



Genesee County, Michigan

# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**Fiscal Period Ending September 30, 2010  
Controller's Office**

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Genesee County  
Michigan

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 2009

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President

Executive Director

COMPREHENSIVE ANNUAL FINANCIAL REPORT

# GENESEE COUNTY, MICHIGAN

September 30, 2010

## Board of Commissioners

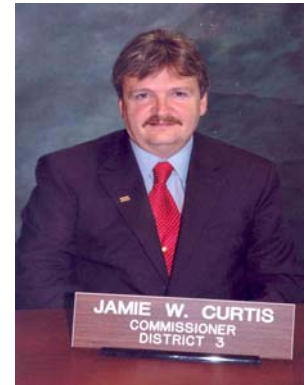
Jamie W. Curtis, Chairperson of the Board



Omar A. Sims



Brenda Clack



Jamie W. Curtis



John Northrup



Miles T. Gadola



Joseph Graves



Archie H. Bailey



Ted Henry



Patrick F. Gleason

**Prepared by:**  
Controller's Office

**Controller:**  
George Martini

**Independent Auditors:**  
Plante & Moran, PLLC

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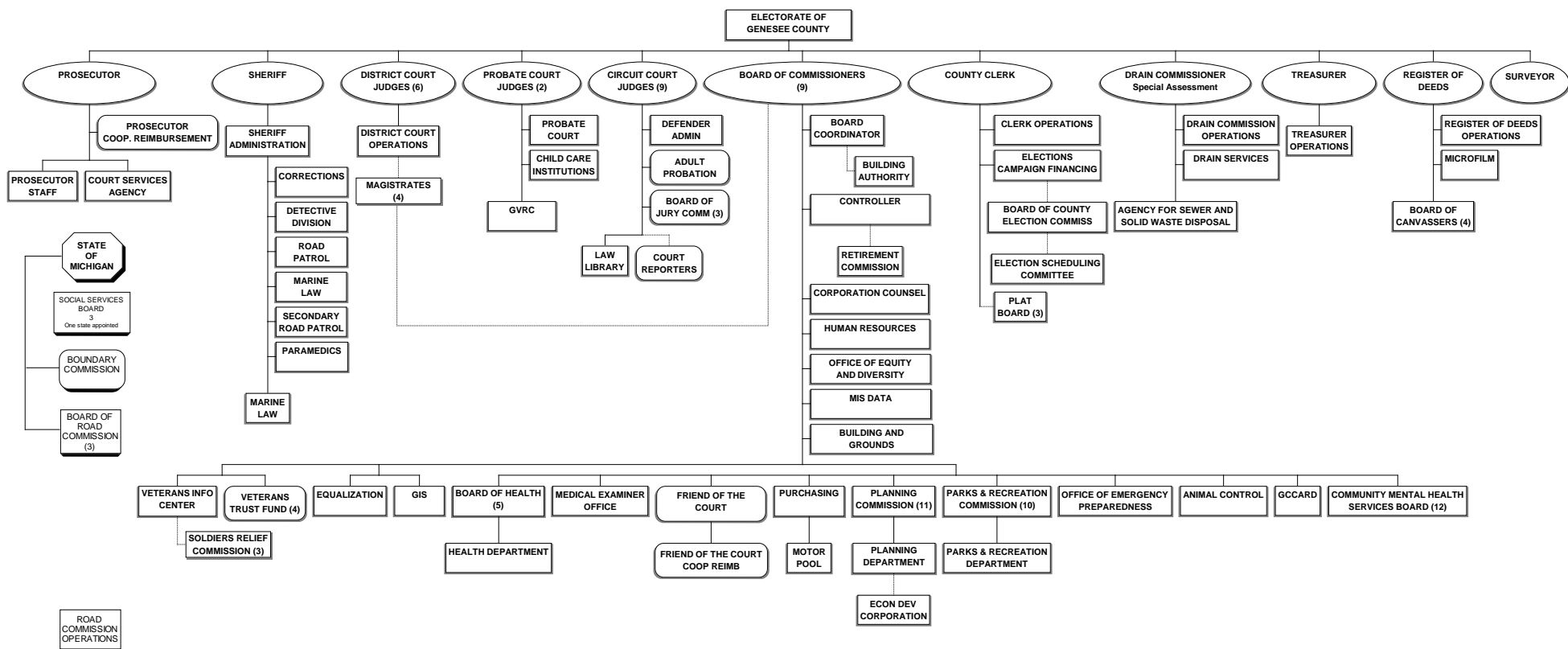
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# **I. INTRODUCTORY SECTION**

**The Introductory Section Contains:**

- A. Certificate of Achievement**  
(Inside Front Cover)
- B. Organization Chart**
- C. Transmittal Letter**







# GENESEE COUNTY CONTROLLER'S OFFICE

1101 Beach Street, 3rd Floor • Flint, Michigan 48502

Phone: (810) 257-3040 • Fax: (810) 257-3560

**George Martini**  
*Controller*

The Board of County Commissioners  
Genesee County  
Flint, Michigan

March 29, 2010

The Comprehensive Annual Financial Report of Genesee County for the fiscal period ended September 30, 2010 is submitted herein. This report was prepared by the County Controller's Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of this presentation, including all disclosures, rests with the County. We believe the data as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds and that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial activity have been included. A more detailed statement of management's responsibility for the Financial Statements is included in the Financial Section of this report, adjacent to the Auditor's opinion. In addition, the report provides a narrative introduction, overview and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

State Statutes require an annual audit by independent certified public accountants. The accounting firm of Plante & Moran, PLLC, was selected by the County's audit subcommittee and approved by the Board. In addition to meeting the requirements set forth in State statutes, the audit is designed to meet the requirements of the Federal Single Audit Act of 1984 and related OMB Circular A-133. Plante & Moran, PLLC, has issued an unqualified ("clean") opinion on Genesee County's financial statements for the fiscal year ended September 30, 2010. That report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's report related specifically to the single audit is not included in this report, but is issued as a separate report.

## THE REPORTING ENTITY AND ITS SERVICES

The funds and entities related to Genesee County included in this Comprehensive Annual Financial Report are considered to be within the overall responsibility of the Board of Commissioners. The criteria used in determining the reporting entity is consistent with the Governmental Accounting Standards Board Codification Section 2100. Based on these criteria, the various funds and account groups shown in the Table of Contents are included in this report. Also included in this report are the Genesee County Road Commission, Water and Waste Services, Economic Development Corporation, Drains, Land Bank Authority, Brownfield Authority and the Storm Water Management System, which are presented as component units of Genesee County Government.

## Background

Genesee County is geographically located in the southeast region of Michigan's Lower Peninsula, approximately 60 miles northwest of Detroit. It is the fifth largest county in the State of Michigan with a population of 425,790 based on the 2010 Census. The dominant city of the County is Flint, has a population of 102,434. Further

information regarding the description of the County and its operations is included in Note A of the Financial Statements.

## Organization of Government Unit

The government structure of Genesee County is based upon the State Constitution and the general laws of the State of Michigan. The County's legislative body and its administrative body for many functions, is the County Board of Commissioners. The Board consists of nine commissioners elected by direct vote from single-member districts. In addition to the nine members of the Board of Commissioners, there are twenty-two other elected officials serving the County as judicial, administrative, or staff officers. An organization chart depicting the County structure is shown on the page preceding this transmittal letter. The Controller is the Chief Accounting and Financial Officer of the County and assists the Board of Commissioners in fulfilling their responsibilities in the financial area. The County has assets totaling more than \$280.5 million for governmental and business-type activities with net assets in excess of \$152.4 million.

## Services Provided

The County is responsible for the management and financing of over 250 municipal services to its citizens. These services are separated into seven major program areas. These areas are: legislative, administration of justice, law enforcement and community protection, human services, community enrichment and development, management and planning, and general support. Approximately 95 percent of these services are mandated by State law and the Board's choice is to determine the funding level needed to maintain these functions at a serviceable level. The remaining 5 percent are discretionary. The Board's responsibility is to determine if these services should be funded and at what level.

The resources and expenditure data regarding these services are discussed in the Financial Review Section of this report.

## ECONOMIC CONDITION AND OUTLOOK

The role of higher education in the economic condition of Genesee County continues to expand as enrollment continues to increase in local colleges. There are a number of colleges and universities located in Genesee County including the University of Michigan-Flint, Kettering University, Baker College, Mott Community College, and branches for many other public and private colleges.

The enrollment at the University of Michigan-Flint continues to set new records. For the fall 2010 semester, enrollment was at an all-time high of 8,138 students. This was an increase of 365 students over the previous all-time high set in the fall 2009 semester. The enrollment increases encompass significant numbers of students transferring from other college as well as increasing numbers of graduate and international students. The University of Michigan-Flint has 1,264 graduate students enrolled in 40 programs, including 2 doctorate program areas. Since 2005, international student

enrollment has increased over 200%, with students representing over 37 different countries.

The dramatic increase in the number of students is also resulting in many of these students wanting to live in the downtown area. There has been significant development and construction in the downtown area to satisfy this new demand.

The University of Michigan-Flint opened its first residential dormitory in 2008. This building was built at a cost of \$21.3 million and houses 310 students.

The Durant Hotel, Flint's premier hotel prior to its closing in 1973 and vacant since that time, re-opened in the fall of 2010. The entirely remodeled facility has 93 residential units as well as space for commercial businesses. The residential units were at a 75% occupancy rate at the end of 2010; a rate which exceeded the developers expectations. The commercial space in the former hotel is also filling quickly. Accordingly, developers are surveying additional properties for redevelopment as downtown housing units.

The increase in the number of individuals living in the downtown area has resulted in significant commercial development in the downtown area as well. New restaurants, a grocery store, and other businesses have opened in the downtown area in the last several years despite the economic challenges that the State and County are currently experiencing.

It is expected that the projects currently under development and already completed will result in over 1,000 people living in the downtown area. These new full-time residents promise to bring a level of vitality back to the downtown area that has been missing for many years and have the ability to attract more people and businesses to the downtown area.

General Motors, after emerging from bankruptcy in July, 2009, continues to be a major employer in Genesee County. While the impact of the bankruptcy on Genesee County was of major concern to residents and officials of the County, the County remains the home of numerous GM facilities employing approximately 8,000 people.

In September, 2009, General Motors announced that it was investing \$21 million in the Flint Truck Assembly Plant. The investment will enable the plant to produce light-duty trucks in addition to the heavy-duty trucks that this facility currently produces. In early 2011, General Motors announced that this plant would add a third shift to the production schedule at this plant to satisfy demand for the pickups produced at this facility. It is expected that this additional shift will require approximately 750 employees to be recalled from layoff status.

Health care continues to play a major role in the Genesee County economy employing in excess of 8,000 employees; almost as many employees as Genesee County's dominant industry – the automobile industry. Combined, Genesys Health Care Systems, Hurley Medical Center, and McLaren Hospital recorded revenues in excess of \$1 billion for the Genesee County economy. These hospitals continue to upgrade/expand their services with some exciting initiatives planned for the future.

Diplomat Specialty Pharmacy, the sixth-largest specialty pharmacy company in the nation, announced a move and major expansion in early 2010. This company announced that they would be moving from their current location in Flint Township to the Great Lakes Technology Centre and hiring approximately 250 workers by the end of 2011. It is expected that this company will hire over 1,000 workers in the next five years as the demand for this type of service continues to grow. In addition to the increase in staffing, Diplomat Pharmacy invested over \$12 million in their new facilities in the Great Lakes Technology Centre.

A survey conducted between June 1 and June 24, 2010 found that Bishop International Airport was the most affordable airport in Michigan and the sixth most affordable airport in the country. The airport is the third busiest airport in Michigan trailing behind only Detroit Metropolitan Wayne County Airport and Ford International Airport in Grand Rapids. Passenger traffic at Bishop increased 1.2% during 2010 accommodating the travel needs of approximately 1 million passengers. Cargo and freight shipments increased to a greater degree last year. Outgoing cargo shipments increased by 21% compared to 2009 while incoming cargo increased by 39%.

Bishop International Airport continued to upgrade their facilities during 2010. This included a \$4.6 million project to offer additional amenities in the airport as well as to replace two jet bridges. The Airport board voted in early 2011 to seek bids for a \$16.8 million expansion of the airport facility. This will include 47,000 square foot of terminal space, adding four gates, and increasing the size of the corridor linking the two sections of the airport. These renovations would complete a long-term plan to allow the airport to accommodate up to 2 million passengers a year.

Despite the re-birth of the downtown area after many years of decline, unemployment remains a critical problem for Genesee County residents and officials. The unemployment rate for Genesee County as of January, 2011 was 12.5%. The unemployment rate for the State of Michigan for the same time period was 10.7%.

## **LONG-TERM FINANCIAL PLANNING**

Genesee County continues to experience significant financial challenges and will continue to experience these challenges into the future. The County has experienced a 14.4% reduction in total taxable value during the period 2007-2010. Further reductions are expected in 2011 and 2012 before projecting to level off in 2013. There is also uncertainty regarding State Shared Revenue Sharing payments from the State of Michigan. Together, these two sources of revenue accounted for nearly 71% of total General Fund revenues.

On March 24, 2010, the Genesee County Board of Commissioners enacted a hiring freeze for all County Departments other than those departments that operate on a 24/7 schedule. This hiring freeze continues to be in place during fiscal year 2010/2011. Between positions not filled because of the hiring freeze as well as positions eliminated through layoff of existing staff, the County has eliminated approximately 140 positions in 2009/2010 and 2010/2011. These position eliminations have resulted in a significant decrease in General Fund spending. These reductions have had a positive impact on General Fund fund balance. The County's General Fund fund balance increased \$5,845,097 during 2009/2010 from \$5,329,381 at September 30, 2009 to \$11,174,478 at September 30, 2010.

The County maintains budgetary control using features of the County's accounting system. The objective of these controls is to ensure compliance with legal provisions in the annual adopted County budget approved by the Board of Commissioners. All amendments to the adopted County budget, with the exception of limited authority for line-item transfers given to the County Controller, require Board review and approval. The County maintains an encumbrance accounting system as one of its techniques of accomplishing budgetary control. All encumbered amounts lapse at year-end.

## **ACCOUNTING AND FINANCIAL POLICIES**

The County's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenue being recorded when available and measurable and expenditures being recorded when the services or goods are received and the related liabilities are incurred. Accounting records

for the County's proprietary and similar fiduciary funds are maintained on the accrual basis.

In developing and evaluating the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurances regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework.

As a recipient of federal and state financial assistance, the County is responsible for ensuring an adequate internal control structure to ensure compliance with the applicable laws and regulations related to those programs, as well as meet the single audit requirements. The results of the County's 2009 single audit provided nine instances of material weaknesses in the internal control structure. These nine weaknesses were addressed in the single audit response and corrected during the 2009/2010 fiscal year. There were no other violations of applicable laws and regulations.

While changing audit standards require different disclosures than in past years, any deficiencies noted in the 2010 single audit, if any, will be promptly addressed and corrected. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurances of proper recording of financial transactions.

Budgetary control is maintained at the sub function level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. There were no encumbrances at the end of the year, since they became valid accounts payable or the encumbered amounts were released.

The County's operations are accounted for through seven different fund types as outlined in the Financial Report Format Section of this Transmittal Letter. The revenues received and expenditure incurred in the general operations of the County are recorded in the General Fund. The revenues and expenditures recorded in funds other than the General Fund are designated for specific programs or purposes.

#### **Effect of Revenue Limitations**

Michigan has the Headlee Amendment, which limits any increase in property tax to the annual inflation rate. In addition, any flow-through of special taxes (i.e. Alcohol and Cigarette Taxes) enacted by the State subsequent to the Headlee Amendment from which the County derives a benefit must reduce the property tax billed to the County residents. In order for the County to benefit from these special taxes, the Board of Commissioners must announce their intent to roll up property taxes to the maximum allowable and then hold a public hearing prior to Board action. The maximum allowable property tax is the product of the approved millage times the State Equalized Value limited to inflation rate without considering the effects of the special taxes. In order to assess above the inflation rate, voters must approve an increase in the millage.

The Headlee provisions were still applicable for Genesee County in 2010 with the result that the property tax rate for general operations was limited to 5.5072 mills while the millage rate for both Paramedics and Parks and Recreation was limited to .4847 mills, Senior Services was .7 mills and Health Services was 1.0 mill. The millages were reduced from the maximum allowable of 5.68 for general operation and .5 mills for both Parks and Recreation and the Paramedics. Although there was no intent to hold an election to approve the roll-up of millage to the maximum allowable, the Board of Commissioners did roll up the property tax rate to the maximum

allowable rate without a vote of the public to take advantage of the benefits derived from the special taxes.

