) operating activities	<u>\$ (90,050)</u>	<u>\$ (318,079)</u>	<u>\$ 959,403</u>	<u>\$ (2,919,081)</u>	<u>\$ (265,530)</u>	<u>\$ 2,609,630</u>	<u>\$ 1,111,441</u>

continued

**Oakland County  
Enterprise Funds  
Combining Statement of Cash Flows  
For the Year Ended September 30, 2001**

	County Market	Delinquent Tax Revolving	CLEMIS	Radio Communications	Water and Sewer Trust	Jail Inmate Commissary	Total
Operating income (loss)	\$ (11,198)	\$ 12,905,531	\$ (4,042,209)	\$ 5,282,140	\$ 205,065	\$ 7,824	\$ 10,162,930
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities							
Depreciation expense	-	-	2,194,406	871,226	-	-	7,273,053
Increase in property taxes receivable	-	3,385,010	-	-	-	-	3,385,010
(Increase) decrease in due from other governmental units	-	(480,527)	(124,748)	(84,781)	937	-	(3,491,005)
(Increase) decrease in accounts receivable	-	(2,531,381)	(7,329)	(166,943)	(720,007)	(5,995)	(3,404,123)
(Increase) decrease in due from other funds	(5,541)	-	(28,287)	(62,840)	(31,727)	-	(539,561)
(Increase) decrease in inventories and supplies	-	-	-	(241,631)	(15,906)	975	(256,562)
(Increase) decrease in prepayments and other assets	-	-	(16)	(92,304)	-	-	(168,442)
Increase (decrease) in vouchers payable	-	525,182	(16,897)	5,627	(195,784)	37,211	1,752,294
Increase (decrease) in due to other governmental units	-	-	-	-	389,942	-	2,957,400
Increase (decrease) in due to other funds	2,943	56,715	(4,942)	(17,236)	348,849	56,088	423,747
Increase (decrease) in other accrued liabilities	-	174,463	(116,399)	68,855	111,558	-	722,758
Net cash provided by (used in) operating activities	\$ (13,796)	\$ 14,034,993	\$ (2,146,421)	\$ 5,562,113	\$ 92,927	\$ 96,103	\$ 18,817,499

Noncash transactions:

Noncash and capital related financing activities included \$101,067 of fully depreciated equipment written off in Medical Care Facility fund, Airport Facilities fund adjustment for grant funded project to reduce construction in progress by \$823,833, contributed capital and due to other governmental units by \$538,833 and expense by \$285,000; additionally wrote off \$70,495 for 2 buildings which were destroyed (collapsed). Fire Records Management fund acquisition of fixed assets of \$261,540 was reported in prior year as other accrued liability. Noncash, noncapital related financing activities included noncash portions of residual equity transfers in for the following: \$163,148,432 in the Delinquent Tax Revolving fund, \$12,199,657 in the CLEMIS fund, \$6,326,730 in the Radio Communications fund, \$16,007,258 in the Water and Sewer Trust fund, and \$162,493 in the Jail Inmate Commissary fund.

## County of Oakland Fiduciary Funds

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### **Fiduciary Funds**

These funds account for assets held by the County in a trustee capacity. Disbursements from these funds are contingent upon the trust agreement or applicable legislative enactment for each particular fund. The Oakland County Fiduciary funds encompass three broad categories: Pension Trust, Expendable Trust, and Agency funds. Employee Pension Trust funds accept payments made by the County, invest fund resources, and calculate and pay pensions to beneficiaries. Expendable Trust funds result from the County's agreement to accept resources and spend them in ways specified by the donor. Agency funds are generally clearance devices for monies collected for others, held briefly, and then disbursed to authorized recipients.

***The Oakland County Employees' Retirement Fund*** - is used to account for the financial operations of the Oakland County Employees' Retirement System. The system is administered by a nine-member board of trustees, while the County acts as the custodian of the system.

***The VEBA (Voluntary Employees' Beneficiary Association) Trust Fund*** - was established as a trust under Internal Revenue Code Section 501(c)(9) to account for funding on an actuarial basis including contributions by Oakland County, and subsequent disbursement for post-employment medical benefits. This fund replaced the Retirees Health Care Trust Fund upon creation of the Trust on October 1, 2000.

***The Retirees' Health Care Trust Fund*** - is used to account for deposits made by Oakland County to this fund for current retiree hospitalization benefits and their subsequent disbursement. This fund was replaced by the VEBA Trust Fund at October 1, 2000.

***The Delinquent Personal Tax Administration Fund*** - is used to account for the collection of delinquent personal property taxes and their subsequent disbursement to various municipalities, school districts, and other governmental units. Cost-related activities involving the collection of taxes are also handled by this fund. This fund was transferred to Special Revenue Fund type at October 1, 2000.

***The Jail Inmate Commissary Fund*** - is used to account for commissary operations and services, library operations and services, and indigent services for inmates at the Oakland County Jail. Inmate commissary transactions are logged in individual accounts in the Jail Management System (JAMS). Monies collected for these individual accounts are held in the Jail Inmate Trust Account Fund. This fund was transferred to Enterprise Fund type at October 1, 2000.

***The Water and Sewer Trust Fund*** - is used to account for monies received from those County residents whose water and sewer systems are maintained for their townships or municipalities by Oakland County. This fund was transferred to Enterprise Fund type at October 1, 2000.

***The Escheats Trust Fund*** - is used to account for monies that have not been claimed. This fund was reclassified to Agency Fund type in fiscal year 2001.

***The Probate Court Trust Fund*** - is used to account for individual donations made to the court and their subsequent disbursement to assist youths. This fund was transferred to Restricted Funds Fund (Special Revenue Fund type) at September 30, 2001.

***The Special Trust Fund*** - is used to account for monies deposited with the County Treasurer that are released at a later date. Juvenile Court bonds, Transient Merchant License bonds, and overbids on Sheriff land sales are included.

***The Public Library Trust Fund*** - is used to account for monies received by District and Circuit Courts for court fines and disbursed to public libraries, based on a percentage of the current census.



## County of Oakland Fiduciary Funds

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### Fiduciary Funds (continued)

*The Register of Deeds Trust Fund* - is used to account for redemption monies received from the sale of real estate by the Sheriff's Department and their subsequent disbursement.

*The District Court Trust Fund* - is used to account for appearance bonds and other trust monies in the County's District Court system.

*The Sheriff's NET (Narcotics Enforcement Team) Forfeiture Fund* (formerly the Prosecutor Forfeiture Evidence Fund) - is used to account for the sale of confiscated property by the Sheriff's Department. Monies collected in this fund are used to purchase surveillance equipment needed by investigators.

*The Public Transportation Authority Fund* - is used to account for all funds received from voted millage in certain Oakland County communities, which is used to finance the cost of public transportation and to administer the Public Transportation Authority services. All assets and liabilities in this fund were transferred to the Authority, as a separate entity, at September 30, 2001

*The Child Support Account* - is used to account for child support, alimony, and medical expense payments as ordered by the Friend of the Court and their subsequent disbursement.

*The Undistributed Taxes Fund* - is a conglomerate of various current year tax funds that receive tax monies and disburse them to municipalities, school districts, and other governmental units.

*The Circuit Court Trust Fund* - is used to account for monies received and disbursed by the Clerk's Office per Circuit Court order.

*The Contractor's Retainage Fund* - is used to account for a portion of those monies due to a particular contractor who is involved with an Oakland County project. Disbursement, including interest earnings, is made to the contractor upon completion of the project.

*The Legatee Trust Fund* - is used to account for estate assets that remain unclaimed. After five years, these monies are transferred to the Oakland County Escheats Trust Fund.

*The Escheats Trust Fund* - is used to account for monies that have not been claimed. This includes payroll, retirement and other checks issued by the County, and monies from the Legatee Trust and Special Trust funds. All monies go to the State of Michigan after a prescribed length of time. This fund was reclassified from Expendable Trust fund in fiscal year 2001.

*The Medical Care Facility Patient Trust Fund* - is used to account for personal funds of patients at the Medical Care Facility.

*The Jail Inmate Trust Account Fund* - is used to hold monies collected from and for inmates of the Oakland County Jail. Checks are written to cover bond payments, commissary purchases of other personal needs, and to return account balances upon inmate release or transfer to another facility. Individual accounts are tracked in the Jail Management System (JAMS).

*The Business Finance Corporation Fund* (formerly known as Economic Development Fund) - is used to account for funds necessary for administration of the Small Business Administration 504 Loan Program. All assets and liabilities of this fund were transferred to the Business Finance Corporation, as a separate entity, at September 30, 2001.