As in past years, the effective management of local governmental finances is a continuous challenge for the legislative body of Genesee County. The Board of Commissioners' action in the latter part of 2009 to maintain property taxes at the allowable limit had a positive effect on the 2010 revenues.

#### **MAJOR INITIATIVES**

In August, 2009, Genesee County received notification of the award of a \$2.6 million Energy Efficiency Conservation Block Grant. This grant was awarded for Genesee County to develop projects that would make Genesee County buildings more energy efficient.

Genesee County made a determination shortly after receiving the grant award to leverage these dollars to perform a complete review of Genesee County's buildings to determine if there were additional projects in excess of the \$2.6 million that could yield energy cost savings that would be in excess of any debt service costs to finance the additional projects. Through a competitive process, Johnson Controls was selected to make a complete review of the energy efficiency of County buildings and recommend projects that would meet various efficiency requirements as required by the grant and other possible financing sources. It was required that the energy and operational cost savings will be adequate to finance the required capital investments. Johnson Control is also guaranteeing that the savings will be in excess of the required debt service necessary to finance the capital improvements.

In early 2010, Genesee County received notification from the State of Michigan of the availability of an allocation of QECB's (Qualified Energy Efficiency Bonds). These bonds allow for the refund of approximately 70% from the Federal Government of the cost of financing eligible energy efficiency improvements. Utilizing the QECB's and the Energy Efficiency Conservation Block Grant, Genesee County will complete approximately \$9.8 million in improvements that will result in energy and operational cost savings in excess of \$12.2 million. These improvements will be financed with the Energy Efficiency Conservation Block Grant and financing with Qualified Energy Conservation Bonds (QECB's).

In early 2010, the County Commissioners began a review of space needs for County Departments and whether the current County facilities were being utilized efficiently. As a result of this review, the County has consolidated Departments and functions into existing facilities and has closed a total of three buildings saving significant utility and maintenance costs. It is anticipated that these excess facilities will be disposed of during the 2010/2011 fiscal years.

#### **AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Genesee County, Michigan for its comprehensive annual financial report for the fiscal period ended September 30, 2010, the thirty-first consecutive year.

In order to be awarded a Certificate of Achievement for Excellence, a government must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement for Excellence is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement for Excellence in Financial Reporting Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this Report could not have been accomplished without the efficient and dedicated services of the entire staff of the Controller's Office and other County Departments that contributed to the preparation of this report. We would also like to thank the Board of Commissioners for their interest and support in planning and conducting the financial operations of the County in a responsible and progressive manner.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jamie W. Curtis", with a long horizontal flourish extending to the right.

Commissioner Jamie W. Curtis  
Chairperson of the Board of Commissioners

A handwritten signature in blue ink, appearing to read "George J. Martini", with a long horizontal flourish extending to the left.

George J. Martini  
Controller

## **II. FINANCIAL SECTION**

**The Financial Section Contains:**

- A. Auditor's Report**
- B. Management's Discussion and Analysis**
- C. Basic Financial Statements**
- D. Required Supplementary Information**
- E. Other Supplemental Information**

# **MANAGEMENT'S STATEMENT OF RESPONSIBILITY FOR FINANCIAL STATEMENTS**

## **GENESEE COUNTY**

The following comprehensive annual financial statements and related notes of Genesee County were prepared by management in accordance with generally accepted accounting principles. The Board of Commissioners through the Audit Subcommittee of the Finance Committee (composed of Commissioners) is responsible for assuring that management fulfills its responsibilities in the preparation of the financial statements.

Management is responsible for the integrity and objectivity of the comprehensive annual financial statements which are presented in accordance with generally accepted methods of accounting. Established accounting procedures are designed to provide books, records, and accounts which fairly reflect the transactions of the County.

The training of qualified personnel and the assignment of duties are intended to provide good internal controls. This provides assurances that transactions are executed in accordance with management's authorization and that adequate accountability of the County's assets are maintained.

Plante & Moran PLLC, independent public accountants, with direct access to the Board of Commissioners through its Audit Subcommittee, have examined the comprehensive annual financial statements prepared by the County, and their report follows.

## Independent Auditors' Report

To the Board of Commissioners  
Genesee County  
Flint, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Genesee County, Michigan as of and for the year ended September 30, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the financial statements of the Genesee County Community Mental Health Services, a fund of the County and which represents 21 percent and 38 percent, respectively, of the assets and revenues of the governmental funds. We also did not audit the financial statements of the Genesee County Planning Commission, a fund of the County and which represents 3 percent and less than 1 percent, respectively, of the assets and revenues of the governmental funds. We also did not audit the financial statements of the Genesee County Road Commission, a discretely presented component unit of the County and which represent 35 percent and 35 percent, respectively of the assets and revenues of the component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Genesee County Community Mental Health Services, the Genesee County Planning Commission, the Genesee County Road Commission is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of Genesee County Land Bank Authority, Economic Development Corporation of the County of Genesee, Genesee County Storm Water Management System were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above, present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Genesee County, Michigan, as of September 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Genesee County's basic financial statements. The management's discussion and analysis, and the budgetary comparison schedules as identified in the table of contents, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. The introductory section, other supplemental information, and the statistical section as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The budgetary comparison schedules, capital

To the Board of Commissioners  
Genesee County

asset schedules, combining balance sheets and combining statements of revenue, expenditures, and changes in fund balance have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. We have applied certain limited procedures to management's discussion and analysis, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it. The introductory section and the statistical section have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

In accordance with Government Auditing Standards, we will also issue our report dated March 29, 2011 on our consideration of Genesee County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. 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.

*Plante & Moran, PLLC*

March 29, 2011



# MANAGEMENT DISCUSSION AND ANALYSIS

## GENESEE COUNTY

As management of Genesee County, we offer readers of the Genesee County's financial statements this narrative overview and analysis of the financial activities of Genesee County for the fiscal year ended September 30, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found at the beginning of this report.

### Financial Highlights

- The assets of Genesee County exceeded its liabilities at the close of the most recent fiscal year by \$152,474,183 (net assets). Of this amount, \$49,766,808 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets decreased by \$13,567,490. This net decrease was attributed to both Governmental activities and Business-type activities; the overall decrease is attributed to economic factors.
- As of the close of the current fiscal year, Genesee County's governmental funds reported combined ending fund balances of \$49,876,124, a decrease of (\$2,729,374) in comparison with the prior year. Approximately 87% of this total amount, \$43,356,244, is available for spending at the government's discretion (unreserved fund balance).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$7,955,013, 13% of total General Fund expenditures.
- Genesee County's total debt was increased by the issuance of delinquent tax notes in the amount of \$46,350,000 during the current fiscal year for various projects and refunding issues which was offset by total payments of \$69,811,733.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Genesee County's basic financial statements. Genesee County's basic financial statements comprise three components: 1) government-wide financial statement, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of Genesee County's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all Genesee County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Genesee County is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Genesee County that are principally supported by taxes and intergovernmental revenues (government activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Genesee County include legislative, management and planning, administration of justice, law enforcement, human services, community enrichment, general support, and other. The business-type activities of Genesee County include Parks and Recreation System, Jail Commissary and Delinquent Tax Revolving Fund.

The government-wide financial statements include not only Genesee County itself (known as the primary government), but also six legally separated component units for which Genesee County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found as Exhibit A-1 and A-2 of this report.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Genesee County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Genesee County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Genesee County maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and four special revenue funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

# MANAGEMENT DISCUSSION AND ANALYSIS

## GENESEE COUNTY

Genesee County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as Exhibit A-3 and A-4 of this report.

**Proprietary Funds** Genesee County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Genesee County uses enterprise funds to account for its Parks and Recreation System, Jail Commissary and Delinquent Tax Revolving Fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among Genesee County's various functions. Genesee County uses internal service funds to account for its fleet of vehicles, building and grounds maintenance, Property and Casualty and other Administrative Services. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Parks and Recreation System, Jail Commissary and Delinquent Tax Revolving Fund. Conversely, all internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found as Exhibit A-6, A-7, and A-8 of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support Genesee County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found as Exhibit A-9 and A-10 of this report.

**Component Units Presented.** The government-wide financial statements include not only Genesee County itself (known as the primary government), but also six legally separated component units for which Genesee County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The basic component unit financial statements can be found as Exhibit A-11 and A-12 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found as Exhibit A-13 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Genesee County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found as Exhibit A-14 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found as Exhibit C of this report.

### Government-wide Financial Analysis

As noted earlier, net assets may serve overtime as a useful indicator of a government's financial position. In the case of Genesee County, assets exceeded liabilities by \$152,474,183 at the close of the most recent fiscal year.

A significant portion of Genesee County's net assets (47% Percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. Genesee County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Genesee County's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

#### GENESEE COUNTY'S NET ASSETS

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$118,432,331	\$117,239,924	\$68,862,886	\$87,440,107	\$187,295,217	\$204,680,031
Capital assets	<u>88,463,131</u>	<u>91,753,855</u>	<u>4,693,525</u>	<u>4,828,620</u>	<u>93,156,656</u>	<u>96,582,475</u>
Total asset	<u>206,895,462</u>	<u>208,993,779</u>	<u>73,556,411</u>	<u>92,268,727</u>	<u>280,451,873</u>	<u>301,262,506</u>

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
Long-term liabilities outstanding	33,563,338	40,660,057	55,627,885	70,619,750	89,191,223	111,279,807
Other liabilities	<u>36,651,091</u>	<u>31,195,581</u>	<u>2,135,376</u>	<u>2,504,892</u>	<u>38,786,467</u>	<u>33,700,473</u>
Total liabilities	<u>70,214,429</u>	<u>71,855,638</u>	<u>57,763,261</u>	<u>73,124,642</u>	<u>127,977,690</u>	<u>144,980,280</u>
Net assets:						
Invested in capital assets, net of related debt	67,466,131	69,993,382	4,555,525	4,650,120	72,021,656	74,643,502
Restricted	20,241,229	11,717,237	10,444,490	7,730,034	30,685,719	19,447,271
Unrestricted	<u>48,973,673</u>	<u>55,427,522</u>	<u>793,135</u>	<u>6,763,931</u>	<u>49,766,808</u>	<u>62,191,453</u>
Total net assets	<u>\$136,681,033</u>	<u>\$137,138,141</u>	<u>\$15,793,150</u>	<u>\$19,144,085</u>	<u>\$152,474,183</u>	<u>\$156,282,226</u>

An additional portion of Genesee County's net assets (21 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$49,766,808) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Genesee County is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The government's total net assets decreased by \$13,567,490. This decrease represents Governmental activities which is attributed to economic factors.

**Governmental Activities.** Governmental activities decreased Genesee County's net assets by \$10,216,555, key elements affecting this change are as follows:

#### Genesee County's Change in Net Assets

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
Revenues:						
Program revenues:						
Charges for services	\$127,999,716	\$118,277,164	\$ 13,016,128	\$11,645,954	\$141,015,844	\$129,923,118
Operating grants and contributions	128,746,641	121,062,036	-	-	128,684,086	121,062,036
Capital grants and contributions	-	-	-	-	-	-
General revenues:						
Taxes	84,583,278	94,028,434	-	-	84,583,278	94,028,434
Use of money and investments	741,489	2,340,338	79,000	64,499	820,489	2,404,837
Other intergovernmental revenues	7,889,596	14,013,688	-	16,000	7,952,151	14,029,688
Other unrestricted revenues	<u>9,179,669</u>	<u>4,455,444</u>	<u>-</u>	<u>-</u>	<u>9,179,669</u>	<u>4,455,444</u>
Total revenues	359,140,389	354,177,104	13,095,128	11,726,453	372,235,517	365,903,557
Expenses						
Legislative	696,041	1,017,849	-	-	696,041	1,017,849
Management and planning	11,411,258	20,134,241	-	-	11,411,258	20,134,241
Administration of justice	39,946,657	40,753,810	-	-	39,946,657	40,753,810
Law enforcement/commun. protec.	38,882,911	37,980,488	-	-	38,882,911	37,980,488
Human services	266,815,618	255,227,377	-	-	266,815,618	255,227,377
Community enrichment/develop	20,266,580	12,366,336	-	-	20,266,580	12,366,336
General support services	140,579	244,885	-	-	140,579	244,885
Other	-	-	-	-	-	-
Interest on long-term debt	1,172,487	1,375,967	-	-	1,172,487	1,375,967
Commissary	-	-	371,173	351,625	371,173	351,625
Delinquent Tax	-	-	5,237,615	5,739,360	5,237,615	5,739,360
Parks & Recreation Enterprise	-	-	862,088	865,909	862,088	865,909
Total Expenses	<u>379,332,131</u>	<u>369,100,953</u>	<u>6,470,876</u>	<u>6,956,894</u>	<u>385,803,007</u>	<u>376,057,847</u>
Increase (decrease) in net assets before transfers	(20,191,742)	(14,923,849)	6,624,252	4,769,559	(13,567,490)	(10,154,290)
Transfers	<u>9,975,187</u>	<u>4,549,503</u>	<u>(9,975,187)</u>	<u>(4,549,503)</u>	<u>-</u>	<u>-</u>
Change in net assets	(10,216,555)	(10,374,346)	(3,350,935)	220,056	(12,913,926)	(10,154,290)
Beginning of year net assets (as restated)	<u>146,897,588</u>	<u>147,512,487</u>	<u>19,144,085</u>	<u>18,924,029</u>	<u>166,041,673</u>	<u>166,433,663</u>
End of year net assets	<u>\$136,681,033</u>	<u>\$137,138,141</u>	<u>\$15,793,150</u>	<u>\$19,144,085</u>	<u>\$152,474,183</u>	<u>\$156,282,226</u>

# MANAGEMENT DISCUSSION AND ANALYSIS

## GENESEE COUNTY

- Implementation of GASB 34 requirements has changed the presentation of this report and is reflected in the net asset balances.
- Reductions to State funding in several key areas such as revenue sharing and program grants has forced cut backs in many areas.
- Due to careful budgeting and a transfer from the Delinquent Tax Fund, Genesee County's General Fund has seen a \$5,845,097 increase in fund balance.
- Property taxes decreased by \$5,818,684 during the year. Most of this decrease is the product of weak residential growth and a weak housing market.
- Operating grants for governmental activities remain a large part of the overall budget. These grants support a variety of community services in the county.
- For the most part, increases in expenses closely paralleled inflation and growth in the demand for services.

**Business-type activities.** The net assets for business-type activities decreased by \$3,350,935. Key elements of this increase are as follows.

- The implementation of new requirements as well as the transfer of funds to Governmental activities for support of general operating expenditures and debt service requirements are reflected in this decrease.

### Financial Analysis of the Government's Funds

As noted earlier, Genesee County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of Genesee County's governmental funds is to provide information on near-term inflows, outflows, and balances of available resources. Such information is useful in assessing Genesee County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Genesee County's governmental funds reported combined ending fund balances of \$49,876,124, a decrease of \$2,729,374 in comparison with the prior year. Approximately 87% of this total amount, (\$43,356,244) constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed for a variety of other restricted purposes.

The General Fund unreserved fund balance totaled \$7,955,013, while total fund balance increased to \$11,174,478. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 13% of total General Fund expenditures, while total fund balance represents 19% of that same amount.

At the end of the current fiscal year, the total fund balance of mental health was increased to \$14,726,410. The fund balance represents 11.2 percent of total mental health expenditures.

At the end of the current fiscal year, the total fund balance of county health was decreased to \$1,458,561. The fund balance represents 8.3% of total county health expenditures.

The decreases in the fund balances of Genesee County's governmental funds were as the result of the following:

- General Fund - The Genesee County Board of Commissioner passed a 2009/2010 General Fund budget anticipating the use of \$0 of fund balance.
- Mental Health – During the 2009/2010 fiscal year, the fund balance for the Mental Health Fund increased by \$357,795. This increase was attributable to numerous changes in the funding levels from the Federal and State governments throughout the fiscal year combined with under spending in many divisions of \$4,579,049.
- County Health - In the 2009/2010 fiscal year, the County Health Department anticipated revenues of \$21,828,849. The actual amount of revenues received was \$18,717,831. This variance, combined with other variances in expenditure items resulted in the Health Department fund balance decreasing by \$1,038,543.
- Community Development – The fund balance of the Community Development increased during the 2009/2010 fiscal year by a total of \$1,541,924. This increase is reserved for supplies inventory.
- Community Action Resource Department – The fund balance of the Community Action Resource Department increased during the 2009/2010 fiscal year by a total of \$1,395,863. This increase was attributable to numerous changes in the funding levels from the Federal and State governments throughout the fiscal year combined with additional revenues received by rentals of capital assets.

**Proprietary funds.** Genesee County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets at the end of the year amounted to \$793,135. The total decrease in net assets for all proprietary funds was \$3,350,935. Other factors concerning the finances of these funds have already been addressed in the discussion of Genesee County's business-type activities.

### General Fund Budgetary Highlights

During the year, the County board amended the budget to take into account events during the year. General Fund's expenditures and appropriations budget was decreased in total by \$1,181,597 due to the anticipation of a decrease in property tax revenues. The major budgetary increases/decreases are summarized on the following page:

- A \$11,143,800 decrease occurred in the collection of property taxes due to the underestimating of the collection of delinquent personal property taxes.
- A positive variance in the remaining General Fund revenues occurred due to the anticipated revenue received for fines and forfeitures, uses of money and property, other intergovernmental revenues and charges for services.
- A \$11,060 increase was allocated to the Board coordinator department to cover costs of newly elected officials attending training seminars.
- A \$32,181 increase was allocated to the Register of Deeds department to cover the addition in salaries due to the hiring of additional staff to help with the backlog of filing of deeds.
- A \$3,479 increase was allocated to Adult Probation to cover additional motor pool charges due to the increase in the cost of gasoline.
- A \$105,311 increase was allocated to the District Court department to cover the addition in service contracts and salaries due to the payout of vacation time upon retirement of staff.
- A \$134,193 increase was allocated to Prosecutor department to cover the addition in salaries due to the payout of vacation time upon retirement of staff.
- A \$1,420 increase was allocated to Court Services department to cover the addition in salaries due to the payout of vacation time upon retirement of staff.
- A total increase of \$714,042 was allocated to Law Enforce/Community Protection departments to cover overtime which is allocated on a monthly basis based on need as well as an increase in motor pool cost to cover due to the increase in gasoline prices.
- A \$22,336 increase was allocated to the Veterans Burial department to cover the increase in cost for covering veteran burials and other benefits.
- A \$264,120 increase was allocated to various departments to cover Capital Outlay which is allocated during the year on an as needed basis.
- A \$1,222 increase was allocated to the Law Enforcement Funds to cover additional appropriation for the Animal Census Fund which has seen a decrease in revenues.
- A \$186,690 increase was allocated to the Medical Examiner department to cover the cost of overtime for investigators.
- A \$6,000 increase was allocated to Social Services to cover the cost of this departments Board for conferences and seminars.
- A \$103,415 increase was appropriated to the various Internal Service Administrative Services departments to cover previous year's deficits and overtime.
- A \$4,270 increase was appropriated to the various Internal Service Vehicle and Equipment departments to cover additional costs of overtime which is budgeted in General Fund and allocated on a monthly basis based on departmental need.
- A \$26,618 increase was appropriated to the various Internal Service Building and Grounds departments to cover additional costs of overtime which is budgeted in General Fund and allocated on a monthly basis based on departmental need and expenses incurred to maintain and repair buildings.

Overall during the year, actual General Fund revenues were less than the amended budgetary estimates and expenditures were less than the amended budget, resulting in an actual decrease in fund balance that was less than the final amended budget amount.

### **Capital Asset and Debt Administration**

**Capital assets.** Genesee County's investment in capital assets for its governmental and business type activities as of September 30, 2010, amounts to \$93,156,656 (net of accumulated depreciation). This investment in capital assets included land, buildings and system, improvements, machinery and equipment, and park facilities.

Additional information on Genesee County's capital assets can be found in Note D in Exhibit A-13 of this report.

**Debt.** At the end of the current fiscal year, Genesee County had total bonded debt outstanding of \$291,600,327. Of this amount, \$137,964,902 comprises debt backed by the full faith and credit of the government, \$798,758 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment and \$11,715,000 is Michigan Transportation bonds for which are payable with Act 51 money.

# MANAGEMENT DISCUSSION AND ANALYSIS

## GENESEE COUNTY

Genesee County's total debt, including component units, decreased by \$9,405,089 during the current fiscal year. The key factor in this decrease was due to normal debt retirement in the fiscal years budget. Genesee County maintains an "A+" rating from Standard & Poor's and Fitch and an "A2" rating from Moody's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for Genesee County is \$1,079,891,228, which is significantly in excess of Genesee County's outstanding general obligation debt.

Additional information on Genesee County's long-term debt can be found in note E of Exhibit A-13 of this report.

### **Economic Factors and Next Year's Budgets and Rates**

- The unemployment rate for Genesee County is currently 12.5 percent, which is an decrease from a rate of 14.6 percent a year ago. This increase is attributed to local conditions and is reflective of state and national trends.
- The government expects to see reduced funding from State agencies due to a reduction in tax collections as seen in a nation-wide trend of state and local revenues.
- Inflationary trends in the region compare favorably to national indices.
- Goal to achieve concessions in current union negotiations (decrease in longevity wages and changes to co-pays for health care).
- Instituted a hiring freeze.

All of these factors were considered in preparing Genesee County's budget for the 2010 fiscal year.

### **Request for Information**

The financial report is designed to provide a general overview of Genesee County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Controller, County of Genesee, 1101 Beach Street, Flint, MI 48502.

# **BASIC FINANCIAL STATEMENTS**





# STATEMENT OF NET ASSETS

SEPTEMBER 30, 2010

GENESEE COUNTY

Exhibit A-1

	Governmental Activities	Business-type Activities	Total	Component Units
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 37,657,343	\$ 2,918,769	\$ 40,576,112	\$ 47,394,676
Investments.....	13,810,239	3,295,471	17,105,710	11,200,533
Current and delinquent taxes receivable (net allowance \$1,185,418).....	23,068,438	49,257,888	72,326,326	
Special assessments receivable.....				50,247,968
Interest and accounts receivable (net allowance \$2,331,967).....	12,934,399	5,706,647	18,641,046	12,058,658
Due from other governmental units.....	26,558,859	2,520,156	29,079,015	6,956,958
Due from component unit.....		1,126,241	1,126,241	299,276
Due from primary government.....				472,081
Internal balances.....	(3,939,418)	3,939,418		
Inventory.....	2,340,909	32,641	2,373,550	2,807,821
Prepayments.....	2,300,726	65,655	2,366,381	505,552
Unamortized cost of issuance.....				441,567
Other assets.....	220,509		220,509	50,721
Restricted assets:				
Cash.....				16,092,150
Investments.....	746,066		746,066	
Deposits and employee advances.....	344,261		344,261	
Long term advance to component unit.....	2,390,000		2,390,000	
Local unit construction in progress.....				21,041,455
Investment in joint venture.....				7,924,000
Capital assets not being depreciated.....	19,869,202	3,489,928	23,359,130	58,441,359
Capital assets (net of accumulated depreciation).....	68,593,929	1,203,597	69,797,526	427,999,798
<b>Total assets</b>	<b>206,895,462</b>	<b>73,556,411</b>	<b>280,451,873</b>	<b>663,934,573</b>
<b>LIABILITIES</b>				
Accounts payable.....	16,839,981	1,365,721	18,205,702	16,490,723
Accrued payroll.....	6,160,819	26,369	6,187,188	111,513
Other accrued liabilities and deposits.....	4,546,515	741,041	5,287,556	660,811
Accrued interest payable.....	413,528		413,528	32,232
Due to other governmental units.....	6,025,796	2,245	6,028,041	286,398
Due to primary government.....				1,126,241
Due to component unit.....	472,081		472,081	299,276
Unamortized note premium.....				894,900
Long term advances from primary government.....				2,390,000
Unearned revenue.....	2,192,371		2,192,371	21,064,872
Liabilities payable from restricted assets:				
Accounts payable.....				3,324,630
Accrued interest.....				40,023
Noncurrent liabilities:				
Net OPEB obligation.....	2,727,567	38,593	2,766,160	3,778,769
Current portion debt.....	7,320,486	42,740,500	50,060,986	13,293,590
Long term debt.....	23,515,285	12,848,792	36,364,077	201,150,858
<b>Total liabilities</b>	<b>70,214,429</b>	<b>57,763,261</b>	<b>127,977,690</b>	<b>264,944,836</b>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt.....	67,466,131	4,555,525	72,021,656	322,898,515
Restricted for:				
Special revenue funds:				
Drug forfeiture.....	457,197		457,197	
Emergency medical services.....	2,273,257		2,273,257	
Health care services.....	2,780,923		2,780,923	
Senior services.....	4,994,760		4,994,760	
Federal grants.....	9,735,092		9,735,092	1,515,955
Debt service.....				2,660,542
Pending claims & litigation.....				
Retirement of delinquent tax notes payable.....		9,659,282	9,659,282	
Parks & recreation expendable.....		339,222	339,222	
Parks & recreation non expendable.....		445,986	445,986	
Unrestricted.....	48,973,673	793,135	49,766,808	71,914,725
<b>Total net assets</b>	<b>\$ 136,681,033</b>	<b>\$ 15,793,150</b>	<b>\$ 152,474,183</b>	<b>\$ 398,989,737</b>

The notes to the financial statements are an integral part of this statement.

**STATEMENT OF ACTIVITIES - GOVERNMENTAL, BUSINESS-TYPE,  
AND COMPONENT UNITS  
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

**GENESEE COUNTY**

**Exhibit A-2**

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary government:			
Governmental activities:			
Legislative.....	\$ 696,041		
Management and planning.....	11,411,258	\$ 4,360,168	\$ 3,000,765
Administration of justice.....	39,946,657	4,222,465	9,661,056
Law enforcement and community protection.....	38,882,911	1,573,787	4,405,136
Human services.....	266,815,618	115,428,765	105,610,072
Community enrichment and development.....	20,266,580	2,414,531	6,069,612
General support services.....	140,579		
Interest on long-term debt.....	1,172,487		
<b>Total governmental activities</b>	<b>379,332,131</b>	<b>127,999,716</b>	<b>128,746,641</b>
Business-type Activities:			
Commissary.....	371,173	566,448	
Delinquent Tax.....	5,237,615	12,173,759	
Parks and Recreation Enterprise.....	862,088	275,921	
<b>Total business-type activities</b>	<b>6,470,876</b>	<b>13,016,128</b>	<b>0</b>
<b>Total primary government</b>	<b>\$ 385,803,007</b>	<b>\$ 141,015,844</b>	<b>\$ 128,746,641</b>
Component units:			
Road Commission.....	\$ 38,058,591	\$ 10,111,616	\$ 27,965,338
Water and Waste Services.....	45,687,058	48,623,754	
Economic Development Corporation.....	41,280		
Drains.....	5,573,490	1,252,064	134,331
Land Bank Authority.....	7,956,680	6,066,665	927,598
Brownfield Authority.....	883,920	238,902	
Storm Water Management System.....	242,626		333,085
<b>Total Component Units</b>	<b>\$ 98,443,645</b>	<b>\$ 66,293,001</b>	<b>\$ 29,360,352</b>
General Revenues:			
Current property taxes.....			
State liquor tax.....			
State cigarette tax.....			
Use of money and investments.....			
Other unrestricted intergovernmental revenues.....			
Other unrestricted revenues.....			
Unrestricted contributions.....			
Transfers.....			
Total general revenues and transfers.....			
Change in net assets.....			
Net assets - beginning - as restated.....			
Net assets - ending.....			

The notes to the financial statements are an integral part of this statement.

<b>Net (Expense) Revenue and Changes in Net Assets</b>				
<b>Primary Government</b>				
<b>Capital Grants and Contributions</b>	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Component Units</b>
	\$ (696,041)		\$ (696,041)	
	(4,050,325)		(4,050,325)	
	(26,063,136)		(26,063,136)	
	(32,903,988)		(32,903,988)	
	(45,776,781)		(45,776,781)	
	(11,782,437)		(11,782,437)	
	(140,579)		(140,579)	
	(1,172,487)		(1,172,487)	
<u>0</u>	<u>(122,585,774)</u>	<u>\$ 0</u>	<u>(122,585,774)</u>	<u>\$ 0</u>
		195,275	195,275	
		6,936,144	6,936,144	
		(586,167)	(586,167)	
<u>0</u>	<u>0</u>	<u>6,545,252</u>	<u>6,545,252</u>	<u>0</u>
<u>\$ 0</u>	<u>(122,585,774)</u>	<u>6,545,252</u>	<u>(116,040,522)</u>	<u>0</u>
\$ 7,912,927				18,363
3,819,963				10,849,623
				(41,280)
				(367,132)
				(962,417)
				(645,018)
				90,459
<u>\$ 11,732,890</u>				<u>8,942,598</u>
.....	82,135,572		82,135,572	
.....	2,339,105		2,339,105	
.....	108,601		108,601	
.....	741,489	79,000	820,489	2,449,809
.....	7,889,596		7,889,596	234,363
.....	9,179,669		9,179,669	
.....				1,215,928
.....	9,975,187	(9,975,187)		
.....	112,369,219	(9,896,187)	102,473,032	3,900,100
.....	(10,216,555)	(3,350,935)	(13,567,490)	12,842,698
.....	146,897,588	19,144,085	166,041,673	386,147,039
.....	<u>\$ 136,681,033</u>	<u>\$ 15,793,150</u>	<u>\$ 152,474,183</u>	<u>\$ 398,989,737</u>

**BALANCE SHEET - ASSETS**  
**GOVERNMENTAL FUNDS**

**GENESEE COUNTY**

**Exhibit A-3-1**

	<hr/>	
	General	Mental Health
	<hr/>	
Cash and cash equivalents - Note C.....	\$ 23,068,439	\$ 23,544,113
Current and delinquent taxes receivable.....		
Investments - Note C.....	446,440	246,911
Interest and accounts receivable.....	1,600,279	2,186,113
Due from other governmental units.....	14,275,069	312,574
Due from other county funds -- Note L.....		
Due from component unit -- Note L.....	107,390	
Inventory.....	460,445	1,103,509
Prepayments.....		
Other assets.....	344,262	
Deposits and employee advances.....	2,759,020	
Long-term advances.....		
	<hr/>	<hr/>
TOTAL ASSETS	\$ 43,061,344	\$ 27,393,220
	<hr/>	<hr/>

The notes to the financial statements are an integral part of this statement.

September 30, 2010

County Health	Community Action Resource Department	Community Development	Other Governmental Funds	Total Governmental Funds
\$	\$	\$	\$ 13,685,160	\$ 37,229,273
				23,068,439
			5,798,560	5,798,560
91,932		9,735,092	274,183	10,794,558
805,650	9,385,302	702,589	11,820,555	26,500,488
2,706,912	209,107		2,319,475	19,823,137
			1,890,000	1,890,000
	494,333	1,541,924	160,649	2,304,296
8,833				1,572,787
	202,482		18,027	220,509
				344,262
				2,759,020
<u>\$ 3,613,327</u>	<u>\$ 10,291,224</u>	<u>\$ 11,979,605</u>	<u>\$ 35,966,609</u>	<u>\$ 132,305,329</u>

# BALANCE SHEET - LIABILITIES AND FUND EQUITIES

## GOVERNMENTAL FUNDS

### GENESEE COUNTY

### Exhibit A-3-2

	General	Mental Health
Accounts payable.....	\$ 571,253	\$ 8,805,136
Accrued payroll.....	1,767,163	
Other accrued liabilities and deposits.....	53,001	1,481,784
Due to other governmental units.....	5,810	1,449,127
Due to other county funds -- Note L.....	21,601,026	21,873
Due to component unit -- Note L.....		
Deferred revenue.....	7,888,613	908,890
	<u>31,886,866</u>	<u>12,666,810</u>
<b>TOTAL LIABILITIES</b>		
Fund equities:		
Fund balances - Notes F and G:		
Reserved for:		
Long-term advances to		
component units.....	500,000	
Long-term advance.....	2,259,020	
Prepayments.....	460,445	1,103,509
Programs and debt service.....		
Inventory.....		
Unreserved:		
Designated for:		
Costs and settlements of contractual		
disallowance's, claims and litigation.....	1,000,000	
Programs.....		13,622,901
Debt Services Funds.....		
Special Revenue Funds.....		
Capital Projects Funds.....		
Undesignated reported in:		
General Fund.....	6,955,013	
Special Revenue Funds.....		
Capital Projects Funds.....		
<b>TOTAL FUND EQUITIES</b>	<u>11,174,478</u>	<u>14,726,410</u>
<b>TOTAL LIABILITIES AND FUND EQUITIES</b>	<u>\$ 43,061,344</u>	<u>\$ 27,393,220</u>

The notes to the financial statements are an integral part of this statement.