**County of Oakland  
Fiduciary Funds  
Combining Balance Sheet  
September 30, 2001**

	<u>Pension Trust Funds</u>		<u>Expendable Trust Funds</u>					
	<u>Oakland County Employees' Retirement</u>	<u>VEBA Trust</u>	<u>Retirees' Health Care Trust</u>	<u>Delinquent Personal Tax Administration</u>	<u>Jail Inmate Commissary</u>	<u>Water and Sewer Trust</u>	<u>Escheats Trust</u>	<u>Probate Court Trust</u>
<b>Assets</b>								
Cash and cash equivalents	\$ 6,910,991	\$ 1,041,230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,194
Investments	697,302,778	139,864,386	-	-	-	-	-	-
Accrued interest receivable	4,898,499	931,591	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	-
Due from other funds	-	3,724	-	-	-	-	-	-
Prepayments and other assets	-	18,338	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 709,112,268</b>	<b>\$ 141,859,269</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,194</b>
<b>Liabilities and Fund Balances</b>								
<b>Current liabilities</b>								
Vouchers payable	\$ -	\$ 45,245	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	-	-	-	-	-	-	-	-
Due to other funds	-	2,016,746	-	-	-	-	-	12,194
Other accrued liabilities	-	633,000	-	-	-	-	-	-
<b>Total current liabilities</b>	<b>-</b>	<b>2,694,991</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,194</b>
<b>Fund balances</b>								
<b>Reserved</b>								
Employees' pension benefits	709,112,268	-	-	-	-	-	-	-
Actuarial funding requirements	-	139,164,278	-	-	-	-	-	-
<b>Total reserved fund balances</b>	<b>709,112,268</b>	<b>139,164,278</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$ 709,112,268</b>	<b>\$ 141,859,269</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,194</b>

continued

**County of Oakland  
 Fiduciary Funds  
 Combining Balance Sheet  
 September 30, 2001**

	<b>Agency Funds</b>							
	<b>Special Trust</b>	<b>Public Library Trust</b>	<b>Register of Deeds Trust</b>	<b>District Court Trust</b>	<b>Sheriff NET Forfeiture</b>	<b>Public Transportation Authority</b>	<b>Child Support Account</b>	<b>Undistributed Taxes</b>
<b>Assets</b>								
Cash and cash equivalents	\$ 555,457	\$ 67,104	\$ 1,920,224	\$ 1,006,003	\$ 3,189,446	\$ -	\$ 1,325,330	\$ 52,125,562
Investments	12,094	365,758	-	-	100,000	-	-	-
Accrued interest receivable	-	825	-	-	4,579	-	-	-
Accounts receivable	-	56,570	-	-	-	-	-	-
Due from other funds	-	18,636	-	-	-	-	-	-
Prepayments and other assets	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 567,551</b>	<b>\$ 508,893</b>	<b>\$ 1,920,224</b>	<b>\$ 1,006,003</b>	<b>\$ 3,294,025</b>	<b>\$ -</b>	<b>\$ 1,325,330</b>	<b>\$ 52,125,562</b>
<b>Liabilities and Fund Balances</b>								
<b>Current liabilities</b>								
Vouchers payable	\$ -	\$ -	\$ 206,264	\$ -	\$ 30,552	\$ -	\$ -	\$ -
Due to other governmental units	-	-	6	-	-	-	-	52,118,775
Due to other funds	-	-	-	-	-	-	-	6,568
Other accrued liabilities	567,551	508,893	1,713,954	1,006,003	3,263,473	-	1,325,330	219
<b>Total current liabilities</b>	<b>567,551</b>	<b>508,893</b>	<b>1,920,224</b>	<b>1,006,003</b>	<b>3,294,025</b>	<b>-</b>	<b>1,325,330</b>	<b>52,125,562</b>
<b>Fund balances</b>								
<b>Reserved</b>								
Employees' pension benefits	-	-	-	-	-	-	-	-
Actuarial funding requirements	-	-	-	-	-	-	-	-
<b>Total reserved fund balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$ 567,551</b>	<b>\$ 508,893</b>	<b>\$ 1,920,224</b>	<b>\$ 1,006,003</b>	<b>\$ 3,294,025</b>	<b>\$ -</b>	<b>\$ 1,325,330</b>	<b>\$ 52,125,562</b>

continued



**County of Oakland**  
**Pension Trust Fund – Primary Government**  
**Statement of Plan Net Assets**  
**For the Year Ended September 30, 2001**

	<b>Oakland County Employees' Retirement</b>	<b>VEBA Trust</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 6,910,991	\$ 1,041,230	\$ 7,952,221
Investments, at fair value:			
Common stock	381,702,622	77,536,536	459,239,158
U.S. government securities	90,472,418	28,502,439	118,974,857
Corporate bonds	213,025,979	33,825,411	246,851,390
Municipal bonds	1,034,150	-	1,034,150
Real estate	11,067,609	-	11,067,609
Total investments	<u>697,302,778</u>	<u>139,864,386</u>	<u>837,167,164</u>
Receivables - interest and dividends	4,898,499	931,591	5,830,090
Receivables - other	-	18,338	18,338
Due from other funds	-	3,724	3,724
Total assets	<u>709,112,268</u>	<u>141,859,269</u>	<u>850,971,537</u>
<b>Liabilities</b>			
Vouchers payable	-	45,245	45,245
Due to other funds	-	2,016,746	2,016,746
Other accrued liabilities	-	633,000	633,000
Total liabilities	<u>-</u>	<u>2,694,991</u>	<u>2,694,991</u>
Net assets held in trust for employees' pension and other postemployment healthcare benefits	<u>\$ 709,112,268</u>	<u>\$ 139,164,278</u>	<u>\$ 848,276,546</u>

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

**County of Oakland**  
**Pension Trust Fund – Primary Government**  
**Statement of Changes in Plan Net Assets**  
**For the Year Ended September 30, 2001**

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	<b>Oakland County Employees' Retirement</b>	<b>VEBA Trust</b>	<b>Total</b>
<b>Additions</b>			
<b>Contributions</b>			
Employer	\$ -	\$ 16,182,512	\$ 16,182,512
Plan members	954,999	62,134	1,017,133
Total contributions	<u>954,999</u>	<u>16,244,646</u>	<u>17,199,645</u>
<b>Investment income</b>			
Interest and dividends	<u>(112,398,486)</u>	<u>(13,466,070)</u>	<u>(125,864,556)</u>
Total additions	<u>(111,443,487)</u>	<u>2,778,576</u>	<u>(108,664,911)</u>
<b>Benefits</b>			
Net increase (decrease)	<u>20,353,201</u>	<u>11,465,724</u>	<u>31,818,925</u>
	(131,796,688)	(8,687,148)	(140,483,836)
<b>Net assets held in trust for employees' pension and other postemployment healthcare benefits</b>			
At October 1, 2000	840,908,956	-	840,908,956
Residual equity transfers in	<u>-</u>	<u>147,851,426</u>	<u>147,851,426</u>
At September 30, 2001	<u>\$ 709,112,268</u>	<u>\$ 139,164,278</u>	<u>\$ 848,276,546</u>

**County of Oakland**  
**Expendable Trust Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended September 30, 2001**

	Retirees' Health Care Trust	Delinquent Personal Tax Administration	Jail Inmate Commissary	Water and Sewer Trust	Escheats Trust	Probate Court Trust	Total
<b>Revenues</b>							
Other intergovernmental revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	-	-	-	-	-
Other	-	-	-	-	-	120	120
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>120</b>	<b>120</b>
<b>Expenditures</b>							
Salaries	-	-	-	-	-	-	-
Fringe benefits	-	-	-	-	-	-	-
Contractual services	-	-	-	-	-	424	424
Commodities	-	-	-	-	-	-	-
Internal services	-	-	-	-	-	-	-
Distribution to municipalities	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>424</b>	<b>424</b>
<b>Excess of revenues over expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(304)</b>	<b>(304)</b>
<b>Other financing uses</b>							
Operating transfers out	-	-	-	-	-	(12,194)	(12,194)
<b>Excess (deficiency) of revenues over (under) expenditures and other financing uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(12,498)</b>	<b>(12,498)</b>
Fund balances at October 1, 2000	147,851,426	8,764,417	271,682	18,078,407	-	12,498	174,978,430
Residual equity transfers out	(147,851,426)	(8,764,417)	(271,682)	(18,078,407)	-	-	(174,965,932)
<b>Fund balances at September 30, 2001</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**County of Oakland**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For the Year Ended September 30, 2001**

	Balance October 1, 2000	Additions	Deductions	Balance September 30, 2001
<b>Special Trust</b>				
Assets				
Cash and cash equivalents	\$ 1,002,374	\$ 1,338,856	\$ 1,785,773	\$ 555,457
Investments	<u>10,087</u>	<u>2,007</u>	<u>-</u>	<u>12,094</u>
Total	<u>\$ 1,012,461</u>	<u>\$ 1,340,863</u>	<u>\$ 1,785,773</u>	<u>\$ 567,551</u>
Liabilities				
Vouchers payable	\$ -	\$ 1,063,280	\$ 1,063,280	\$ -
Other accrued liabilities	<u>1,012,461</u>	<u>1,340,863</u>	<u>1,785,773</u>	<u>567,551</u>
Total	<u>\$ 1,012,461</u>	<u>\$ 2,404,143</u>	<u>\$ 2,849,053</u>	<u>\$ 567,551</u>
<b>Public Library Trust</b>				
Assets				
Cash and cash equivalents	339,120	1,794,969	2,066,985	67,104
Investments	-	365,758	-	365,758
Accrued interest receivable	852	-	27	825
Accounts receivable	42,027	14,543	-	56,570
Due from other funds	<u>20,020</u>	<u>287,869</u>	<u>289,253</u>	<u>18,636</u>
Total	<u>\$ 402,019</u>	<u>\$ 2,463,139</u>	<u>\$ 2,356,265</u>	<u>\$ 508,893</u>
Liabilities				
Vouchers payable	\$ -	\$ 1,496,986	\$ 1,496,986	\$ -
Other accrued liabilities	<u>402,019</u>	<u>1,892,354</u>	<u>1,785,480</u>	<u>508,893</u>
Total	<u>\$ 402,019</u>	<u>\$ 3,389,340</u>	<u>\$ 3,282,466</u>	<u>\$ 508,893</u>
<b>Register of Deeds Trust</b>				
Assets				
Cash and cash equivalents	<u>\$ 1,257,486</u>	<u>\$ 31,091,646</u>	<u>\$ 30,428,908</u>	<u>\$ 1,920,224</u>
Liabilities				
Vouchers payable	\$ -	\$ 29,704,676	\$ 29,498,412	\$ 206,264
Due to other governmental units	6	-	-	6
Other accrued liabilities	<u>1,257,480</u>	<u>31,462,236</u>	<u>31,005,762</u>	<u>1,713,954</u>
Total	<u>\$ 1,257,486</u>	<u>\$ 61,166,912</u>	<u>\$ 60,504,174</u>	<u>\$ 1,920,224</u>

continued

**County of Oakland  
Agency Funds  
Combining Statement of Changes in Assets and Liabilities  
For the Year Ended September 30, 2001**

	Balance October 1, 2000	Additions	Deductions	Balance September 30, 2001
<b>District Court Trust</b>				
Assets				
Cash and cash equivalents	\$ 959,466	\$ 7,116,655	\$ 7,070,118	\$ 1,006,003
Liabilities				
Other accrued liabilities	\$ 959,466	\$ 7,116,655	\$ 7,070,118	\$ 1,006,003
<b>Sheriff NET Forfeiture</b>				
Assets				
Cash and cash equivalents	\$ 1,748,322	\$ 3,566,847	\$ 2,125,723	\$ 3,189,446
Investments	-	100,000	-	100,000
Accrued interest receivable	-	4,579	-	4,579
Total	<u>\$ 1,748,322</u>	<u>\$ 3,671,426</u>	<u>\$ 2,125,723</u>	<u>\$ 3,294,025</u>
Liabilities				
Vouchers payable	\$ -	\$ 1,537,431	\$ 1,506,879	\$ 30,552
Other accrued liabilities	<u>1,748,322</u>	<u>3,666,847</u>	<u>2,151,696</u>	<u>3,263,473</u>
Total	<u>\$ 1,748,322</u>	<u>\$ 5,204,278</u>	<u>\$ 3,658,575</u>	<u>\$ 3,294,025</u>
<b>Public Transportation Authority</b>				
Assets				
Cash and cash equivalents	\$ 4,339	\$ 11,287,951	\$ 11,292,290	\$ -
Due from other funds	-	3,334,456	3,334,456	-
Total	<u>\$ 4,339</u>	<u>\$ 14,622,407</u>	<u>\$ 14,626,746</u>	<u>\$ -</u>
Liabilities				
Vouchers payable	\$ -	\$ 7,893,195	\$ 7,893,195	\$ -
Due to other governmental units	-	43,011	43,011	-
Other accrued liabilities	<u>4,339</u>	<u>7,910,484</u>	<u>7,914,823</u>	<u>-</u>
Total	<u>\$ 4,339</u>	<u>\$ 15,846,690</u>	<u>\$ 15,851,029</u>	<u>\$ -</u>

continued

**County of Oakland**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For the Year Ended September 30, 2001**

	Balance October 1, 2000	Additions	Deductions	Balance September 30, 2001
<b>Child Support Account</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 1,625,500	\$ 180,028,611	\$ 180,328,781	\$ 1,325,330
<b>Liabilities</b>				
Other accrued liabilities	\$ 1,625,500	\$ 180,028,611	\$ 180,328,781	\$ 1,325,330
<b>Undistributed Taxes</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 73,735,151	\$ 1,283,610,903	\$ 1,305,220,492	\$ 52,125,562
Accounts receivable	171,038,955	-	171,038,955	-
<b>Total</b>	<b>\$ 244,774,106</b>	<b>\$ 1,283,610,903</b>	<b>\$ 1,476,259,447</b>	<b>\$ 52,125,562</b>
<b>Liabilities</b>				
Vouchers payable	\$ -	\$ 430,440,079	\$ 430,440,079	\$ -
Due to other governmental units	244,770,579	1,207,539,729	1,400,191,533	52,118,775
Due to other funds	3,098	72,736,186	72,732,716	6,568
Other accrued liabilities	429	3,334,989	3,335,199	219
<b>Total</b>	<b>\$ 244,774,106</b>	<b>\$ 1,714,050,983</b>	<b>\$ 1,906,699,527</b>	<b>\$ 52,125,562</b>
<b>Circuit Court Trust</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 5,890,601	\$ 9,569,995	\$ 8,249,544	\$ 7,211,052
Investments	204,717	-	55,054	149,663
<b>Total</b>	<b>\$ 6,095,318</b>	<b>\$ 9,569,995</b>	<b>\$ 8,304,598</b>	<b>\$ 7,360,715</b>
<b>Liabilities</b>				
Vouchers payable	\$ -	\$ 7,283,176	\$ 7,283,176	\$ -
Other accrued liabilities	6,095,318	9,651,987	8,386,590	7,360,715
<b>Total</b>	<b>\$ 6,095,318</b>	<b>\$ 16,935,163</b>	<b>\$ 15,669,766</b>	<b>\$ 7,360,715</b>

continued

**County of Oakland**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For the Year Ended September 30, 2001**

	Balance October 1, 2000	Additions	Deductions	Balance September 30, 2001
<b>Contractor's Retainage</b>				
Assets				
Cash and cash equivalents	<u>\$ 1,436,027</u>	<u>\$ 1,536,483</u>	<u>\$ 1,021,041</u>	<u>\$ 1,951,469</u>
Liabilities				
Vouchers payable	\$ -	\$ 1,016,805	\$ 1,016,805	\$ -
Other accrued liabilities	<u>1,436,027</u>	<u>1,536,483</u>	<u>1,021,041</u>	<u>1,951,469</u>
Total	<u>\$ 1,436,027</u>	<u>\$ 2,553,288</u>	<u>\$ 2,037,846</u>	<u>\$ 1,951,469</u>
<b>Legatee Trust</b>				
Assets				
Cash and cash equivalents	<u>\$ 166,783</u>	<u>\$ 189,619</u>	<u>\$ 89,274</u>	<u>\$ 267,128</u>
Liabilities				
Vouchers payable	\$ -	\$ 89,274	\$ 89,274	\$ -
Other accrued liabilities	<u>166,783</u>	<u>189,619</u>	<u>89,274</u>	<u>267,128</u>
Total	<u>\$ 166,783</u>	<u>\$ 278,893</u>	<u>\$ 178,548</u>	<u>\$ 267,128</u>
<b>Escheats Trust</b>				
Assets				
Cash and cash equivalents	<u>\$ -</u>	<u>\$ 232,828</u>	<u>\$ 153,525</u>	<u>\$ 79,303</u>
Liabilities				
Vouchers payable	\$ -	\$ 83,180	\$ 83,082	\$ 98
Due to other governmental units	<u>-</u>	<u>231,738</u>	<u>152,533</u>	<u>79,205</u>
Total	<u>\$ -</u>	<u>\$ 314,918</u>	<u>\$ 235,615</u>	<u>\$ 79,303</u>