September 30, 2010

County Health	Community Action Resource Department	Community Development	Other Governmental Funds	Total Governmental Funds
\$ 271,734	\$ 3,114,109	\$ 125,014	\$ 3,171,236	\$ 16,058,482
453,394	840,812		1,168,400	4,229,769
			262,751	1,797,536
908,523		46,798	3,344,836	5,755,094
423,154	3,950,907	58,696	6,354,507	32,410,163
		472,081		472,081
46,773	799,149	9,735,092	2,327,559	21,706,076
2,103,578	8,704,977	10,437,681	16,629,289	82,429,201
				500,000
				2,259,020
				1,563,954
	494,333	1,541,924	160,649	2,196,906
276,401				1,276,401
1,233,348	1,091,914			15,948,163
			376,404	376,404
			14,884,455	14,884,455
			271,442	271,442
				6,955,013
			3,630,034	3,630,034
			14,332	14,332
1,509,749	1,586,247	1,541,924	19,337,316	49,876,124
\$ 3,613,327	\$ 10,291,224	\$ 11,979,605	\$ 35,966,605	\$ 132,305,325

# RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS

## GENESEE COUNTY

## Exhibit A-3-3

September 30, 2010

Fund balances of governmental funds	\$ 49,876,124
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds	88,463,131
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds:	
Property taxes	7,888,614
Grant receivable	9,735,092
Rental income from component units	1,890,000
Net assets held in internal service funds are classified as held for governmental activities but are not reported in the funds. This amount is the net assets exclusive of capital assets and long term debt which are reported elsewhere in this reconciliation	12,804,939
Net opeb liability	(2,727,567)
Long term liabilities, including long term notes, bonds payable and accrued interest payable are not due in the current period, and therefore, are not reported in the funds	<u>(31,249,300)</u>
Net assets of governmental activities	<u>\$ 136,681,033</u>

The notes to the financial statements are an integral part of this statement.





**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS**

**GENESEE COUNTY**

**Exhibit A-4**

	<u>General</u>	<u>Mental Health</u>
Revenues:		
Taxes--Note H.....	\$ 45,331,994	\$
Licenses and permits.....	571,340	
Fines and forfeitures.....	1,772,876	
Use of money and property.....	104,552	9,492
Federal grants--Note G.....		5,042,581
State grants--Note G.....		19,348,144
Other intergovernmental revenues.....	7,971,770	
Charges for services.....	7,835,204	111,823,997
Other.....	855,861	1,512,062
TOTAL REVENUES	<u>64,443,597</u>	<u>137,736,276</u>
Expenditures:		
Current operations:		
Legislative.....	902,798	
Management and planning.....	8,778,867	
Administration of justice.....	23,678,740	
Law enforcement and community protection.....	24,441,114	
Human services.....	245,691	140,372,401
Community enrichment and development.....	29,477	
General support services.....	133,851	
Other.....	3,020,246	
Capital outlay.....	375,970	706,080
Debt service:		
Principal payments.....		
Interest.....		
TOTAL EXPENDITURES	<u>61,606,754</u>	<u>141,078,481</u>
REVENUES OVER(UNDER) EXPENDITURES	<u>2,836,843</u>	<u>(3,342,205)</u>
Other financing sources (uses):		
Transfers-In.....	32,758,595	3,700,000
Transfers-Out.....	(29,750,341)	
TOTAL OTHER FINANCING SOURCES(USES)	<u>3,008,254</u>	<u>3,700,000</u>
NET CHANGE IN FUND BALANCES	5,845,097	357,795
Fund balance at beginning of year.....	5,329,381	14,368,615
FUND BALANCE AT END OF YEAR	<u>\$ 11,174,478</u>	<u>\$ 14,726,410</u>

The notes to the financial statements are an integral part of this statement.

**Fiscal Year Ended September 30, 2010**

<b>County Health</b>	<b>Community Action Resource Department</b>	<b>Community Development</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$	\$	\$	\$	\$
983,732			39,919,372	85,251,366
			139,905	1,694,977
			198,335	1,971,211
			627,445	741,489
7,006,633	30,608,690	5,734,468	38,187,358	86,579,730
2,246,021	2,238,446		14,348,208	38,180,819
493,697			337,731	8,803,198
268,279	3,000,346		5,071,891	127,999,717
1,819,042	4,010,447	41,561	1,625,484	9,864,457
<u>12,817,404</u>	<u>39,857,929</u>	<u>5,776,029</u>	<u>100,455,729</u>	<u>361,086,964</u>
				902,798
				8,778,867
			14,536,478	38,215,218
			11,684,647	36,125,761
18,274,588	37,779,960		63,589,784	260,262,424
		4,231,293	11,381,273	15,642,043
				133,851
			1,976,569	4,996,815
9,488	273,402	2,812	463,172	1,830,924
			2,944,500	2,944,500
			1,172,487	1,172,487
<u>18,284,076</u>	<u>38,053,362</u>	<u>4,234,105</u>	<u>107,748,910</u>	<u>371,005,688</u>
<u>(5,466,672)</u>	<u>1,804,567</u>	<u>1,541,924</u>	<u>(7,293,181)</u>	<u>(9,918,724)</u>
5,900,427			31,130,180	73,489,202
(1,472,298)	(408,704)		(34,668,509)	(66,299,852)
<u>4,428,129</u>	<u>(408,704)</u>		<u>(3,538,329)</u>	<u>7,189,350</u>
(1,038,543)	1,395,863	1,541,924	(10,831,510)	(2,729,374)
2,548,292	190,384		30,168,826	52,605,498
<u>\$ 1,509,749</u>	<u>\$ 1,586,247</u>	<u>\$ 1,541,924</u>	<u>\$ 19,337,316</u>	<u>\$ 49,876,124</u>

# RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

**GENESEE COUNTY**

**Exhibit A-5**

**Fiscal Year Ended September 30, 2010**

Net change in fund balances--total governmental funds \$ (2,729,374)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures, however, in the statement of activities the cost of assets is allocated over their useful lives and reported as depreciation expense. Details of the difference are:

-Capital outlay 1,919,626

-Depreciation expense (4,569,119)

Increase in net opeb liability (4,076,612)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds (1,895,881)

Change in accrued interest 46,764

The payment of principal on long-term debt consumes current financial resources of the governmental funds. However, on the statement of net assets, repayment of principal are recorded as a reduction to long-term debt payable and do not have any effect on net assets 2,944,500

The activities of the internal service funds are considered part of governmental activities on the statement of changes in net assets but are not reported in the funds (1,856,459)

Change in net assets of governmental activities \$ (10,216,555)

The notes to the financial statements are an integral part of this statement.



# BALANCE SHEET--PROPRIETARY FUNDS

## GENESEE COUNTY

## Exhibit A-6

		<u>Business Type Activities -</u>
		<u>Delinquent Taxes</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents.....	\$	2,851,184
Investments.....		2,510,263
Current and delinquent property taxes receivable, less allowance for uncollectibles of \$1,185,418.....		49,257,888
Interest and accounts receivable, less allowance \$2,331,967.....		5,706,647
Due from other governmental units.....		2,520,156
Due from other county funds.....		9,563,573
Due from component unit.....		1,126,241
Supplies inventory.....		
Prepayments.....		
TOTAL CURRENT ASSETS		<u>73,535,952</u>
RESTRICTED ASSETS:		
Investments.....		
CAPITAL ASSETS		
Construction in progress.....		
Land.....		2,783,818
Land improvements.....		
Buildings and improvements.....		
Equipment.....		503,336
TOTAL CAPITAL ASSETS		<u>3,287,154</u>
Less allowances for depreciation.....		<u>140,829</u>
TOTAL CAPITAL ASSETS, NET		<u>3,146,325</u>
TOTAL ASSETS		<u>\$ 76,682,277</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable.....	\$	1,355,847
Accrued payroll.....		
Other accrued liabilities and deposits.....		738,191
Due to other governmental units.....		2,245
Due to other County funds.....		6,313,388
Long-term advance.....		
Current portion of notes/bonds payable.....		<u>19,000,000</u>
TOTAL CURRENT LIABILITIES		<u>27,409,671</u>
LONG-TERM DEBT		
Net OPEB obligation.....		15,707
General and workers compensation claim Liability.....		
Notes/bonds payable exclusive of current portion.....		<u>36,451,292</u>
TOTAL LONG-TERM DEBT		<u>36,466,999</u>
TOTAL LIABILITIES		<u>63,876,670</u>
NET ASSETS:		
Restricted for:		
Retirement of delinquent tax notes payable.....		9,659,282
Parks & recreation expendable.....		
Parks & recreation non expendable.....		
Major claims.....		
Invested in capital assets net of related debt.....		3,146,325
Unrestricted.....		
TOTAL NET ASSETS		<u>12,805,607</u>
TOTAL LIABILITIES AND NET ASSETS		<u>\$ 76,682,277</u>

The notes to the financial statements are an integral part of this statement.

September 30, 2010		Governmental	
Enterprise Funds		Activities-	
Non-Major		Internal	
Enterprise		Service	
Funds	Total	Funds	
\$ 67,585	\$ 2,918,769	\$ 428,074	
785,208	3,295,471	8,011,679	
	49,257,888		
	5,706,647	2,139,841	
	2,520,156	58,370	
689,234	10,252,807	8,904,730	
	1,126,241		
32,641	32,641	36,613	
65,655	65,655	727,938	
1,640,323	75,176,275	20,307,245	
		746,066	
		7,600	
706,110	3,489,928	173,496	
3,074,493	3,074,493		
1,181,215	1,181,215	176,430	
3,698,649	4,201,985	13,610,081	
8,660,467	11,947,621	13,967,607	
7,113,267	7,254,096	7,369,484	
1,547,200	4,693,525	6,598,123	
\$ 3,187,523	\$ 79,869,800	\$ 27,651,434	
\$ 9,874	\$ 1,365,721	\$ 781,499	
26,370	26,370	1,931,050	
2,850	741,041	2,748,978	
	2,245	270,702	
	6,313,388	257,123	
		2,259,020	
40,500	19,040,500	4,974,402	
79,594	27,489,265	13,222,774	
22,886	38,593		
		3,095,076	
97,500	36,548,792	1,769,293	
120,386	36,587,385	4,864,369	
199,980	64,076,650	18,087,143	
	9,659,282		
339,222	339,222		
445,986	445,986		
		0	
1,409,200	4,555,525	6,598,123	
793,135	793,135	2,966,168	
2,987,543	15,793,150	9,564,291	
\$ 3,187,523	\$ 79,869,800	\$ 27,651,434	

# STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS--PROPRIETARY FUNDS

## GENESEE COUNTY

## Exhibit A-7

		<u>Fiscal</u>
		<u>Business</u>
		<u>Delinquent</u>
		<u>Taxes</u>
Operating revenues:		
Charges for sales and services.....	\$	12,173,759
Ticket, permit & concession sales.....		
State revenue.....		
TOTAL OPERATING REVENUES		<u>12,173,759</u>
Operating expenses:		
Salaries and fringe benefits.....		456,655
Supplies and other operating expenses.....		3,390,388
Depreciation.....		27,395
TOTAL OPERATING EXPENSES		<u>3,874,438</u>
OPERATING INCOME(LOSS)		<u>8,299,321</u>
Non-operating revenues (expenses):		
Investment earnings.....		27,409
Interest expense.....		(1,363,177)
Gain (loss) on investment.....		
Gain (loss) on sale of property and equipment.....		
Contribution to Component Unit-Land Bank Authority.....		(1,008,000)
TOTAL NON-OPERATING REVENUES (EXPENSES)		<u>(2,343,768)</u>
INCOME (LOSS) BEFORE TRANSFERS		<u>5,955,553</u>
Transfers-in.....		
Transfers-out.....		(9,434,681)
TOTAL TRANSFERS		<u>(9,434,681)</u>
CHANGE IN NET ASSETS		<u>(3,479,128)</u>
Net assets at beginning of year.....		16,284,735
NET ASSETS AT END OF YEAR	\$	<u><u>12,805,607</u></u>

The notes to the financial statements are an integral part of this statement.



Year Ended September 30, 2010		Governmental
Type Activities - Enterprise Funds		Activities-
Non-Major		Internal
Enterprise		Service
Funds	Total	Funds
\$	\$	\$
	12,173,759	19,678,972
842,369	842,369	
842,369	13,016,128	19,678,972
570,623	1,027,278	7,747,976
520,943	3,911,331	14,939,416
119,665	147,060	1,151,044
1,211,231	5,085,669	23,838,436
(368,862)	7,930,459	(4,159,464)
51,591	79,000	224,752
(22,030)	(1,385,207)	
		300,416
	(1,008,000)	
29,561	(2,314,207)	525,168
(339,301)	5,616,252	(3,634,296)
667,494	667,494	2,161,493
(200,000)	(9,634,681)	(383,656)
467,494	(8,967,187)	1,777,837
128,193	(3,350,935)	(1,856,459)
2,859,350	19,144,085	11,420,750
\$ 2,987,543	\$ 15,793,150	\$ 9,564,291

# STATEMENT OF CASH FLOWS- PROPRIETARY FUNDS

## GENESEE COUNTY

## Exhibit A-8

	<u>Business Type</u>
	<u>Delinquent Taxes</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers.....	\$ 53,838,563
Cash payment for delinquent taxes.....	(42,573,232)
Cash payments to suppliers for goods and services.....	(3,131,772)
Cash payments to employees for services.....	
Cash payment to other funds.....	
Other operating revenues.....	553,130
NET CASH PROVIDED (USED) FOR OPERATING ACTIVITIES	<u>8,686,689</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Borrowing under delinquent tax notes payable.....	46,251,292
Repayments under delinquent tax notes payable.....	(61,241,250)
Interest paid on delinquent tax notes payable.....	(1,949,227)
Repayments to other governmental units, County units and funds.....	(4,629,949)
Transfer to component unit.....	(1,080,000)
Transfers-in from other funds.....	
Transfers-out to other funds.....	(9,434,681)
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>(32,083,815)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition and construction of capital assets.....	(9,965)
Principal paid on long-term debt.....	
Interest paid on long-term debt.....	
Proceeds from sale of long-term debt.....	
NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(9,965)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of investment securities.....	(102,331,625)
Proceeds from sale and maturities of investment securities.....	114,660,953
Interest and dividends on investments earnings (loss).....	27,409
NET CASH PROVIDED BY (USED FOR) IN INVESTING ACTIVITIES	<u>12,356,737</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(11,050,354)</u>
Cash and cash equivalents at beginning of year.....	13,901,538
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 2,851,184</u>
RECONCILIATION OF OPERATING INCOME(LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:	
Operating income(loss).....	\$ 8,299,321
Adjustments to reconcile operating income(loss) to net cash provided by (used for) operating activities:	
Depreciation.....	27,395
Provision for uncollectible accounts.....	5,713
Change in assets and liabilities:	
(Increase) decrease in current and delinquent property taxes receivable.....	(243,094)
(Increase) decrease in interest and accounts receivable.....	(117,912)
(Increase) decrease in due from other funds.....	
(Increase) decrease in supplies inventory.....	
Increase in net OPEB liability.....	27,570
(Increase) decrease in prepayment and other current assets.....	
Increase (decrease) in accounts payable and related items.....	687,696
Increase (decrease) in accrued payroll.....	
Increase (decrease) in other accrued liabilities and deposits.....	
Net cash provided by (used for) operating activities.....	<u>\$ 8,686,689</u>
Noncash investing activities - increase in fair value of investments.....	

The notes to the financial statements are an integral part of this statement.

Fiscal Year Ended September 30, 2010		Governmental	
Activities - Enterprise Funds		Activities-	
Non-Major		Internal	
Enterprise		Service	
Funds	Total	Funds	
\$ 842,369	\$ 54,680,932	\$ 20,621,110	
	(42,573,232)		
(537,913)	(3,669,685)	(14,276,916)	
(539,491)	(539,491)	(7,390,133)	
(689,234)	(689,234)		
	553,130		
(924,269)	7,762,420	(1,045,939)	
	46,251,292		
	(61,241,250)		
	(1,949,227)		
	(4,629,949)	(4,145,885)	
	(1,080,000)		
667,494	667,494	2,161,493	
(200,000)	(9,634,681)	(383,656)	
467,494	(31,616,321)	(2,368,048)	
	(9,965)	(509,811)	
(40,500)	(40,500)	309,980	
(8,763)	(8,763)		
8,315	8,315		
(40,948)	(50,913)	(199,831)	
	(102,331,625)	(6,731,934)	
	114,660,953	5,331,222	
(3,770)	23,639	224,752	
(3,770)	12,352,967	(1,175,960)	
(501,493)	(11,551,847)	(4,789,778)	
569,078	14,470,616	5,217,852	
\$ 67,585	\$ 2,918,769	\$ 428,074	
\$ (368,862)	\$ 7,930,459	\$ (4,159,464)	
119,662	147,057	1,151,044	
	5,713		
	(243,094)		
	(117,912)	(2,057,860)	
(689,234)	(689,234)	(361,335)	
	27,570		
(9,458)	(9,458)	43,425	
(7,509)	680,187	3,170,172	
829	829	357,844	
30,303	30,303	810,235	
(924,269)	7,762,420	(1,045,939)	
	55,361		

**GENESEE COUNTY EMPLOYEES' FIDUCIARY FUNDS**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**

**GENESEE COUNTY**

**Exhibit A-9**

	September 30, 2010	
	Total Pension and Employee Fringe Benefit (VEBA)	Agency Funds
	Trust Fund	
<b>ASSETS</b>		
Cash and short-term cash investments.....	\$ 20,398,368	\$
Cash and inv. held as collateral for securities lending.....	23,047,925	19,789,733
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>43,446,293</b>	<b>19,789,733</b>
Receivables:		
Prepaid expenses.....	619,912	1,712
Other receivables.....	877,329	33,855
Accrued interest and dividends.....	1,768,577	
<b>TOTAL RECEIVABLES</b>	<b>3,265,818</b>	<b>35,567</b>
Investments at fair value:		
U.S. Government securities.....	34,960,403	
Foreign Govts. and Agencies.....	76,652,138	
Corporate bonds.....	99,635,224	
Common stocks.....	118,736,912	
Preferred stocks.....	5,036,258	
Money market.....	3,944,800	
Mutual funds.....	49,246,679	
Real Estate.....	15,274,921	
Hedge fund-of funds.....	10,265,745	
<b>TOTAL INVESTMENTS</b>	<b>413,753,080</b>	
<b>TOTAL ASSETS</b>	<b>460,465,191</b>	<b>19,825,300</b>
<b>LIABILITIES</b>		
Accounts payable.....	1,892,923	19,825,300
IBNR liability.....	661,945	
Amounts due broker under securities lending agreement.....	23,047,925	
<b>TOTAL LIABILITIES</b>	<b>25,602,793</b>	<b>19,825,300</b>
<b>NET ASSETS</b>		
Held in trust for pension benefits and other purposes.....	<b>\$ 434,862,398</b>	<b>\$</b>

The notes to the financial statements are an integral part of this statement.