continued

**County of Oakland**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For the Year Ended September 30, 2001**

	Balance October 1, 2000	Additions	Deductions	Balance September 30, 2001
<b>M.C.F. Patient Trust</b>				
Assets				
Cash and cash equivalents	\$ 18,354	\$ 31,104	\$ 36,376	\$ 13,082
Liabilities				
Vouchers payable	\$ -	\$ 36,038	\$ 36,038	\$ -
Other accrued liabilities	18,354	31,104	36,376	13,082
Total	<u>\$ 18,354</u>	<u>\$ 67,142</u>	<u>\$ 72,414</u>	<u>\$ 13,082</u>
<b>Jail Inmate Trust Account</b>				
Assets				
Cash and cash equivalents	\$ 159,303	\$ 2,533,973	\$ 2,526,223	\$ 167,053
Liabilities				
Other accrued liabilities	\$ 159,303	\$ 2,533,973	\$ 2,526,223	\$ 167,053
<b>Business Finance Corporation</b>				
Assets				
Cash and cash equivalents	\$ 396,371	\$ 666,868	\$ 1,063,239	\$ -
Investments	400,000	300,000	700,000	-
Accrued interest receivable	14,130	96,610	110,740	-
Accounts receivable	3,040	1,520	4,560	-
Total	<u>\$ 813,541</u>	<u>\$ 1,064,998</u>	<u>\$ 1,878,539</u>	<u>\$ -</u>
Liabilities				
Vouchers payable	\$ -	\$ 113,778	\$ 113,778	\$ -
Other accrued liabilities	813,541	766,740	1,580,281	-
Total	<u>\$ 813,541</u>	<u>\$ 880,518</u>	<u>\$ 1,694,059</u>	<u>\$ -</u>

continued



**County of Oakland**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For the Year Ended September 30, 2001**

	Balance October 1, 2000	Additions	Deductions	Balance September 30, 2001
<b>Total All Agency Funds</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 88,739,197	\$ 1,534,597,308	\$ 1,553,458,292	\$ 69,878,213
Investments	614,804	767,765	755,054	627,515
Accrued interest receivable	14,982	101,189	110,767	5,404
Accounts receivable	171,084,022	16,063	171,043,515	56,570
Due from other funds	<u>20,020</u>	<u>3,622,325</u>	<u>3,623,709</u>	<u>18,636</u>
<b>Total</b>	<b><u>\$ 260,473,025</u></b>	<b><u>\$ 1,539,104,650</u></b>	<b><u>\$ 1,728,991,337</u></b>	<b><u>\$ 70,586,338</u></b>
<b>Liabilities</b>				
Vouchers payable	\$ -	\$ 480,757,898	\$ 480,520,984	\$ 236,914
Due to other governmental units	244,770,585	1,207,814,478	1,400,387,077	52,197,986
Due to other funds	3,098	72,736,186	72,732,716	6,568
Other accrued liabilities	<u>15,699,342</u>	<u>251,462,945</u>	<u>249,017,417</u>	<u>18,144,870</u>
<b>Total</b>	<b><u>\$ 260,473,025</u></b>	<b><u>\$ 2,012,771,507</u></b>	<b><u>\$ 2,202,658,194</u></b>	<b><u>\$ 70,586,338</u></b>

**County of Oakland**  
**General Fixed Asset Account Group**

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The **General Fixed Asset Account Group** accounts for all the fixed assets of the County, other than those reported in proprietary funds.

**County of Oakland**  
**Schedule of General Fixed Assets by Source**  
**September 30, 2001**

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General fixed assets by source include assets of the Primary Government and of the Component Unit as of September 30, 2001, net of accumulated depreciation, as follows:

Primary Government	
General fixed assets	
Land and land improvements	\$ 26,745,487
Buildings and improvements	159,265,715
Furniture, equipment, and vehicles	8,722,905
Construction in progress	<u>13,506,812</u>
Total general fixed assets	<u>\$ 208,240,919</u>
Investment in general fixed assets by source:	
Bonds	\$ 116,138,971
Special Revenue fund	64,075,899
General	26,667,075
Federal grants	474,249
Local government contribution	549,033
State grants	299,883
Donations	<u>35,809</u>
Total investment in general fixed assets	<u>\$ 208,240,919</u>
Component Unit - Road Commission	
General fixed assets:	
Land and land improvements	\$ 2,251,539
Buildings and improvements	4,918,279
Furniture and equipment	<u>11,300,611</u>
Total general fixed assets	<u>\$ 18,470,429</u>
Investment in general fixed assets by source	
Special Revenue fund	<u>\$ 18,470,429</u>

**County of Oakland**  
**Schedule of General Fixed Assets – By Function and Activity**  
**September 30, 2001**

General fixed assets by function and activity include assets of the Primary Government and of the Component Unit (net of accumulated depreciation) as of September 30, 2001, as follows:

	Land and Land Improvements	Buildings and Improvements	Furniture, Equipment, and Vehicles	Construction in Progress	Total
<b>Primary Government</b>					
Function and activity					
County Executive					
Administration	\$ -	\$ -	\$ 57,300	\$ -	\$ 57,300
Management and budget	-	-	51,323	-	51,323
Central services	-	-	43,212	-	43,212
General government	10,224,307	118,321,869	1,666,922	6,301,050	136,514,148
Personnel	-	-	7,763	-	7,763
Human services	-	-	794,170	-	794,170
Community and economic development	-	-	131,285	-	131,285
<b>Total County Executive</b>	<u>10,224,307</u>	<u>118,321,869</u>	<u>2,751,975</u>	<u>6,301,050</u>	<u>137,599,201</u>
Clerk/Register of Deeds	-	-	19,006	-	19,006
Justice administration					
Circuit Court	-	-	93,715	-	93,715
District Court	-	-	34,066	-	34,066
<b>Total justice administration</b>	<u>-</u>	<u>-</u>	<u>127,781</u>	<u>-</u>	<u>127,781</u>
Law enforcement					
Prosecuting Attorney	-	-	6,370	-	6,370
Sheriff	-	-	1,193,417	-	1,193,417
<b>Total law enforcement</b>	<u>-</u>	<u>-</u>	<u>1,199,787</u>	<u>-</u>	<u>1,199,787</u>
Legislative - Board of Commissioners	-	-	31,422	-	31,422
Drain Commissioner	-	-	5,565	-	5,565
Parks and Recreation	16,521,180	40,943,846	4,587,369	7,205,762	69,258,157
<b>Total general fixed assets</b>	<u>\$ 26,745,487</u>	<u>\$ 159,265,715</u>	<u>\$ 8,722,905</u>	<u>\$ 13,506,812</u>	<u>\$ 208,240,919</u>
<b>Component Unit - Road Commission</b>	<u>\$ 2,251,539</u>	<u>\$ 4,918,279</u>	<u>\$ 11,300,612</u>	<u>\$ -</u>	<u>\$ 18,470,430</u>

**County of Oakland**  
**Schedule of Changes in General Fixed Assets by Function and Activities**  
**For the Year Ended September 30, 2001**

	General Fixed Assets October 1, 2000	Additions	Disposals	General Fixed Assets September 30, 2001
<b>Primary Government</b>				
Function and activity				
County Executive				
Administration	\$ 57,300	\$ -	\$ -	\$ 57,300
Management and budget	51,323			51,323
Central services	43,212			43,212
General government	125,973,321	10,687,029	146,202	136,514,148
Personnel	7,763			7,763
Human services	794,170			794,170
Community and economic development	<u>113,295</u>	<u>17,990</u>	<u>-</u>	<u>131,285</u>
Total County Executive	<u>127,040,384</u>	<u>10,705,019</u>	<u>146,202</u>	<u>137,599,201</u>
Clerk/Register of Deeds	<u>19,006</u>			<u>19,006</u>
Justice administration				
Circuit Court	93,715			93,715
District Court	<u>34,066</u>			<u>34,066</u>
Total justice administration	<u>127,781</u>	<u>-</u>	<u>-</u>	<u>127,781</u>
Law enforcement				
Prosecuting Attorney	6,370			6,370
Sheriff	<u>1,109,580</u>	<u>83,837</u>		<u>1,193,417</u>
Total law enforcement	<u>1,115,950</u>	<u>83,837</u>	<u>-</u>	<u>1,199,787</u>
Legislative - Board of Commissioners	<u>31,422</u>			<u>31,422</u>
Drain Commissioner	<u>5,565</u>			<u>5,565</u>
Parks and Recreation	<u>69,231,313</u>	<u>3,723,295</u>	<u>3,696,451</u>	<u>69,258,157</u>
Total general fixed assets	<u>\$ 197,571,421</u>	<u>\$ 14,512,151</u>	<u>\$ 3,842,653</u>	<u>\$ 208,240,919</u>
<b>Component Unit - Road Commission</b>	<u>\$ 18,280,136</u>	<u>\$ 4,737,852</u>	<u>\$ 4,547,559</u>	<u>\$ 18,470,429</u>

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**STATISTICAL SECTION**

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**County of Oakland  
General Governmental Expenditures by Function – Unaudited (1)  
Last Ten Fiscal Years**

**Table 1**

	2001	2000	1999	1998	1997 (4)	1996	1995	1994	1993	1992
County Executive (3)	\$ 149,744,060	\$ 143,209,213	\$ 122,219,972	\$ 108,277,397	\$ 77,300,241	\$ 90,960,686	\$ 87,722,234	\$ 182,323,576	\$ 170,282,683	\$ 105,559,138
Clerk/Register of Deeds	10,506,883	10,517,386	9,377,996	7,772,822	5,165,502	7,729,797	7,074,120	7,135,780	6,317,667	6,789,013
Treasurer	4,077,255	3,765,565	3,195,915	3,140,747	2,070,410	2,715,039	2,719,456	2,553,221	2,771,787	2,651,981
Justice administration	72,303,297	63,267,727	56,737,135	54,028,545	39,071,526	50,999,116	49,168,161	46,673,608	45,539,848	42,977,359
Law enforcement	104,520,100	101,585,022	92,965,913	91,885,843	67,197,922	85,354,740	79,936,285	72,275,836	66,495,510	62,830,739
Legislative	5,368,932	5,094,162	4,863,777	4,574,804	3,821,751	4,280,773	4,087,369	3,259,838	3,181,571	3,180,730
Drain Commissioner	4,879,051	4,150,030	5,352,683	10,910,333	6,722,531	8,273,246	6,685,724	6,320,481	6,427,397	6,631,116
Community Mental Health (3)	-	-	-	162,774,890	142,172,445	115,283,122	105,655,621	-	-	-
Parks and Recreation	13,928,752	12,674,964	11,170,098	14,842,244	13,101,085	14,352,481	13,484,912	13,146,451	10,808,857	11,160,184
Road Commission (2)	100,024,144	93,162,727	86,277,547	95,737,761	95,601,844	93,217,591	89,478,562	81,703,416	69,412,289	62,455,840
Drainage Districts (5)	13,928,502	14,777,287	-	-	-	-	-	-	-	-
Non-departmental	12,122,018	7,526,763	29,759,027	20,474,392	12,334,851	18,545,234	18,545,612	20,284,499	20,947,139	21,848,474
Intergovernmental	992,065	3,886,220	2,868,781	6,638,976	650,470	2,642,774	2,308,208	2,432,229	-	-
Principal payments	19,350,000	21,100,000	28,975,000	29,135,000	26,710,300	28,320,000	26,855,000	26,005,000	28,982,900	21,520,000
Interest and fiscal charges	<u>6,624,072</u>	<u>7,396,538</u>	<u>14,963,232</u>	<u>16,045,822</u>	<u>10,402,469</u>	<u>18,197,493</u>	<u>18,870,736</u>	<u>18,846,796</u>	<u>20,264,763</u>	<u>19,448,094</u>
Memo total	<u>\$ 518,369,131</u>	<u>\$ 492,113,604</u>	<u>\$ 468,727,076</u>	<u>\$ 626,239,576</u>	<u>\$ 502,323,347</u>	<u>\$ 540,872,092</u>	<u>\$ 512,592,000</u>	<u>\$ 482,960,731</u>	<u>\$ 451,432,411</u>	<u>\$ 367,052,668</u>

(1) Includes General, Special Revenue, and Debt Service funds, and Component Unit.

(2) For historical purposes, the Road Commission (a component unit) expenditures are included in this presentation combined with those of the Primary Government. However, effective 1993, the Road Commission reporting entity was changed for the general purpose financial statement presentation and revenues/expenditures were reported separately.

(3) Community Mental Health is reported as a separate function from the County Executive effective in 1995. Became a component unit, proprietary fund type effective in 1999.

(4) Amounts are for the nine-month period ended September 30, 1997, except for Community Mental Health and Road Commission, which are reported for the year ended September 30, 1997.

(5) Beginning in fiscal year 2000, the Drainage districts became a component unit of the Primary Government. For comparative purposes, the expenditures for this component unit is shown excluding those of the Capital Projects fund type.



**County of Oakland  
General Governmental Revenues by Function – Unaudited (1)  
Last Ten Fiscal Years**

**Table 2**

	2001 (6)	2000 (5)	1999 (4)	1998	1997 (3)	1996	1995	1994 (2)	1993	1992
Taxes	\$ 235,061,095	\$ 176,092,094	\$ 166,654,002	\$ 161,045,318	\$ 116,488,640	\$ 151,476,700	\$ 144,256,414	\$ 139,864,644	\$ 133,216,478	\$ 130,035,086
Special assessments	40,206,945	42,790,778	45,688,622	44,826,243	36,647,916	44,253,563	42,516,911	41,909,910	46,152,764	43,079,151
Federal grants	41,953,147	24,667,428	19,376,175	26,018,791	28,277,520	33,845,779	35,756,794	30,391,291	23,515,832	20,149,713
State grants	114,646,658	117,360,317	114,725,441	156,809,207	156,734,244	167,016,478	161,719,552	151,334,369	142,260,917	76,358,195
Other intergovernmental	49,176,678	44,918,577	44,124,712	138,652,543	89,596,701	50,016,340	43,469,683	40,726,413	36,316,011	35,603,920
Charges for services	92,351,324	91,725,334	94,701,083	90,893,704	61,656,982	74,893,304	68,971,488	62,735,451	59,244,008	55,095,198
Investment income	16,774,577	16,252,027	13,988,609	15,909,461	12,681,852	16,162,998	18,661,745	13,716,269	6,281,840	9,685,742
Other	<u>2,221,346</u>	<u>763,601</u>	<u>3,162,301</u>	<u>2,921,672</u>	<u>5,781,769</u>	<u>4,572,180</u>	<u>4,648,074</u>	<u>3,293,385</u>	<u>3,508,059</u>	<u>2,233,588</u>
<b>Memo total</b>	<b><u>\$ 592,391,770</u></b>	<b><u>\$ 514,570,156</u></b>	<b><u>\$ 502,420,945</u></b>	<b><u>\$ 637,076,939</u></b>	<b><u>\$ 507,865,624</u></b>	<b><u>\$ 542,237,342</u></b>	<b><u>\$ 520,000,661</u></b>	<b><u>\$ 483,971,732</u></b>	<b><u>\$ 450,495,909</u></b>	<b><u>\$ 372,240,593</u></b>

(1) Includes General, Special Revenue, and Debt Service funds, and Component Unit.

(2) For historical comparative purposes, the Road Commission (a component unit) revenues are reported combined with those of the Primary Government. Effective 1993, the Road Commission reporting entity was changed for the general purpose financial statement presentation and revenues/expenditures were reported separately.

(3) Amounts are for the nine-month period ended September 30, 1997, except for Community Mental Health and Road Commission, which are reported for the year ended September 30, 1997.

(4) Amounts beginning with fiscal year ended September 30, 1999 reflect removal of revenues for Community Mental Health, which became a component unit - proprietary fund type.

(5) Beginning in fiscal year 2000, the Drainage districts became a component unit of the Primary Government. For comparative purposes, the revenues for this component unit is shown excluding those of the Capital Projects fund type.

(6) Effective with fiscal year 2001 property taxes are no longer shown as deferred for one quarter as previously done. This is in compliance with GASB Statement No. 33 for reporting of tax revenues.

**County of Oakland****Table 3****County Operating Property Tax Collection and Levy Record – Unaudited  
Last Ten Fiscal Years**

Year of levy(1)	Tax Levy	Collections to March 1 Each Year		Collections December 31	
		Amount	Percent	Amount	Percent
1991	126,369,685	114,919,493	90.94%	125,971,740	99.69%
1992	128,659,509	117,560,793	91.37%	128,293,275	99.72%
1993	134,806,159	124,680,706	92.49%	134,496,499	99.77%
1994	137,211,588	130,150,654	94.85%	136,976,159	99.83%
1995	142,993,143	136,217,398	95.26%	142,593,625	99.72%
1996 (2)	146,793,283	139,773,122	95.22%	146,495,460	99.80%
1997	154,608,230	146,878,133	95.00%	154,271,960	99.78%
1998	158,822,030	150,584,994	94.81%	158,511,893	99.80%
1999	169,119,667	160,852,822	95.11%	168,158,174	99.43%
2000	179,455,454	170,218,781	94.85%	178,468,449	99.45%

(1) Property taxes are recorded as revenue in the General Fund, net of certain adjustments, in the year following the year of levy.

(2) Starting with the 1996 levy, collections are as of September 30.