# **GENESEE COUNTY** **STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**

## **GENESEE COUNTY**

## **Exhibit A-10**

	<b>Fiscal</b> <b>Year Ended</b> <b>September 30,</b> <b>2010</b>
	<b>Total Pension</b> <b>and Employee</b> <b>Benefit</b> <b>Trust Fund</b>
<b>ADDITIONS</b>	
Contributions:	
Employer.....	\$ 25,003,329
Plan members.....	2,967,014
Total contributions.....	27,970,343
Investment earnings:	
Net increase	
in fair value of investments.....	63,059,912
Interest.....	4,883,211
Dividends.....	2,223,713
Total investment earnings.....	70,166,836
Less investment expense.....	1,707,059
Net investment earnings.....	68,459,777
Total additions.....	96,430,120
Securities lending income:	
Interest and fees.....	108,229
Less borrower rebates and bank fees.....	23,044
Net securities lending income.....	85,185
Total additions .....	96,515,305
<b>DEDUCTIONS</b>	
Benefits.....	45,161,298
Refunds of contributions.....	110,191
Administrative expenses.....	514,766
Transfer to other pensions plans.....	1,827,687
Total deductions.....	47,613,942
Change in net assets.....	48,901,363
Net assets-beginning of the year.....	385,961,035
Net assets- end of the year.....	\$ 434,862,398

# STATEMENT OF NET ASSETS COMPONENT UNITS

## GENESEE COUNTY

## Exhibit A-11

	<b>Road Commission 9/30/10</b>	<b>Water and Waste Services 12/31/09</b>
<b>ASSETS</b>		
Cash and cash equivalents.....	\$ 29,628,239	\$ 13,772,447
Investments.....	10,000,000	
Special Assessments and Lease Receivable.....	10,276,389	35,885,000
Interest and accounts receivable.....	155,441	10,722,707
Due from other governmental units.....	5,965,224	813,568
Due from component unit.....		
Due from primary government.....		
Inventory.....	1,601,562	51,512
Prepayments.....	368,155	133,799
Unamortized cost of issuance.....		441,567
Other assets.....		
Restricted Assets:		
Cash and cash equivalents.....	8,946,846	7,084,688
Local unit construction in progress.....		19,114,374
Note receivable.....		
Investment in joint venture.....		
Capital assets not being depreciated.....	1,389,249	56,860,180
Capital assets net of depreciation.....	165,934,886	219,713,616
<b>TOTAL ASSETS</b>	<b>234,265,991</b>	<b>364,593,458</b>
<b>LIABILITIES</b>		
Accounts payable.....	3,455,938	12,470,992
Accrued payroll.....		
Other accrued liabilities and deposits.....	568,266	
Accrued interest payable.....		
Due to other governmental units.....	41,769	244,629
Due to Primary Government.....		
Due to component unit Land Bank Authority.....		
Unamortized note premium.....		434,831
Unearned revenue.....	1,525,571	19,125,971
Payable from restricted assets:		
Accounts payable.....	546,045	2,771,905
Accrued interest.....		
Capital leases.....		
Long-term advance from primary government.....		
Net OPEB obligation.....	1,756,446	2,022,323
Current portion debt.....	2,571,725	9,070,000
Long-term debt.....	17,009,886	167,875,058
<b>TOTAL LIABILITIES</b>	<b>27,475,646</b>	<b>214,015,709</b>
<b>NET ASSETS</b>		
Invested in capital assets - Net of related debt.....	148,805,133	139,401,844
Restricted for:		
Programs.....		132,204
Debt service.....		2,599,926
Unrestricted (deficit).....	57,985,212	8,443,775
<b>TOTAL NET ASSETS</b>	<b>\$ 206,790,345</b>	<b>\$ 150,577,749</b>

<b>Economic Development Corporation 12/31/09</b>	<b>Drains 9/30/10</b>	<b>Land Bank Authority 9/30/10</b>	<b>Brownfield Authority 09/30/10</b>	<b>Storm Water Management System 09/30/10</b>	<b>Total</b>
\$ 625,614	\$ 2,562,289	\$ 219,205	\$ 172,528	\$ 414,354	\$ 47,394,676
	200,533		1,000,000		11,200,533
	4,086,579				50,247,968
466,857		607,493	106,160		12,058,658
		95,203		82,963	6,956,958
		299,276			299,276
		472,081			472,081
	41,456	1,113,291			2,807,821
		3,598			505,552
		50,721			441,567
		60,616			16,092,150
		1,927,081			21,041,455
		7,924,000			7,924,000
	107,622	84,308			58,441,359
	27,752,494	14,598,802			427,999,798
<u>1,092,471</u>	<u>34,750,973</u>	<u>27,455,675</u>	<u>1,278,688</u>	<u>497,317</u>	<u>663,934,573</u>
5,831	99,611	109,775	258,500	90,076	16,490,723
	42,168	69,345			111,513
	36,365	56,180			660,811
	32,232				32,232
					286,398
		1,126,241			1,126,241
			299,276		299,276
			460,069		894,900
25,000		388,330			21,064,872
	6,680				3,324,630
		40,023			40,023
	500,000	1,890,000			2,390,000
	1,031,091	510,774	110,000		3,778,769
	1,577,667	1,868,247	12,820,000		13,293,590
<u>30,831</u>	<u>3,325,814</u>	<u>6,058,915</u>	<u>13,947,845</u>	<u>90,076</u>	<u>201,150,858</u>
					264,944,836
	25,143,736	9,547,802			322,898,515
976,510				407,241	1,515,955
		60,616			2,660,542
85,130	6,281,423	11,788,342	(12,669,157)		71,914,725
<u>\$ 1,061,640</u>	<u>\$ 31,425,159</u>	<u>\$ 21,396,760</u>	<u>\$ (12,669,157)</u>	<u>\$ 407,241</u>	<u>\$ 398,989,737</u>

# STATEMENT OF ACTIVITIES COMPONENT UNITS

## GENESEE COUNTY

## Exhibit A-12

	Program Revenues				Road Commission 9/30/10
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Component units:					
Road Commission.....	\$ 38,058,591	\$ 10,111,616	\$ 27,965,338	\$	\$ 18,363
Water and Waste Services.....	45,687,058	48,623,754		7,912,927	
Economic Development Corporation..	41,280				
Drains.....	5,573,490	1,252,064	134,331	3,819,963	
Land Bank Authority.....	7,956,680	6,066,665	927,598		
Brownfield Authority.....	883,920	238,902			
Storm Water Management System....	242,626		333,085		
Total Component Units	<u>\$ 98,443,645</u>	<u>\$ 66,293,001</u>	<u>\$ 29,360,352</u>	<u>\$ 11,732,890</u>	<u>18,363</u>
Revenues:					
Taxes.....					662,511
Use of money and investments.....					42,976
Other intergovernmental revenues.....					705,487
Unrestricted contributions.....					723,850
Total general revenues and transfers.....					206,066,495
Change in net assets.....					<u>\$ 206,790,345</u>
Net assets - beginning - as restated.....					
Net assets - ending (deficit).....					

The notes to the financial statements are an integral part of this statement.



**Net (Expense) Revenue and  
Changes in Net Assets**

<b>Component Units</b>						
<b>Water and Waste Services 12/31/09</b>	<b>Economic Development Corporation 12/31/09</b>	<b>Drains 09/30/10</b>	<b>Land Bank Authority 9/30/10</b>	<b>Brownfield Authority 09/30/10</b>	<b>Storm Water Management System 09/30/10</b>	<b>Total</b>
\$ 10,849,623	\$ (41,280)	\$ (367,132)	\$ (962,417)	\$ (645,018)	\$ 90,459	\$ 18,363
						10,849,623
						(41,280)
						(367,132)
						(962,417)
						(645,018)
					90,459	90,459
<u>10,849,623</u>	<u>(41,280)</u>	<u>(367,132)</u>	<u>(962,417)</u>	<u>(645,018)</u>	<u>90,459</u>	<u>8,942,598</u>
1,619,882	17,808	1,257	145,730	2,062	559	2,449,809
164,951	25,000	56,033	153,330			234,363
<u>1,784,833</u>	<u>42,808</u>	<u>57,290</u>	<u>1,307,061</u>	<u>2,062</u>	<u>559</u>	<u>1,215,928</u>
12,634,456	1,528	(309,842)	344,644	(642,956)	91,018	12,842,698
137,943,293	1,060,112	31,735,001	21,052,116	(12,026,201)	316,223	386,147,039
<u>\$ 150,577,749</u>	<u>\$ 1,061,640</u>	<u>\$ 31,425,159</u>	<u>\$ 21,396,760</u>	<u>\$ (12,669,157)</u>	<u>\$ 407,241</u>	<u>\$ 398,989,737</u>

# NOTES TO FINANCIAL STATEMENTS

## GENESEE COUNTY

## EXHIBIT A-13

### NOTE A – DESCRIPTION OF COUNTY OPERATIONS, REPORTING ENTITY, AND FUND TYPES

The County of Genesee, Michigan was incorporated on March 18, 1835 and covers an area of approximately 642 square miles with the county seat located in the City of Flint. The County operates under an elected Board of Commissioners (9 members) and provides services to its more than 436,000 residents in many areas including law enforcement, administration of justice, community enrichment and development, and human services. Education services are provided to citizens through more than 198 schools in 21 local school districts, 5 colleges, and a district library; such districts, colleges, and library are separate governmental entities whose financial statements are not included herein, in accordance with The Governmental Accounting Standards Board Codification Section 2100.

As required by generally accepted accounting principles, these financial statements represent Genesee County (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

#### Blended Component Units:

Genesee County Building Authority - Legally separate entity established for the sole purpose of issuing bonded debt to finance construction of County buildings. The entire Building Authority is appointed by the County Board of Commissioners.

Genesee County Employees Retirement System - Legally separate entity established to account for employee and employer contributions, investment income, accumulated assets and payments to beneficiaries. The Pension board has five ex-official Commissioners due to their positions held in the county and four elected employee Commissioners, with services provided almost exclusively for the County and its employees. The Retirement System has a calendar fiscal year end. It was determined by the County that it would be extremely impractical for the Retirement System to change to a September 30<sup>th</sup>, fiscal year end.

Land Reutilization Council, Inc. – Legally separate entity, which is reported as if it were part of the primary government because its primary purpose is to account for real property obtained via property tax foreclosure procedures within Genesee County. The Council is appointed by the County Board of Commissioners.

#### Discretely Presented Component Units:

Genesee County Road Commission - An entity responsible for constructing and maintaining the primary and local road system within the County. Its three-member board is appointed by the County Board. The County Board can significantly influence the operations of the Road Commission Board.

Water and Waste Services - An entity established by the County pursuant to State law to provide for water and waste management services. The County appoints the lone board member/member-director and has the ability to remove the manager-director if they so choose. Water and Waste Services has a calendar year. The County has determined that it would be impractical for Water and Waste Services to change to a September 30<sup>th</sup>, fiscal year end.

Economic Development Corporation - An entity responsible for the administration of the Revolving Loan Program. This loan program makes low interest loans available to businesses located within Genesee County. The Board of the Economic Development Corporation (EDC) is appointed by the Board of Commissioners. The Board of Commissioners can remove Board members of the EDC if they so choose. The Corporation has a calendar year end. The County has determined that it would be impractical for the EDC to change to a September 30<sup>th</sup>, fiscal year end.

Drains - These separate legal entities represent drainage districts established pursuant to Act 40, P.A. 1956, as amended, the Michigan Drain Code. The oversight of these districts is the responsibility of the Genesee County Drain Commissioner, an elected position that is funded by Genesee County. The County lends its full faith and credit towards payment of the Special Assessment bonds issued for the projects. The County can significantly influence the operations of the Drain Commission since the County Board of Commissioners approve the Drains budgets.

Genesee County Land Bank Authority – An entity which accounts for the activities of the Authority consisting of acquisition of properties via the delinquent tax state statute sales of property to individuals, commercial entities and nonprofit organizations, rental of properties to individuals, rehabilitation and demolition of properties in preparation for sale or future development. The entity is comprised of seven members appointed by the County Board. The County Board can significantly influence the operations of the Land Bank Authority Board.

Brownfield Authority – An entity governed by a nine-member Board. The Board is appointed by each member of the County Board. The Brownfield Authority was created to provide a means for financing remediation of Brownfield (environmentally contaminated) sites within the County. The County issued bonds to provide capital for the revitalization of environmentally distressed, blighted, and functionally obsolete properties within the County. The County approves and would be secondarily liable for any debt issuances.

Storm Water Management System – An entity established by the County pursuant to Act 342, Public Acts of Michigan, 1939. Genesee County Storm Water Management System is responsible for administration services necessary to enable the County and the cities, villages, townships, and charter townships located within the County to comply with the Phase II Regulations established by the United States Environmental Protection Agency (EPA) in the Federal Register on December 8, 1999. The Drain Commissioner's Office was designated and appointed as the "County Agency" for the System to manage and operate the System.

Complete financial statements of the individual component units (excluding Drains, Brownfield Authority, Building Authority and Land Reutilization Council (LRC), which are included in this financial report) can be obtained from their respective administrative offices.

## NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Government-wide and fund financial statements:** The County is following GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments*. The standard requires government-wide and fund financial statements. The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds, fiduciary funds, and the component units even though the fiduciary fund statements are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**Measurement focus, basis of accounting and financial statement presentation:** The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**Revenue recognition policies:** Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Revenues, which are considered measurable, but not available, are recorded as a receivable and deferred revenue. Revenues for 2010 include property taxes levied principally on December 1, 2009 and substantially collected in early 2009. The "2009 property taxes" assessed on December 31, 2009, become a lien on December 1, 2009, and are to be collected principally by February 28, 2010. Also, for the year ended September 30, 2007 the state legislative eliminated state shared revenues to Counties. As a compromise, the legislature allowed counties to move the property tax levy to a July 1 date. As a result, the July 1, 2010 levy is also recognized as revenue for the year ended September 30, 2010 to the extent that it is available. Other significant revenue susceptible to accrual include expenditure reimbursement type grants, certain inter-governmental revenues and operating transfers.

The government reports the following major governmental funds:

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Mental Health Fund accounts for the operations of the County's Mental Health services.

The County Health Fund accounts for the operations of providing health protection and health services.

The Community Action Resource Department Fund accounts for the programs designed to provide health and human services to low income individuals.

The Community Development Fund accounts for Housing and Urban Development grant awards that are allocated to all local units of government (excluding City of Flint) for projects benefiting low and moderate income persons or projects defined as having an urgent need.

The government reports the following major enterprise funds:

The Delinquent Tax Revolving Enterprise Fund accounts for the activities of the delinquent real property tax purchase program whereby the County purchases the outstanding taxes from each local taxing unit. The County, in turn collects those delinquent taxes along with penalties and interest.

The government reports the following fiduciary funds:

The Pension and Employee Fringe Benefit (VEBA) Trust Fund accounts for employee and employer pension contributions, investment income, accumulated assets, and payments to beneficiaries.

The Trust and Agency Fund accounts for assets held by the County as an agent for individuals, private organizations, other governments, and other funds.

# NOTES TO FINANCIAL STATEMENTS

## GENESEE COUNTY

## EXHIBIT A-13

The Employees Fringe Benefits (VEBA) Fund accounts for funds set aside with the intent to accumulate adequate funds to defray part of the cost of retiree medical benefits in future years.

The Employees Qualified Excess Benefit Arrangement (QEBA) Fund provides a mechanism for payment of accrued pension benefits that are in excess of the IRS limits on the amounts that can be paid from the Retirement Fund.

Additionally, the government reports the following fund types:

Internal service funds accounts for various services such as data processing, purchasing, and other administrative services, fleet management, buildings and grounds maintenance, the self funded property/casualty program and the self funded prescription drug and medical program. These services are provided to other County departments on a cost reimbursement basis.

Agency Funds account for assets held by the County in an agency capacity.

Private-sector standards of accounting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with guidance of the Governmental Accounting Standards Board. The government has elected not to follow private-sector guidance issued after November 30, 1989 for its business-type activities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the County's policy is to first apply restricted resources.

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of our proprietary funds relate to charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenue and expenses.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support Genesee County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Employee Vacation:** County employees are granted vacation in varying amounts based on length of service. Vacation pay is accrued and fully vested when earned; upon termination, with a few bargaining unit exceptions, employees are paid accumulated vacation at full rates to a limit of 150% of their current annual earned vacation.

**Long-Term Advances:** Long-term advances from the General Fund to other funds are commonly made to finance new activities during their initial operations. General Fund fund balance is reserved for such advances to reflect the amount of fund balance not currently available for expenditure.

**Budgets and Budgetary Accounting:** Budgets shown in the financial statements were prepared on the same modified accrual basis used to reflect actual results. The County employs the following procedures in establishing the budgetary data reflected in the financial statements:

- 1) Prior to July 1, County departments, in conjunction with the Controller's Office, prepare and submit their proposed operating budgets for the fiscal year commencing October 1. The operating budget includes proposed expenditures and resources to finance them,
- 2) A Public Hearing is conducted to obtain taxpayer's comments,
- 3) Prior to September 30, the budget is legally enacted through passage of a resolution,
- 4) After the budget is adopted, the Finance Committee of the Board of Commissioners is authorized to transfer budgeted amounts between accounts within a department. However, any revisions that alter the total expenditures of a department or fund must be approved by the Board of Commissioners,
- 5) Formal budgetary integration is employed as a management control device during the year for the General Fund and the Special Revenue Funds. Formal budgetary integration is not employed for other governmental type funds as effective management control is achieved through alternative procedures.
- 6) Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended by the Board of Commissioners during the year. Individual amendments were not material in relation to the original appropriations, which were amended. Appropriations unused at September 30 are not carried forward to the following year. The budgets for the General and Special Revenue Funds are adopted at the departmental level, and total fund level, respectively. For the Special Revenue Fund budget presentations in Exhibits B3-B4 and D3-D4 more detail is presented than required by the adopted budget.

**Cash and Cash Equivalents:** The County considers cash equivalents as short-term highly liquid investments that are both readily convertible to cash and have maturities of ninety days or less when purchased to minimize the risk of changes in value due to interest rate changes.

**Investments:** Investments are stated at fair values. Fair value is determined based on quoted market prices except for money market funds, which are valued at amortized cost. Unrealized appreciation or depreciation on investments due to changes in market value are recognized in fund operations each year.

**Inventories/Prepays:** Inventories are stated at cost on a first-in, first-out basis for governmental funds and the lower of cost on a first-in, first-out basis or market for proprietary funds. The cost of inventory items in governmental funds is recorded as an expenditure at the time of purchase, except for the County Road Commission, certain Special Revenue Funds, and the Water and Waste Services component unit where inventories are expensed when used. Inventory in the Land Bank Authority represents land inventory held for resale.

**Encumbrances:** Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental funds. There were no encumbrances at the end of the year since there were no outstanding amounts due on contracts or other commitments for the current year and the small number of purchase orders that were outstanding at the end of the year were canceled and reissued in the subsequent year.

**Capital Assets:** Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Interest incurred during the construction of capital assets of business type activities is included as part of the capitalized value of the assets constructed. During the current year, no interest expense was capitalized as part of the cost of assets under construction.

Capital assets are depreciated using the straight-line method over the estimated useful lives of the related assets. The estimated useful lives are:

Land Improvements.....	10 years
Buildings and Improvements .....	25-50 years
Equipment .....	3-20 years
Infrastructure .....	20-50 years

**Long Term Obligations:** In the government-wide financial statements and proprietary fund types in the fund financial statements, long term debt and other long term obligations are reported as liabilities in the applicable governmental activities, business type activities or proprietary fund type statement of net asset. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

**Fund Equity:** In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

## NOTE C – DEPOSITS AND INVESTMENTS

Michigan Compiled Laws section 129.91 (Public Act 20 of 1943, as amended), authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States bank; commercial paper rated within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Pension Trust Fund is also authorized by Michigan Public Act 314 of 1965, as amended, to invest in certain reverse repurchase agreements, stocks, diversified investment companies, annuity investment contracts, real estate leased to public entities, mortgages, real estate, debt or equity of certain small business, certain state and local government obligations and certain other specified investment vehicles. The Employees' Fringe Benefit (VEBA) Fund is authorized by Michigan Public Act 149 of 1999 to invest in similar types of investments as the pension fund. A formal investment policy has not been adopted for the VEBA fund.

State statutes as they relate to group Self-Insurance Pools (Public Act 218 of 1956, as amended) authorizes the Pool to invest in obligations of the U.S. Treasury and U.S. agencies, deposit agreements with federally insured financial institutions within the State of Michigan, commercial paper, common stocks, real estate, repurchase obligations of the U.S. Government and U.S. agencies, banker's acceptances of U.S. banks, common stocks, and mutual funds comprised of the above authorized investments. The Pool has adopted the above as its investment policy and has authorized the following depositories: Citizens Bank and Beacon Investment Company.

The County has designated three banks for the deposit of its funds. The investment policy adopted by the Board in accordance with Public Act 196 of 1997 has authorized investments as allowed under State statutory authority as listed above. The County's cash and investments are subject to several types of risk which are examined in more detail as follows:

# NOTES TO FINANCIAL STATEMENTS

## GENESEE COUNTY

## EXHIBIT A-13

**Custodial credit risk of bank deposits** – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. At year end, the County had \$63,045,624 of bank deposits (certificates of deposit, checking and savings accounts) that were uninsured and uncollateralized. The County believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. Insuring or collateralizing all cash deposits would also result in a significant decrease in the investment returns for the County. Consistent with the investment policy that is prepared by the County Treasurer's Office and approved by the County Board of Commissioners, the County evaluates each financial institution it deposits funds with and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

**Custodial credit risk of investments** – Custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have a policy for custodial credit risk. At year end, the following investment securities were uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the County's name:

<u>Investment Type</u>	<u>Carrying Value</u>	<u>How Held</u>
Commercial paper	\$3,000,000	Counterparty's trust dept
Government securities	2,000,000	Counterparty's trust dept
U.S. gov or agency bond or note (insurance trust)	2,071,858	Counterparty's trust dept
Corporate bonds (insurance trust)	1,604,230	Counterparty's trust dept
Corporate stocks (insurance trust)	3,092,432	Counterparty's trust dept
Mutual funds (insurance trust)	216,585	Counterparty's trust dept
U.S. gov or agency bond or note (VEBA)	1,092,098	Counterparty's trust dept
U.S. gov or agency bond or note (VEBA)	3,944,800	Counterparty's trust dept
Corporate bonds (VEBA)	13,098,422	Counterparty's trust dept
Corporate stock (VEBA)	23,443,197	Counterparty's trust dept
U.S. gov or agency bond or note (pension)	33,867,322	Counterparty's trust dept
Foreign gov and agency (pension)	76,652,138	Counterparty's trust dept
Corporate bonds (pension)	86,536,802	Counterparty's trust dept
Corporate stocks (pension)	175,117,318	Counterparty's trust dept

**Interest rate risk** – Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The County's investment policy does not restrict investment maturities, other than commercial paper which can only be purchased with a 270 day maturity. At year end, the average maturities of investments are as follows:

<u>Type of Investment</u>	<u>Fair Value</u>	<u>Less than One Year</u>	<u>1-10 Years</u>	<u>Over ten Years</u>
Commercial paper	\$3,000,000	3,000,000		
Government securities	2,000,000	2,000,000		
U.S. gov or agency bond or notes (self insurance)	2,069,245	408,657	1,660,588	
Corporate bonds (self insurance)	1,604,230	152,916	1,451,314	
Money market funds (self insurance)	343,528	343,528		
U.S. gov or agency bond or notes (VEBA)	1,092,098		1,092,098	
Corporate bonds (VEBA)	13,027,775	821,642	12,206,133	
Asset backed (pension)	1,228,152			1,228,152
U.S. gov or agency bond or notes (pension)	26,261,985	6,009,506	19,577,895	8,279,917
U.S. gov mortgage backed (pension)	4,483,769			4,483,769
Corporate bonds (pension)	79,267,735	347,979	42,100,982	44,063,200
Foreign corporate (pension)	6,369,070	449,700	5,308,031	611,339
Foreign gov (pension)	693,447		272,218	421,229
Private placement (pension)	6,040,915	86,000	5,109,825	845,090

**Credit risk** – Credit risk is the risk that the government will not be able to recover the value of its securities. The County follows state law which limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The County has no investment policy that would further limit its investment choices for general County funds. The pension funds are allowed to invest in longer maturity corporate bonds in accordance with state law. As of year end, the credit quality ratings of debt securities not explicitly guaranteed by the U.S. Government are as follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
Commercial paper	\$3,000,000	A-1	S&P
Corporate bonds (self insurance)	190,328	AA	S&P
Corporate bonds (self insurance)	550,765	AA	S&P
Corporate bonds (self insurance)	863,138	BBB	S&P
Corporate bonds (VEBA)	934,415	AA	S&P
Corporate bonds (VEBA)	3,194,103	A	S&P
Corporate bonds (VEBA)	2,659,763	BBB	S&P
Corporate bonds (VEBA)	4,972,368	BB	S&P
Corporate bonds (VEBA)	1,267,126	B	S&P
Asset backed (pension)	785,177	AAA	S&P
Asset backed (pension)	442,975	AA	S&P

<u>Investment</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
Corporate bonds (pension)	1,607,943	AAA	S&P
Corporate bonds (pension)	4,239,508	AA	S&P
Corporate bonds (pension)	23,388,578	A	S&P
Corporate bonds (pension)	26,447,945	BBB	S&P
Corporate bonds (pension)	14,578,519	BB	S&P
Corporate bonds (pension)	2,086,487	B	S&P
Corporate bonds (pension)	975,958	CCC and Below	S&P
Corporate bonds (pension)	3,615,424	Not Rated	S&P
Corporate CMO (pension)	1,223,075	BBB	S&P
Corporate CMO (pension)	1,330,076	CCC and Below	S&P
Corporate CMO (pension)	997,295	Not Rated	S&P
Private placements (pension)	42,388	AAA	S&P
Private placements (pension)	253,787	AA	S&P
Private placements (pension)	402,944	A	S&P
Private placements (pension)	2,974,888	BBB	S&P
Private placements (pension)	399,284	BB	S&P
Private placements (pension)	223,335	B	S&P
Private placements (pension)	1,030,840	CCC and Below	S&P
Private placements (pension)	24,640	CC	S&P
Private placements (pension)	688,808	Not Rated	S&P
Foreign corporate bonds (pension)	535,572	AA	S&P
Foreign corporate bonds (pension)	2,237,701	A	S&P
Foreign corporate bonds (pension)	3,604,579	BBB	S&P
Foreign corporate bonds (pension)	192,072	B	S&P
Foreign government (pension)	490,595	Not Rated	S&P
U.S. government agency (pension)	167,121	AAA	S&P
U.S. government agency (pension)	3,101,001	A	S&P
U.S. government agency (pension)	44,791	BBB	S&P
U.S. government agency (pension)	367,792	Not Rated	S&P
U.S. government mortgage backed (pension)	4,483,769	Not Rated	S&P
U.S. government TIPS (pension)	3,121,568	Not Rated	S&P
U.S. government treasuries, notes and bonds (pension)	22,581,181	AAA	S&P

**Foreign currency risk** – Foreign currency risk is the risk that an investment denominated in the currency of a foreign country could reduce its U.S. dollar value, as a result of changes in foreign currency exchange rates. The pension system does not restrict the amount of investments in foreign currency.

All of the System's investment subject to foreign currency risk relate to a single comingled fund which held many different foreign currency securities. The system owns a portion of the comingled fund.

**Securities lending** – As permitted by state statutes and under the provisions of a securities lending authorization agreement, the System lends securities to broker-dealers and banks for collateral that will be returned for the same securities in the future. The System's custodial bank manages the securities lending program and receives cash as collateral. Borrowers are required to deliver collateral for each loan equal to not less than 100 percent of the market value of the loaned securities. During the year ended December 31, 2009, only United States currency was received as collateral.

The System did not impose any restrictions during the fiscal year on the amount of loans made on its behalf by the custodial bank. The System owns \$259,740 of Sigma Finance Medium Term Note. Sigma Finance is an impaired investment of which recovery, if any, is expected to be minimal. There were no failures by any borrowers to return loaned securities or pay distributions thereon during the fiscal year. Moreover, there were no losses during the fiscal year resulting from a default of the borrowers or custodial bank.

The Genesee County Employees' Retirement System and the borrower maintain the right to terminate all securities lending transactions on demand. The cash collateral received on each loan was invested, together with the cash collateral of other lenders, in an investment pool. The average duration of such investment pool as of December 31, 2009 was 65 days. Because the loans are terminable on demand, their duration did not generally match the duration of the investments made with cash collateral. On December 31, 2009, the System had no credit risk exposure to borrowers. The collateral based on cost and the fair market value of the underlying securities on loan for the System as of December 31, 2009 was \$23,047,925 and \$23,047,925 respectively, which consisted of U.S. government and agencies, U.S. corporate fixed income and U.S. equity securities.

**Restricted assets** – The balances of the restricted asset accounts represent money reimbursed by insurance to cover flood damages to McCree building, held in the form of cash and investments.

	Governmental Activities
	Internal Service Funds
Investments	<u>\$746,066</u>

# NOTES TO FINANCIAL STATEMENTS

## GENESEE COUNTY

## EXHIBIT A-13

### NOTE D-CAPITAL ASSETS

Capital asset activity at September 30, 2010 is summarized as follows:

	<b>Balance Oct. 1, 2009</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance Sept. 30, 2010</b>
<b>Governmental activities:</b>				
Capital assets not being depreciated				
Land .....	\$ 19,861,602	\$	\$	\$ 19,861,602
Construction in progress .....		7,600		7,600
Subtotal .....	<u>19,861,602</u>	<u>7,600</u>		<u>19,869,202</u>
Capital assets being depreciated:				
Land improvements .....	225,641	40,167		265,808
Buildings and improvements .....	113,629,940	31,035		113,660,975
Machinery and equipment .....	<u>40,346,532</u>	<u>2,354,395</u>	<u>14,229,797</u>	<u>28,471,130</u>
Subtotal .....	<u>154,202,113</u>	<u>2,425,597</u>	<u>14,229,797</u>	<u>142,397,913</u>
Less accumulated depreciation for:				
Land improvements .....	3,226			3,226
Buildings .....	46,966,407	2,906,662		49,873,069
Machinery and equipment .....	<u>35,340,227</u>	<u>2,814,291</u>	<u>14,226,829</u>	<u>23,927,689</u>
Subtotal .....	<u>82,309,860</u>	<u>5,720,953</u>	<u>14,226,829</u>	<u>73,803,984</u>
Governmental activities				
Capital assets, net of depreciation .....	<u>\$ 91,753,855</u>	<u>\$ (3,287,756)</u>	<u>\$ 2,968</u>	<u>\$ 88,463,131</u>

	<b>Balance Oct. 1, 2009</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance Sept. 30, 2010</b>
<b>Business type activities:</b>				
Capital assets not being depreciated:				
Land .....	\$ 3,489,928	\$	\$	\$ 3,489,928
Capital assets being depreciated:				
Buildings .....	1,181,215			1,181,215
Land improvements .....	3,074,493			3,074,493
Machinery and equipment .....	<u>4,190,020</u>	<u>11,965</u>		<u>4,201,985</u>
Subtotal .....	<u>8,445,728</u>	<u>11,965</u>		<u>8,457,693</u>
Less accumulated depreciation for:				
Buildings .....	903,864	73,043		976,907
Land improvements .....	3,074,493			3,074,493
Machinery and equipment .....	<u>3,128,679</u>	<u>74,017</u>		<u>3,202,696</u>
Subtotal .....	<u>7,107,036</u>	<u>147,060</u>		<u>7,254,096</u>
Business type activities				
Capital assets, net of depreciation .....	<u>\$ 4,828,620</u>	<u>\$ (135,095)</u>	<u>\$</u>	<u>\$ 4,693,525</u>

Depreciation expense was charged to programs of the primary government as follows:

<b>Governmental activities:</b>	
Administration of Justice .....	\$ 283,144
Law Enforcement and Community Protection .....	1,210,957
Human Services .....	656,277
Community Enrichment and Development .....	390,321
General Support Services .....	2,029,210
Internal service fund depreciation is charged to the various functions based on their usage of the assets	<u>1,151,044</u>
Total governmental activities .....	<u>\$ 5,720,953</u>
<b>Business type activities:</b>	
Delinquent tax revolving .....	\$ 27,395
Parks and Recreation .....	119,665
Total business type activities .....	<u>\$ 147,060</u>

In addition, land with an approximate value of \$5,000,000 used by Parks and Recreation is leased at nominal costs from the Nature Conservatory and the City of Flint under long-term arrangements.