Source: Oakland County Treasurer

**County of Oakland**  
**Assessed, Equalized, Estimated Value of Taxable Property – Unaudited**  
**Last Ten Fiscal Years**

**Table 4**

Year of levy	Real Property		Personal Property Assessed and equalized value	Total		Ratio of Total Equalized to total estimated amount value
	Assessed value	Equalized value		Equalized value	Estimated amount value	
1991	25,084,982,734	25,084,982,734	2,554,958,790	27,639,941,524	55,629,223,604	49.70%
1992	25,472,661,563	25,472,661,563	2,668,097,200	28,140,758,763	56,281,516,167	50.00%
1993	27,348,848,151	27,349,484,194	2,737,964,110	30,087,448,304	60,536,264,146	49.70%
1994	28,280,195,479	28,280,520,470	2,899,739,160	31,180,259,630	62,578,336,350	49.80%
1995	30,032,307,086	30,032,307,086	3,180,629,809	33,212,936,895	66,630,865,970	49.80%
1996	32,312,811,773	32,312,811,773	3,432,142,210	35,744,953,983	71,638,355,161	49.90%
1997	35,207,616,066	35,207,616,066	3,718,065,750	38,925,681,816	78,136,973,925	49.80%
1998	38,968,362,590	38,968,362,590	4,088,471,704	43,056,834,284	86,533,042,471	49.80%
1999	43,351,722,556	43,351,722,556	4,520,810,144	47,872,532,700	96,134,183,439	49.80%
2000	47,946,109,270	47,946,109,270	4,491,256,560	52,437,365,830	105,324,743,044	49.80%

Source: Oakland County Treasurer

**County of Oakland  
Property Tax Rates – Direct and Overlapping Governments – Unaudited  
Last Ten Fiscal Years**

**Table 5**

Tax rates (per \$1,000 equalized valuation):

Year of levy	General operating	Parks	Oakland Schools	Oakland Community College	Huron-Clinton Authority	Public Transportation Authority (1)
1991	4.5720	0.2173	2.1836	1.0735	0.2303	-
1992	4.5720	0.2500	2.1836	1.0735	0.2303	-
1993	4.4805	0.2439	2.1294	1.0522	0.2236	-
1994	4.4805	0.2439	2.1294	0.8522	0.2236	-
1995	4.4805	0.2439	2.1294	1.6522	0.2236	0.3300
1996	4.3805	0.2439	2.1294	1.6522	0.2236	0.3300
1997	4.3505	0.2439	2.1294	1.6522	0.2236	0.3300
1998	4.1900	0.2429	2.1208	1.6456	0.2235	0.3300
1999	4.1900	0.2404	2.0998	1.6295	0.2218	0.3270
2000	4.1900	0.2376	2.0752	1.6109	0.2202	0.3236

Tax Levies:

Year of levy	County operating	County special assessments	County Parks	Schools	Community Colleges	Intermediate Schools	Huron-Clinton Authority	Public Transportation Authority	Township/City/Village	State Education Tax	Total
1991	\$ 126,369,685	\$ 1,435,576	\$ 6,006,153	\$ 988,102,789	\$ 29,965,390	\$ 60,327,732	\$ 6,365,472	\$ -	\$ 325,220,337	\$ -	\$ 1,543,793,134
1992	128,659,509	1,516,316	7,035,188	1,025,856,424	30,503,802	61,420,285	6,480,815	-	333,621,590	-	1,595,093,929
1993	134,806,159	1,276,753	7,338,293	1,090,753,871	31,972,242	64,055,313	6,727,521	-	348,240,297	-	1,685,170,449
1994	137,211,588	1,345,465	7,469,112	419,314,749	26,571,057	65,439,640	6,847,582	-	381,542,567	184,204,983	1,229,946,743
1995	142,993,143	1,454,214	7,783,942	450,014,718	52,825,635	68,297,090	7,136,226	5,012,535	402,878,254	192,284,901	1,330,680,658
1996	146,793,283	1,266,384	8,173,217	473,616,159	55,472,501	71,823,105	7,492,953	5,956,447	429,314,926	202,298,601	1,402,207,576
1997	154,608,230	1,226,846	8,667,708	513,820,527	58,835,473	76,301,284	7,946,287	6,279,516	457,898,335	214,983,831	1,500,568,037
1998	158,822,030	1,337,373	9,207,007	547,134,854	62,510,779	81,285,938	8,277,076	7,463,667	493,489,635	229,877,253	1,599,405,612
1999	169,119,667	1,431,429	9,701,960	577,962,494	66,785,373	84,930,971	8,951,210	7,802,081	520,239,559	245,046,073	1,691,970,817
2000	179,455,454	1,634,771	10,175,140	606,070,951	69,114,118	90,295,980	9,424,695	8,105,501	557,184,664	260,362,350	1,791,823,624

(1) Taxes levied only on certain communities.

Source: Oakland County Treasurer

**County of Oakland  
Principal Taxpayers – Unaudited  
September 30, 2001**

**Table 6**

<b>Taxpayer</b>	<b>Principal Products or Services</b>	<b>2001 Taxable Valuation*</b>	<b>2001 Percentage County Taxable Valuation</b>
General Motors Corporation	Automobiles, Trucks, and Buses	\$ 482,176,230	1.01%
Detroit Edison Company	Electric Utility	318,798,965	0.67%
Twelve Oaks/Taubman, et. al.	Real Estate	190,907,026	0.40%
Daimler-Chrysler Corporation	Automobiles and Trucks	153,110,555	0.32%
Consumers Power/Energy	Gas and Electric Utility	141,007,045	0.30%
Ford Motor Company	Automobiles and Trucks	117,430,537	0.25%
Manufacturer's Hanover Bank	Office Building	98,029,194	0.21%
Town Centre Delaware, Inc.	Real Estate	97,363,612	0.20%
Ramco - Gershenson	Real Estate	89,001,240	0.19%
W.R.C. Properties, Inc.	Real Estate	86,257,936	0.18%
Frankel/Forbes/Cohen, et. al.	Real Estate	80,763,510	0.17%
Liberty Property Investments	Real Estate Investment Trust	69,322,587	0.15%
Electronic Data Systems Corp.	Computer Systems	66,122,466	0.14%
Gale & Wentworth, LLC	Real Estate	55,664,690	0.12%
K-Mart Corp.	Retail Sales	47,804,064	0.10%
First Industrial Realty	Real Estate Investment Trust	47,568,231	0.10%
Comerica Bank	Banking, Real Estate, Financial	47,229,017	0.10%
Nykel Management Co.	Real Estate	46,468,685	0.10%
Prudential/ Prudential Insurance Company	Real Estate, Office Management	41,888,680	0.09%
Standard Federal Bank	Banking, Real Estate, Financial	40,020,687	0.08%
<b>Total</b>		<b>\$ 2,316,934,957</b>	<b>4.88%</b>

\* Note: The Taxable Values have been compiled from a number of sources/reports and may include estimated figures.

Source: Oakland County Equalization Division

**County of Oakland  
Special Assessment Billings and Collections – Unaudited  
Last Ten Fiscal Years**

**Table 7**

<b>Year</b>	<b>Special assessment billings</b>	<b>Special assessment collections</b>
1992	\$ 20,686,331	\$ 20,686,331
1993	24,928,695	24,928,695
1994	21,318,181	21,318,181
1995	22,604,562	22,604,562
1996	24,661,730	24,661,730
1997 (1)	22,526,440	22,257,294
1998	23,238,490	23,607,636
1999	27,365,934	27,361,028
2000 (2)	18,401,969	18,306,875
2001	16,705,455	16,705,455

(1) For the nine-month period ended September 30, 1997

(2) Effective with year 2000, excludes Drainage Districts component unit

Source: Oakland County Department of Management and Budget  
Fiscal Services Division, Drain Accounting

**County of Oakland**  
**Percentage of Net Long-term Debt to Equalized Value**  
**And Net Long-term Debt per Capita – Unaudited**  
**Last Ten Fiscal Years**

**Table 8**

<b>Calendar year (1)</b>	<b>Population (2)</b>	<b>Equalized value</b>	<b>Net long-term debt (3)</b>	<b>Percentage of Net Long-term debt to equalized value</b>	<b>Net long-term debt per capita</b>
1991	1,083,592	\$ 27,639,941,524	\$ 356,894,151	1.291%	\$ 330
1992	1,083,592	28,140,758,763	363,459,475	1.292%	335
1993	1,083,592	30,087,448,304	322,534,031	1.072%	298
1994	1,083,592	31,180,259,630	333,167,665	1.069%	307
1995	1,083,592	33,212,936,895	329,528,022	0.992%	304
1996	1,083,592	35,744,953,983	307,611,984	0.861%	284
1997	1,083,592	38,925,681,816	305,818,474	0.786%	282
1998	1,083,592	43,056,834,284	287,233,125	0.667%	265
1999	1,083,592	47,872,532,700	155,650,000	0.325%	144
2000	1,194,156	52,437,365,830	128,345,000	0.245%	107

(1) Represents the year in which property taxes are levied, collections of which are made in the subsequent year.