**NOTE E – DEBT (including current portions)**

Long-term debt of the County is as follows:

	<u>Balance Oct. 1, 2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance Sept 30, 2010</u>	<u>Due within One Year</u>
<b>Government Activities:</b>					
4.0% to 5.1% Genesee County Building Authority Bonds, Series 2002, Bonds maturing May 1, 2013 subject to Mandatory redemption .....	\$2,095,000	\$	\$(120,000)	\$1,975,000	\$125,000
2.5% to 4.05% Genesee County Building Authority Bonds, Series 2001, Not subject to redemption prior to maturity .....	690,000		(220,000)	470,000	230,000
2.0% to 4.0% Genesee County Building Authority Bonds, Series 2004, Not subject to redemption prior to maturity .....	1,110,000		(1,110,000)		
3.7% to 5.0% Genesee County Building Authority Bonds, Series 2000, Callable after May 1, 2008, .....	416,500		(94,500)	322,000	94,500
4.0% to 4.75% Genesee County Building Authority Bonds, Series 2002-B, Bonds maturing after May 1, 2013, are Subject to redemption prior to maturity .....	3,695,000		(200,000)	3,495,000	210,000
4.75% to 5.7% Genesee County Bonds Series 2004-B Capital Improvement Bonds, Bonds maturing before April 1, 2014 not subject to redemption prior to maturity .....	1,925,000		(35,000)	1,890,000	40,000
3.00% to 5.00% Genesee County Refunding Bonds Bonds maturing on or prior to May 1, 2015 shall not be subject to redemption prior to maturity. Bonds maturing on or after May 1, 2016 may be subject to prior redemption..	12,860,000		(1,050,000)	11,810,000	1,085,000
6.34% Capital Improvement Bonds, Series 2008 maturing on or prior to November 1, 2018 not be subject to Redemption prior to maturity .....	1,150,000		(115,000)	1,035,000	115,000
Total Bonds and Notes .....	<u>23,941,500</u>		<u>(2,944,500)</u>	<u>20,997,000</u>	<u>1,899,500</u>
Self-Insurance Claim Liability .....	<u>3,284,841</u>	<u>1,876,024</u>	<u>(1,512,373)</u>	<u>3,648,492</u>	<u>1,000,000</u>
Self-Insured Medicals .....		<u>446,584</u>		<u>446,584</u>	<u>446,584</u>
Compensated absences .....	<u>5,433,715</u>	<u>4,284,382</u>	<u>(3,974,402)</u>	<u>5,743,695</u>	<u>3,974,402</u>
Total Governmental Activities .....	<u>32,660,056</u>	<u>6,606,990</u>	<u>(8,431,275)</u>	<u>30,835,771</u>	<u>7,320,486</u>
<b>Business Type Activities</b>					
Parks and Recreation Fund:					
3.7% to 5.0% Genesee County Building Authority Bonds, Series 1998, Callable after May 1, 2008, at par plus accrued interest to date .....	178,500		(40,500)	138,000	40,500
Delinquent Tax Fund:					
5.0% to 9.7% Delinquent tax notes .....	69,041,250	46,350,000	(59,939,958)	55,451,292	42,700,000
Variable rate Capital Improvement Bonds Series 2005 A, for Rehabilitation project for Brownfield, Subject to redemption on any interest payment date .....	1,400,000		(1,400,000)		
Total Business Type Activities .....	<u>70,619,750</u>	<u>46,350,000</u>	<u>(61,380,458)</u>	<u>55,589,292</u>	<u>42,740,500</u>
Total Long Term Debt .....	<u>\$103,279,806</u>	<u>\$53,956,990</u>	<u>\$(69,811,733)</u>	<u>\$86,425,063</u>	<u>\$50,172,986</u>

Genesee County lends its full faith and credit for bond issues that are repaid through special assessments. The County is not obligated in any manner for special assessment debt. The amount of special assessment debt is detailed within the notes for the Component Unit under which the projects originated.

Delinquent property taxes receivable are pledged as collateral for the repayment of the outstanding delinquent tax notes – (See Note H).

Typically, the General Fund and all Special Revenue Funds liquidate liability for compensated absences.

The annual requirements to pay principal and interest on the obligations outstanding at September 30, 2010 are as follows:

	<u>Governmental Activities</u>		<u>Business Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2010 .....	\$1,899,500	\$ 1,028,776	\$42,740,500	\$ 6,840
2011 .....	1,718,500	948,118	12,776,792	4,875
2012 .....	1,769,500	860,337	25,500	3,600
2013 .....	1,856,500	772,947	28,500	2,325
2013/2014 .....	1,917,000	680,895	18,000	900
2015/2019 .....	9,261,000	1,901,296		
2020/2024 .....	1,560,000	442,594		
2025/2029 .....	500,000	235,125		
2030/2034 .....	515,000	75,240		
TOTALS .....	<u>\$20,997,000</u>	<u>\$ 6,945,328</u>	<u>\$55,589,292</u>	<u>\$ 18,540</u>

# NOTES TO FINANCIAL STATEMENTS

## GENESEE COUNTY

## EXHIBIT A-13

By statute, the County general obligation debt is restricted to 10% of the equalized value of all property in the County. Certain obligations, such as special assessment notes, are not subject to this limitation. At September 30, 2010, the County's debt limit amounted to \$1,079,891,228 and indebtedness subject to the limitation aggregated \$172,646,906.

### Other Debt – Tax anticipation Notes:

The Board of Commissioners authorized the issuance and sale of County of Genesee 2010 Tax Anticipation Notes. The notes purpose is to provide resources for paying operating expenditures of the County prior to the availability of property tax collections. The short-term Tax Anticipation Notes issued at 1% in the amount of \$10,000,000 were paid in full as of September 30, 2010.

Short-term debt of the County is as follows:

	<u>Balance Oct. 1, 2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance Sept. 30, 2010</u>	<u>Due within One Year</u>
Tax Anticipation Notes:					
1.00% Genesee County bonds Series 2010, Bond Maturing September 30, 2010.....					
Payable at maturity or upon redemption	\$	\$10,000,000	\$(10,000,000)	\$	\$
2.84% Genesee county Bonds Series 2009, Bond Maturing October 1, 2009 payable at maturity or upon redemption .....	<u>8,000,000</u>		<u>(8,000,000)</u>		
Total Tax Anticipation Notes	<u>\$ 8,000,000</u>	<u>\$10,000,000</u>	<u>\$ (18,000,000)</u>	<u>\$</u>	<u>\$</u>

### NOTE F – CONTINGENCIES, CLAIMS, RISK MANAGEMENT, AND LITIGATION

There are various legal actions pending against the County. Due to the inconclusive nature of these actions, it is not possible for County Counsel to determine in the aggregate either the probable outcome of these actions or a reasonable estimate of the County's ultimate liability, if any.

The County is totally self-insured for workers' compensation for all losses, up to \$500,000 each occurrence, and self-insured for property and liability insurance claims up to \$50,000 and \$350,000, respectively, for specific losses. The County is insured for the amount of claims in excess of such limitation to a maximum of replacement cost for property and \$20,000,000 for liability claims. The County is self-insured for claims in excess of these insurance coverages. The County is also self-insured for the first \$50,000 of catastrophic coverage for auto physical damage per location. The County is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees.

The County paid losses within its self-insured retention through an Internal Service Fund. Net assets for this fund as of September 30, 2010 were \$11,473,559 with \$3,648,492 accrued as a liability for incurred losses and expenses. An actuarial study projected a required reserve of \$3.6 million for 2010. The County's Risk Manager provides employee accident prevention training and various risk control techniques through a continuing education program. There were no reductions in reinsurance coverages or settlements in excess of insurance coverages over the past three years.

A reconciliation of the claims liability for the years ended September 30, 2010 and 2009 is as follows:

	<u>Year Ended 9/30/10</u>	<u>Year Ended 9/30/09</u>
Claims Liability (beginning of year) .....	\$3,284,841	\$4,221,554
Claims incurred during the period .....	1,876,024	1,619,505
Changes in estimate for claims of prior periods .....	(154,539)	(516,681)
Payments on claims .....	<u>(1,357,834)</u>	<u>(2,039,537)</u>
Claims liability (end of year) .....	<u>\$3,648,492</u>	<u>\$3,284,841</u>

Several complaints for alleged discriminatory employment practices have also been filed against the County.

A portion of the fund balance of the General Fund has been designated to provide for a possible loss resulting from the unfavorable outcome of any claims and litigation. See Note G, which follows.

The County provides a funding mechanism for the payment of the costs of pharmaceuticals and medical insurance for employees. The County contracts with a third party administrator to provide claims processing with the cost of the claims reimbursed from these funds. Net assets for this fund as of September 30, 2010 were \$1,781,706 with \$446,584 accrued as a liability for incurred losses and expenses.

A reconciliation of the claims liability for the years ended September 30, 2010 is as follows:

	<u>Pharmaceuticals</u>	<u>Medical</u>	<u>Total Insurance</u>
Claims Liability (beginning of year) .....			
Claims incurred during the period .....	\$1,923,005	\$1,639,704	\$3,562,709
Changes in estimate for claims of prior periods .....			
Payments on claims .....	<u>(1,849,897)</u>	<u>(1,266,228)</u>	<u>(3,116,125)</u>
Claims liability (end of year) .....	<u>\$ 73,108</u>	<u>\$ 373,476</u>	<u>\$ 446,584</u>

#### **NOTE G – GENERAL FUND AND CAPITAL PROJECTS RESERVES, DESIGNATIONS, AND DEFICITS**

The County receives funds from various federal and state units to finance specific grants. The final determination of revenue amounts is subject to audit by the responsible agencies. Grant fund balance deficits, to the extent not liquidated by future operations, will be absorbed by the General Fund. Additionally, the County is a defendant in numerous legal actions of which Corporation Counsel is not able to provide information as to the probable outcome and extent of potential liability, if any. As a result of these and other matters discussed in Note F, above, the County has established a designation of fund balance in the General Fund in the amount of \$1,000,000 to provide for any audit adjustments of grant revenues, grant fund balance deficits and possible losses resulting from other contingencies, claims, and litigation.

The fund balance of the General Fund has also been reserved for long-term advances to other County units and funds in the amount of \$500,000 and for a long-term receivable due from the Vehicles and Equipment Internal Service Fund in the amount of \$2,259,020.

#### **NOTE H – PROPERTY TAXES**

The County property tax is levied each December 1 on the assessed valuation of property located in the County as of the preceding December 31. On December 1, the property tax attachment is an enforceable lien on property and is payable by the last day of the next February following. Assessed values are established annually by the County and are equalized by the State at an estimated 50% of current market value. Real property in Genesee County for the 2010 levy was assessed at \$10,798,912,285 and equalized at \$10,798,912,285 representing 50% of estimated current market value. The County operating tax rate is currently 5.51 mills with an additional .48 mills voted each for parks and paramedics .7 mills for senior services and 1 mill for health services.

By agreement with various taxing authorities, the County purchases at face value the real property taxes receivable returned delinquent each March 1. These receivables (\$49,257,888 at September 30, 2010) are pledged to a bank for payment of notes payable, the proceeds of which were used to liquidate the amounts due the General Fund and various other funds and governmental agencies for purchase of the receivables and to provide funds for current operations. Subsequent collections on delinquent taxes receivable, plus interest and collection fees thereon and investment earnings, are used to extinguish the debt.

Collections of delinquent taxes, which include interest, penalties, fees and investment earnings, amounting to \$53,865,972 in 2010, are used to service the notes payable. Principal and interest paid on the notes payable in 2010 amounted to \$61,241,250.

#### **NOTE I – RETIREMENT PLANS**

##### **DEFINED BENEFIT PLAN - -**

##### **PLAN DESCRIPTION AND PROVISIONS**

The County administers a contributory agent multi-employer defined benefit pension plan known as the Genesee County Employees Retirement System (GCERS). The plan is included as a pension trust fund in the County's Comprehensive Annual Financial Report. GCERS issues a publicly available annual financial report that includes financial statements and required supplementary information for the system as a whole. This report can be obtained from the Retirement Coordinator at the County's administrative offices, located at 1101 Beach Street, Flint, MI 48502.

GCERS was organized pursuant to Section 12a of Act #156, State of Michigan Public Acts of 1851 (MSA 5.33(1); MCLA 46.12a) as amended. GCERS was established by ordinance in 1946, beginning with general County employees and the County Road Commission, Genesee County Water and Waste Services joined the system in 1956, Genesee County Community Mental Health joined in 1966, the City of Mt. Morris in 1969, and the Genesee District Library in 1980. The GCERS is regulated under the Genesee County Employees' Retirement System Ordinance, the sections of which have been approved by the State of Michigan Pension Commission. All new-hire general County and Community Mental Health employees may only join the defined contribution plan.

The plan provides for vesting of benefits after 8 years of service. Generally, participants may elect normal retirement with 20 to 25 years of credited service, regardless of age; or at age 60 with 8 or more years of credited service. Retirement benefits vary by employer group, and are payable monthly. Generally, the retirement benefit is equal to the employee's final average compensation times the sum of 2.5% for each year of

## NOTES TO FINANCIAL STATEMENTS

### GENESEE COUNTY

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credited service. All employers allow members to elect a deferred annuity providing a lifetime benefit. The length of service required to elect the deferred annuity is either 8 or 15 years, depending on the date of employment and employer group.

Membership in the plan at December 31, 2009 the date of the latest actuarial valuation was comprised of 1,151 active plan members, 80 inactive vested members and 1,477 retirees and beneficiaries.

#### ANNUAL PENSION COST

The annual pension cost (APC), percentage of APC contributed, and net pension obligation (NPO), for the plan years ended December 31, 2009, 2008, and 2007, are summarized as follows:

Plan Year End	Actuarial Valuation Date	Annual Pension Costs (APC)	% of APC Contributed	Net Pension Obligation (Asset)
12/31/07	12/31/05	12,996,937	100.0%	0
12/31/08	12/31/06	11,949,881	100.0%	0
12/31/09	12/31/07	12,096,241	100.0%	0

#### ACTUARIAL METHODS AND ASSUMPTIONS

In the December 31, 2009 actuarial valuation (the most recent actuarial valuation) the individual entry age cost method was used. Significant actuarial assumptions used include an (1) 8.0% investment rate of return, (2) projected salary increases of 5.0 %-9.03% that includes inflation at 5.0%, and (3) postretirement benefit increases depending on benefit group. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility over a four year period. The amortization method being used is a level percentage-of-payroll. The remaining amortization period for unfunded actuarial accrued liability is 20 years and the remaining amortization period for credit is 10 years.

#### FUNDING PROGRESS

	<u>12/31/2007</u>	<u>12/31/2008</u>	<u>12/31/2009</u>
Actuarial Valuation as of			
Actuarial Value of Assets	\$461,349,000	\$439,813,000	\$424,483,000
Actuarial Accrued Liability (Entry Age)	514,859,000	527,640,000	543,307,000
Unfunded AAL	53,510,000	87,827,000	118,824,000
Funded Ratio	89.6%	83.4%	78.1%
Covered Payroll	68,341,000	67,721,000	65,511,000
UAAL as a % of Covered Payroll	78.3%	77.1%	181.38%

#### DEFINED CONTRIBUTION PLAN - -

The County offers a defined contribution pension plan as an alternative to the defined benefit pension plan. The International City Managers Association (ICMA) Retirement Corporation administers the plan, and the County Board of Commissioners has authority over plan provisions and contribution requirements. All employees are eligible to participate in this plan, if not participating in the Defined Benefit Plan. The County is required to contribute 10% of eligible employees' annual covered payroll, and employees are required to contribute between 3% and 7% of covered payroll. Employees are vested after 5 years of service. During the year ended September 30, 2010, employer and employee contributions to the plan were \$3,586,247 and \$1,850,017, respectively.