(2) Source: U.S. Department of Commerce, Bureau of Census

(3) General obligation indebtedness, including Delinquent Tax Revolving Notes outstanding at December 31 through 1996, thereafter, September 30. Also, excluding Drainage Districts component unit debt effective 2000.

**County of Oakland**  
**Ratio of annual Debt Service Expenditures for General Bonded**  
**Debt to Total General Governmental Expenditures – Unaudited**  
**Last Ten Fiscal Years**

**Table 9**

<b>Fiscal year</b>	<b>Principal</b>	<b>Interest and fees</b>	<b>Total debt service</b>	<b>Total general governmental expenditures (1)</b>	<b>Ratio of debt service to total general governmental expenditures</b>
1992	21,520,000	19,448,094	40,968,094	367,052,668	11.2
1993	28,982,900	20,264,763	49,247,663	451,432,411	10.9
1994	26,005,000	18,846,796	44,851,796	482,960,731	9.3
1995	26,855,000	18,870,736	45,725,736	512,592,000	8.9
1996	28,320,000	18,197,493	46,517,493	540,872,092	8.6
1997 (2)	26,710,300	10,402,469	37,112,769	502,323,347	7.4
1998	29,135,000	16,045,822	45,180,822	626,239,576	7.2
1999	28,975,000	14,963,232	43,938,232	468,727,076 (3)	9.4
2000 (4)	21,100,000	7,396,538	28,496,538	492,113,604	5.8
2001	19,350,000	6,624,072	25,974,072	518,369,131	5.0

(1) Includes General, Special Revenue, and Debt Service funds, and Component Unit.

(2) For the nine-month period ended September 30, 1997

(3) In 1999, the Community Mental Health Authority is reported as a discretely presented component unit.

(4) Beginning in fiscal year 2000, the Drainage Districts became a discretely presented component



**County of Oakland**  
**Computation of Legal Debt Limit – Unaudited**  
**September 30, 2001**

**Table 10**

Statutory limit - 10% of 2001 SEV	\$ 5,746,971,160
<b>Bonds and Notes with County Credit and Unlimited Tax</b>	
Drain Bonds - Chapter 20, Act 40	\$ 925,000
Refunding Bonds - Water and Sewer	1,850,000
Sewage Disposal Bonds - Act 185	5,970,000
Sewage Disposal Bonds - Act 342	3,505,000
Sewer and Water Supply Bonds - Act 342	4,850,000
Water Supply Bonds - Act 185	<u>6,825,000</u>
Total	<u>23,925,000</u>
<b>Bonds and Notes with County Credit and Limited Tax</b>	
General Obligation Limited Tax Building Authority - Act 31	7,250,000
General Obligation Limited Tax Building Authority Refunding - Act 202	12,965,000
General Obligation Limited Tax Drain Bonds - Act 40	44,035,000
General Obligation Limited Tax Drain Refunding Bonds - Act 202	37,980,000
General Obligation Limited Tax Sewage Disposal Bonds - Act 342	13,555,000
General Obligation Limited Tax Water Supply Bonds - Act 342	16,345,000
General Obligation Limited Tax Water Supply Refunding - Act 202	570,000
General Obligation Limited Tax Sewage Disposal Refunding - Act 202	34,735,000
General Obligation Limited Tax Michigan Bond Authority Drain Bonds	22,951,943
General Obligation Limited Tax Michigan Bond Authority Sewage Disposal Bond	<u>8,200,000</u>
Total	<u>198,586,943</u>
<b>Bonds and Notes with County Credit and Limited Tax - Taxable</b>	
General Obligation Limited Tax Notes - taxable obligation	<u>12,000,000</u>
Total bonds and notes with County credit	<u>234,511,943</u>
Available balance	<u>\$ 5,512,459,217</u>

Source: Oakland County Treasurer

**County of Oakland  
Net County Direct and Overlapping Debt – Unaudited  
September 30, 2001**

**Table 11**

	<b>Gross</b>	<b>Municipalities' share of funds on hand with County Treasurer</b>	<b>Self-supporting or portion paid directly by benefited municipalities</b>	<b>Net</b>	<b>County share of funds on hand</b>	<b>Net county debt</b>
<b>Bonds and Notes with County Credit and unlimited tax</b>						
Drain Bonds - Chapter 20, Act 40	\$ 925,000	\$ 507,089 (d)	\$ 366,660 (a)	\$ 51,251	\$ 13,108 (d)	\$ 38,143
Sewage Disposal Bonds - Act 185	5,970,000	641,046 (d)	5,328,954 (a)	-	- (d)	-
Sewage Disposal Bonds - Act 342	6,825,000	4,132,520 (d)	2,692,480 (a)	-	- (d)	-
Sewer and Water Bonds - Act 342	4,850,000	96,123 (d)	4,753,877 (a)	-	- (d)	-
Water Supply Bonds - Act 185	3,505,000	978,714 (d)	2,526,286 (a)	-	-	-
Refunding Bonds - Water & Sewer	<u>1,850,000</u>	<u>990,099 (d)</u>	<u>859,901 (a)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<b>\$ 23,925,000</b>	<b>7,345,591</b>	<b>16,528,158</b>	<b>51,251</b>	<b>13,108</b>	<b>38,143</b>
<b>Bonds and Notes with County Credit and Limited Tax</b>						
General Obligation Building Authority	\$ 7,250,000	-	-	7,250,000	- (d)	7,250,000
General Obligation Building Authority Refunding	12,965,000	-	-	12,965,000	-	12,965,000
Drain Bonds - Chapter 20, Act 40	44,035,000	181,361	40,193,129	3,660,510	91,966 (d)	3,568,544
Sewage Disposal Bonds	13,555,000	519,734 (d)	13,035,266 (a)	-	-	-
Drain Bonds - Chapter 20, Refunding	37,980,000	-	35,527,243 (a)	2,452,757	- (d)	2,452,757
Water Supply Bonds	16,345,000	190,734 (d)	16,154,266 (a)	-	-	-
Water Supply Bonds- Refunding	570,000	143 (d)	569,857 (a)	-	-	-
Sewage Disposal Bonds Refunding	34,735,000	3,627 (d)	34,731,373 (a)	-	-	-
Michigan Bond Authority - Drain Bonds	22,951,943	-	22,240,057 (a)	711,886	-	711,886
Michigan Bond Authority - Sewage Disp. Bonds	<u>8,200,000</u>	<u>1,237 (d)</u>	<u>8,198,763 (a)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<b>\$ 198,586,943</b>	<b>\$ 896,836</b>	<b>\$ 170,649,954</b>	<b>\$ 27,040,153</b>	<b>\$ 91,966</b>	<b>\$ 26,948,187</b>
<b>Bonds and Notes with County Credit and Limited Tax - Taxable</b>						
General Obligation Limited Taxable	<u>\$ 12,000,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,000,000</u>	<u>\$ 12,000,000 (d)</u>	<u>\$ -</u>
<b>Bonds and Notes with No County Credit</b>						
Michigan Transportation Fund	<u>\$ 17,800,000</u>	<u>\$ -</u>	<u>\$ 17,800,000 (c)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**County of Oakland  
 Net County Direct and Overlapping Debt – Unaudited  
 September 30, 2001**

**Table 11**

	<b>Gross</b>	<b>Municipalities' share of funds on hand with County Treasurer</b>	<b>Self-supporting or portion paid directly by benefited municipalities</b>	<b>Net</b>	<b>County share of funds on hand</b>	<b>Net county debt</b>
<b>Overlapping Debt of County</b>						
Cities, villages and townships						\$ 790,218,462 (e)
School districts						2,113,268,065 (e)
Community college and intermediate school districts						26,913,892 (e)
County issued bonds paid by local municipalities						<u>187,178,112 (b)</u>
Net County overlapping debt						<u>3,117,578,531</u>
Net County direct and overlapping debt						<u>\$ 3,144,564,861</u>

(a) Total County Issued Bonds Paid by Local Municipalities

(b) It is expected that a sizable portion of these amounts will be paid from benefit charges and earnings of the various systems. (This amount is arrived by the totals indicated by "a")

(c) Self-supporting Obligations

(d) September 30, 2001 Fund Balance

(e) Amount as of September 30, 2001

Source: Oakland County Treasurer

**County of Oakland  
Demographics Statistics and Age Distribution – Unaudited  
(Latest Figures Available)**

**Table 12**

Population count:

1950	396,001
1960	690,259
1970	907,858
1975	966,562
1980	1,011,793
1990	1,083,592
2000	1,194,156

Age distribution:

	Under 5	5-9	10-14	15-19	20-24	25-44	45-64	Over 64
1950	49,285	40,217	31,173	25,678	28,171	126,499	74,157	20,821
1960	93,057	85,914	69,424	47,048	33,779	199,697	123,686	37,654
1970	81,038	96,181	106,298	88,131	63,386	228,193	184,268	60,363
1975	66,204	92,536	109,922	100,512	62,534	238,934	222,741	73,179
1980	67,489	75,580	88,087	91,920	88,238	300,206	210,480	89,793
1990	78,224	75,088	71,220	71,477	72,122	381,212	216,361	117,888
2000	80,367	86,326	85,498	74,272	60,591	387,242	284,901	134,959

Age	Males		Females	
	Number	Percentage	Number	Percentage
Under 5 years	41,325	7.1%	39,042	6.4%
5-9 years	44,480	7.6%	41,846	6.9%
10-14 years	43,964	7.5%	41,534	6.8%
15-19 years	38,512	6.6%	35,760	5.9%
20-24 years	30,339	5.2%	30,252	5.0%
25-34 years	87,788	15.0%	88,399	14.5%
35-44 years	103,910	17.8%	107,145	17.6%
45-54 years	88,256	15.1%	91,560	15.0%
55-59 years	30,975	5.3%	31,435	5.2%
60-64 years	20,723	3.5%	21,952	3.6%
65-74 years	31,478	5.4%	38,793	6.4%
75 years and over	22,910	3.9%	41,778	6.9%
<b>Total</b>	<b>584,660</b>	<b>100.00%</b>	<b>609,496</b>	<b>100.00%</b>

Source: Department of Commerce, Bureau of Census, and Oakland County Community and Economic Development Department.

**County of Oakland  
Property Value, Construction and Bank Deposits – Unaudited  
Last Ten Fiscal Years**

**Table 13**

Fiscal Year	Commercial Construction (1)		Residential Construction (1)		Bank Deposits (2) (in thousands)	Property Value (in thousands) (4)				
	Number of Units	Value (in thousands)	Number of Units	Value (in thousands)		Commercial	Industrial	Residential	Developmental	Agricultural
1992	232	\$ 81,019	\$ 5,585	\$ 569,030	\$ 17,001,153	\$ 11,085,902	\$ 3,596,867	\$ 35,782,911	\$ 157,528	\$ 322,115
1993	143	105,726	5,492	609,592	17,692,490	11,180,723	3,613,265	39,729,711	156,328	380,310
1994	461	328,653	5,718	823,960	17,189,871	11,160,094	3,625,288	41,456,725	156,788	379,961
1995	420	214,629	5,529	862,071	18,433,604	11,363,918	3,974,099	44,417,880	284,434	229,121
1996	357	179,026	5,949	978,594	19,641,898	11,835,245	4,164,651	48,106,612	286,425	232,687
1997	254	303,088	4,580	764,741	20,981,118	12,813,368	4,446,758	52,868,661	300,555	271,395
1998	198	165,851	5,579	912,631	22,500,823	14,194,871	4,731,202	58,841,000	301,558	287,851
1999	254	312,117	5,609	1,075,720	23,087,150	15,834,736	5,373,882	65,300,684	339,684	243,402
2000	205	463,291	4,752	992,696	24,667,182	17,807,252	6,049,399	71,757,105	456,216	267,237
2001	233	361,180	3,812	891,719	(3)	19,359,413	6,752,136	79,195,946	484,729	304,602

Sources:

- (1) Oakland County Community and Economic Development and Dodge Construction Monthly Publication.  
1998 reflects figures for nine months activity.
- (2) State Financial Institution Bureau Bank and Trust Division.  
Sheshunoff - The Branches of Michigan, deposits on record in banks, savings and loan, and credit unions as of June 30.
- (3) Information not available until April 2002.
- (4) Oakland County Equalization Division.

**County of Oakland  
Miscellaneous Statistics – Unaudited**

**Table 14**

Education:

<b>Grade</b>	<b>Number of Students</b>
<b>Kindergarten</b>	13,801
1	14,705
2	14,689
3	14,958
4	15,091
5	15,191
6	15,670
7	15,117
8	14,525
9	15,569
10	14,532
11	13,539
12	11,809
Other	<u>12,316</u>
<b>Total enrollment</b>	<b>201,512</b>
<b>Number of districts</b>	<b>43</b>

Source: Oakland Schools Board of Education

<b>Colleges</b>	<b>Locations</b>
Baker College	Auburn Hills
Central Michigan University - Extensions	Southfield, Troy, Auburn Hills
Detroit College of Business - Extension	Auburn Hills
Michigan State University - Extensions	Birmingham, Troy
Midwestern Baptist College	Pontiac
Northwood University - Extensions	Troy
Oakland Community College	Auburn Hills, Waterford, Farmington Hills, Royal Oak
Oakland University	Rochester
Rochester College	Rochester Hills
St. Mary's College	Orchard Lake
Sienna Heights College - Extension	Southfield
University of Phoenix - Extension	Southfield
Walsh College	Troy, Novi
Wayne State University - Extensions	Birmingham, Madison Heights
William Tyndale College	Farmington Hills
<b>Technical Institutes</b>	<b>Locations</b>
Cranbrook Academy of Art	Bloomfield Hills
Lawrence Technological University	Southfield
Oakland Technical Centers	Pontiac, Clarkston, Royal Oak, Wixom

Source: Oakland County Community and Economic Development Department

**County of Oakland  
Miscellaneous Statistics – Unaudited**

**Table 14**

**Elections**

1992	Primary election - August 4, 1992		
	Registered voters	731,378	
	Ballots cast	171,524	23.45%
1992	General election - November 3, 1992		
	Registered voters	761,611	
	Ballots cast	562,691	73.88%
1994	Primary election - August 2, 1994		
	Registered voters	755,622	
	Ballots cast	192,448	25.47%
1994	General election - November 8, 1994		
	Registered voters	767,852	
	Ballots cast	413,394	53.84%
1995	Public Transportation millage - June 6, 1995		
	Registered voters (20 units participating)	390,648	
	Ballots cast	53,634	13.73%
1996	Primary election - August 6, 1996		
	Registered voters	806,172	
	Ballots cast	159,284	19.76%
1996	General election - November 5, 1996		
	Registered voters	826,440	
	Ballots cast	510,747	61.80%
1998	Primary election - August 4, 1998		
	Registered voters	858,576	
	Ballots cast	184,169	21.45%
1999	General election - November 3, 1998		
	Registered voters	867,144	
	Ballots cast	414,227	47.77%
2000	Primary election - August 8, 2000		
	Registered voters	850,783	
	Ballots cast	127,076	14.94%
2001	General election - November 7, 2000		
	Registered voters	860,037	
	Ballots cast	574,501	66.80%

Source: Oakland County Clerk/Register of Deeds - Elections Division

**County of Oakland**  
**Building Authority Data – Unaudited**  
**September 30, 2001**

**Table 15**

	<b>Lyon Oaks Park</b>	<b>Refunding Series 1992</b>	<b>Computer Center</b>	<b>West Wing Extension</b>	<b>Refunding Series 1998</b>	<b>Total</b>
Due from other funds	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 25
Lease receivable	4,325,000	3,215,000	2,075,000	850,000	9,750,000	20,215,000
Bond payable	4,325,000	3,215,000	2,075,000	850,000	9,750,000	20,215,000
Year ended September 30, 2001:						
Operating transfers in	577,867	1,586,968	109,942	892,605	545,455	3,712,837
Interest income	7	-	-	-	-	7
Debt Service						
Principal	400,000	1,400,000	-	-	-	1,800,000
Interest	177,575	185,963	108,937	-	-	472,475
Fiscal charges	300	1,000	1,000	-	-	2,300
Principal and interest requirements						
2002	562,475	1,568,275	108,938	897,600	545,337	3,682,625
2003	571,800	1,806,918	108,937	-	1,445,306	3,932,961
2004	580,006	-	108,937	-	1,445,681	2,134,624
2005	562,569	-	108,938	-	1,439,088	2,110,595
2006	569,588	-	108,937	-	1,480,744	2,159,269
Thereafter	2,300,862	-	2,240,375	-	5,850,355	10,391,592
	<u>\$ 5,147,300</u>	<u>\$ 3,375,193</u>	<u>\$ 2,785,062</u>	<u>\$ 897,600</u>	<u>\$ 12,206,511</u>	<u>\$ 24,411,666</u>