#### HEALTH BENEFITS PLAN AND TRUST - -

##### PLAN DESCRIPTION AND PROVISIONS – Genesee County OPEB

Genesee County provides other post-employment benefits (medical, optical, dental and life insurance) to County retirees who meet eligibility requirements. This is a single employer defined benefit plan administered by the County. The benefits are provided under collective bargaining agreements to union employees and by resolution of the County Board of Commissioners for employees not covered under collective bargaining agreements. The valuation for this benefit plan has been conducted in accordance with generally accepted actuarial principles and practices. Data concerning active members, retirees and beneficiaries was provided by Genesee County. This plan does not issue separate stand alone financial statements.

#### FUNDING POLICY

The County performed an actuarial valuation of the other post-retirement benefits liability for the year ended September 30, 2010. At that time the liability was determined to be \$286,696,396 with the computed contribution as a percentage of payroll (based on 30 year amortization of the unfunded liability) to be 32.24% or \$18,708,000.

The County has been working to systematically increase contributions into the VEBA to eventually equal the ARC (annual required contribution). Beginning in fiscal year 2002/2003, the County began contributing 3% of gross payroll into a fund designated for retiree health care. This was increased to 5% in the 2003/2004 fiscal year, to 10% in the 2006/2007 fiscal year, 20% in the 2007/2008 fiscal year, 22.5% in the 2008/2009 fiscal year and 20% in the 2009/2010 fiscal year. In 2004 the County created a VEBA trust to specifically designate the funds that had been contributed for retiree health care. Also, in 2005 and 2006, all collective bargaining agreements as well as the non-union personnel policies included a provision that requires all employees to make a contribution of 1% of pre-tax gross wages, which is paid to the VEBA as employer contributions for the funding of retiree health care benefits (OPEB). These contributions resulted in an OPEB obligation for the period ending September 30, 2010 in an amount of \$3,970,427.

## FUNDING PROGRESS

	<u>Fiscal Year Ended September 30</u>	
	<u>2009</u>	<u>2010</u>
Annual required contribution (recommended)	\$ 12,992,638	\$18,708,000
Interest on the prior year's net OPEB asset	18,865	(124,928)
Adjustment to the annual required contribution		<u>83,285</u>
Annual OPEB cost	<u>13,011,503</u>	<u>18,666,357</u>
Amount contributed:		
Payments of current premiums		
Advance funding	<u>14,430,467</u>	<u>13,512,778</u>
Increase (Decrease) in net OPEB Liability	<u>1,418,964</u>	<u>(5,153,579)</u>
OPEB Liability – beginning of year	<u>(235,812)</u>	<u>1,183,152</u>
OPEB Asset (obligation) – end of year	<u>\$ 1,183,152</u>	<u>\$ (3,970,427)</u>

	<u>Fiscal Year Ended September 30</u>		
	<u>2008</u>	<u>2009</u>	<u>2010</u>
Annual OPEB Costs	\$12,992,638	\$13,011,503	\$18,666,357
Percentage contributed	99%	111%	73%
Net OPEB obligation	(235,182)	1,183,152	(3,970,427)
Valuation Date September 30			
Value of Assets at September 30	\$ 31,466,327	\$ 36,302,904	\$ 41,578,517
Actuarial Accrued Liability	192,786,118	201,990,000	286,696,396
Unfunded AAL	161,319,791	165,887,000	245,117,000
Funded Ratio	16.32%	18%	15%
Annual Covered Payroll	\$48,245,963	\$ 50,668,000	58,028,000
Ratio of UAAL to Covered Payroll	334.36%	327.40%	422.41%

## ACTUARIAL METHODS AND ASSUMPTIONS

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employments, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan member) which is formally detailed in the collective bargaining agreements and County Board resolutions. These collective bargaining agreements and resolutions include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspectives of the calculations.

In the September 30, 2010 actuarial valuation, the individual entry age actuarial cost method was used. The actuarial assumptions included an 8% investment rate of return (net of expenses), which is the expected long-term investments returns on plan assets, and an annual healthcare cost trend rate is 9% in year one and decreases by 5% annually until year 9 and then remains at 5%. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at September 30, 2010 was thirty years.

## PLAN DESCRIPTION AND PROVISIONS – Genesee County Community Mental Health

The Genesee County Community Mental Health Retiree Health Care Plan (the "Plan") is a single-employer defined benefit healthcare plan administered by Mental Health (the "Agency") a major fund included Genesee County's financial report. The Plan provides health insurance benefits, including medical, prescription, dental, and optical coverage to certain retirees and their beneficiaries, which are advance-funded on a discretionary basis. The Plan was closed to new hires as of May 2008. The valuation for this benefit plan has been conducted in accordance with generally accepted actuarial principles and practices. Data concerning active members, retirees and beneficiaries was provided by Genesee County Community Mental Health. This plan does not issue separate stand alone financial statements.

# NOTES TO FINANCIAL STATEMENTS

## GENESEE COUNTY

## EXHIBIT A-13

### FUNDING POLICY

The contribution requirements of Plan members and the Agency are established and may be amended by the Agency Board of Directors. The required contribution is based on actuarially determined finance rates, with an additional amount to prefund benefits as determined annually by the Agency. For the year ended September 30, 2010, the Agency contributed \$6,260,369 to the Plan, \$2,260,370 of which was to fund current year benefits. Plan members receiving benefits contributed \$0.

### ANNUAL OPEB COST AND NET OPEB OBLIGATION

The Agency's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The ARC was calculated using the projected unit credit actuarial cost method. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Agency's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the Agency's net OPEB obligation:

	Fiscal Year Ended September 30		
	2009	2010	
Annual required contribution (recommended)	\$5,133,173	\$5,178,332	
Interest on the prior year's net OPEB obligation		9,989	
Less adjustment to the annual required contribution		(7,361)	
Annual OPEB cost	\$5,133,173	\$5,180,960	
Amount contributed:			
Payments of current premiums	(5,350,889)	(6,257,927)	
Advance funding			
Increase in net OPEB asset	217,716	1,076,967	
OPEB – beginning of year	(90,416)	127,300	
OPEB asset – end of year	\$ 127,300	\$1,204,267	

	Fiscal Year Ended September 30		
	2008	2009	2010
Annual OPEB Costs	\$5,133,173	\$5,133,173	\$5,180,960
Percentage contributed	102%	99.7%	120.8%
Net OPEB asset	110,138	124,856	1,204,267

The funding progress of the plan as of the most recent valuation date is as follows:

	2009	2010
Unfunded AAL	\$(49,497,173)	\$(50,990,447)
Funded ratio	8.2%	5.8%
Annual covered payroll – 12/31/07 & 12/31/09	5,133,173	15,807,730
Ratio of UAAL to covered payroll	98%	326%

### ACTUARIAL METHODS AND ASSUMPTIONS

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Plan members to the point. The actuarial methods and assumptions used to include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2007 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions includes: (a) a rate of return on investments of 8.0%; (b) projected salary increases of 5.0% attributable to inflation; (c) additional projected salary increases ranging from 0.0% to 4.3%, depending on age, attributable to seniority/merit; and (d) projected healthcare benefit increases of 5.0% to 10.0%. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the fair value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level dollar amount over 30 years on an open basis.

### NOTE J – LEASES

The County is party to numerous operating leases, aggregate rental expenses which was approximately \$81,059 the year ended September 30, 2010 exclusive of the amount paid to a related organization described below. Minimum future rental payments under existing leases are not significant.

The Genesee County Community Mental Health Services is committed under various leases for building and office space and vehicles. These leases are considered for accounting purposes to be operating leases and contain renewal options of two to three years. Rental expenditures for the year ended September 30, 2010 are \$466,879.

#### NOTE K – RECEIVABLES

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

<u>Primary Government</u>	<u>Unavailable</u>	<u>Unearned</u>
Property taxes	\$7,888,613	
Grant revenue	9,735,092	\$2,192,371
Long-term receivable	1,890,000	
<u>Component units</u>	<u>Unavailable</u>	
Road projects	\$1,525,571	
Unearned leases	19,125,971	
Grant revenue	413,330	

#### NOTE L – INDIVIDUAL FUND INTERFUND RECEIVABLE AND PAYABLE BALANCES AND TRANSFERS

Interfund Receivable and Payables:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Government Funds:		
General Fund:		
Mental Health.....	\$	\$ 312,183
County Health.....		2,687,763
Genesee County Community Action Resource Department .....	3,587,573	
Community Development .....	6,768	
Enterprise .....	6,103,477	9,413,742
Non-major Special Revenue.....	4,320,936	1,997,592
Non-major Capital.....		
Internal Service.....	256,315	7,189,746
Total General Fund .....	<u>14,275,069</u>	<u>21,601,026</u>
Mental Health:		
General Fund.....	312,183	
County Health.....		19,149
Non-major Special Revenue.....	391	2,724
Total Mental Health.....	<u>312,574</u>	<u>21,873</u>
County Health:		
General Fund.....	2,687,763	
Mental Health.....	19,149	
Non-major Special Revenue.....		7,675
Internal Service.....		415,479
Total County Health .....	<u>2,706,912</u>	<u>423,154</u>
Genesee County Community Action Resource Department:		
General Fund.....		3,587,573
Community Development .....	11,624	
Non-major Special Revenue.....	197,483	
Internal Service.....		363,334
Total Genesee County Community Action Resource Department ..	<u>209,107</u>	<u>3,950,907</u>
Community Development:		
General Fund.....		6,768
Mental Health.....		391
Genesee County Community Action Resource Department .....		11,624
Non-major Special Revenue.....		39,543
Internal Service.....		370
Total Community Development .....		<u>58,696</u>

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## GENESEE COUNTY

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	Interfund Receivable	Interfund Payable
Non-major Special Revenue Funds:		
General Fund.....	1,997,592	4,320,936
Mental Health.....	2,724	
County Health.....	7,675	
Genesee County Community Action Resource Department .....		197,483
Community Development .....	39,543	
Enterprise .....		839,064
Non-major Special Revenue.....	139,949	139,949
Internal Service.....		<u>725,083</u>
Total Non-major Special Revenue Funds.....	<u>2,187,483</u>	<u>6,222,515</u>
Debt Service:		
Debt Service.....	<u>131,992</u>	<u>131,992</u>
Total Debt Service Funds .....	<u>131,992</u>	<u>131,992</u>
Total Governmental Funds.....	<u>19,823,137</u>	<u>32,410,163</u>
Enterprise:		
Delinquent Tax:		
General Fund.....	9,413,742	6,103,477
Non-major Special Revenue.....	839,065	
Internal Service.....		<u>209,911</u>
Total Delinquent Tax.....	<u>10,252,807</u>	<u>6,313,388</u>
Total Business Type Activity.....	<u>10,252,807</u>	<u>6,313,388</u>
Internal Service Funds:		
General Fund .....	7,189,746	256,315
County Health.....	415,479	
Genesee Community Action Resource Department .....	363,334	
Community Development .....	370	
Non-major Special Revenue .....	725,083	
Enterprise .....	209,910	
Internal Service.....	<u>808</u>	<u>808</u>
Total Internal Service Funds ..	<u>8,904,730</u>	<u>257,123</u>
Total Interfund Receivables/Payables .....	<u>\$38,980,674</u>	<u>\$38,980,674</u>
Due to/from primary government and component units:		
Component unit Land Bank Authority.....	\$	\$1,126,241
Primary government Delinquent Taxes .....	<u>1,126,241</u>	
Total Primary Government and Component Unit Interfund Receivables/Payables	<u>\$1,126,241</u>	<u>\$1,126,241</u>
Due to/from component units:		
Component unit Land Bank Authority	<u>\$ 299,276</u>	
Component unit Brownfield Authority		<u>\$ 299,276</u>
Note—The interfund receivables/payables exist due to the fact that the County uses a pooled cash management account for substantially all funds.		
Long-term Advances:		
Primary Government-General Fund.....	\$2,390,000	\$
Component unit – Land Bank Authority.....		1,890,000
Component unit – Drains.....		500,000
Total Primary Government and Component Unit Long-term Advances .....	<u>\$2,390,000</u>	<u>\$2,390,000</u>
Interfund Transfers In/Out:		
	<b>Transfers In</b>	<b>Transfers Out</b>
Major Funds:		
General:		
Mental Health .....	\$	\$ 3,700,000
County Health.....	1,224,973	5,552,867
Enterprise .....	9,425,510	
Non-major Special Revenue.....	11,770,056	17,209,935
Debt .....	9,804,400	2,898,146
Capital ....	150,000	
Internal.....	<u>383,656</u>	<u>389,393</u>
Total General Fund .....	<u>32,758,595</u>	<u>29,750,341</u>



	<b>Transfers In</b>	<b>Transfers Out</b>
Mental Health:		
Internal.....	3,700,000	
Total Mental Health .....	<u>3,700,000</u>	
County Health:		
General.....	5,552,867	1,224,973
Debt .....		247,625
Non-major Special Revenue.....	<u>347,560</u>	
Total County Health .....	<u>5,900,427</u>	<u>1,472,298</u>
Genesee County Community Action Resource Department (GCCARD)		
Debt .....		408,704
Total GCCARD .....		<u>408,704</u>
Non-major Special Revenue:		
General.....	17,209,935	11,770,056
County Health .....		347,559
Debt.....		29,558
Non-major Special Revenue.....	336,512	1,004,006
Internal.....		<u>1,562,930</u>
Total Non-major Governmental Funds .....	<u>17,546,447</u>	<u>14,714,109</u>
Debt:		
General .. .....	2,898,146	9,804,400
County Health .....	247,325	
GCCARD .....	408,704	
Debt .....	10,000,000	10,000,000
Non-major Special Revenue.....	<u>29,558</u>	
Total Debt Service Funds . .....	<u>13,583,733</u>	<u>19,804,400</u>
Capital Project:		
General Fund.....		150,000
Total Capital Projects Funds .....		<u>150,000</u>
Total Governmental Funds .....	<u>73,489,202</u>	<u>66,299,852</u>
Enterprise:		
General .. .....		9,425,510
Non-major Special Revenue.....	667,494	
Internal... .....		<u>209,171</u>
Total Enterprise Funds .....	<u>667,494</u>	<u>9,634,681</u>
Internal Services:		
General .....	389,393	383,656
Enterprise .....	209,170	
Non-major Special Revenue.....	<u>1,562,930</u>	
Total Internal Service Funds.....	<u>2,161,493</u>	<u>383,656</u>
Total Transfers In/Out .....	<u>\$76,318,189</u>	<u>\$76,318,189</u>
Interfund Transfers In/Out primary government and component units:		
Component Unit – Land Bank Authority .....	\$ 1,008,000	\$
Primary government Enterprise .....		<u>1,008,000</u>
Total Primary Government and Component Unit Interfund Transfers In/Out.....	<u>\$ 1,008,000</u>	<u>\$ 1,008,000</u>

Transfers between funds were primarily for operating purposes. Other transfers were made to close funds.

# NOTES TO FINANCIAL STATEMENTS

## GENESEE COUNTY

## EXHIBIT A-13

### NOTE M-EXCESSES OF EXPENDITURES OVER APPROPRIATIONS

Excesses of expenditures over appropriations in individual funds are presented below:

<u>Fund</u>	<u>Excess Expenditures</u>
<b>General Fund</b>	
Board of Commissioners .....	\$ 19,982
GIS.....	1,297
Adult Probation .....	2
Veterans Burial .....	3,963
Other.....	383,577
Capital Outlay:	
County Clerk .....	5,066
Sheriff .....	6,000
Other .....	118,916
Animal Shelter .....	10,577
Debt Service .....	151,700
Internal Service.....	55,090
<b>Community Action Resource Department.....</b>	<b>253,745</b>
<b>Other Non-major Governmental Funds</b>	
Accommodation Ordinance Tax .....	37,193
Administration of Justice.....	1,102
Animal Shelter .....	13,439
Community Enrichment and Development.....	749,608
Law Enforcement.....	1,715,754
Medical Examiner .....	103,773
Senior Services .....	1,062,909
Township Police Support Services .....	105,519

### NOTE N-COMPONENT UNIT DISCLOSURES

#### Deposits and investments:

All of the County's component units deposits and investments are governed by the following:

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended), authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The County's component units are allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States bank; commercial paper rated within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Road Commission has designated one bank for the deposit of funds. The investment policy adopted by the Board of each component unit is in accordance with Public Act 196 of 1997. All component unit deposits and investment policies are in accordance with statutory authority. The cash and investments of component units are subject to the same types of risks as detailed in Note C. These risks are examined in more detail below:

Custodial credit risk of bank deposits-None of the component units have a deposit policy for custodial credit risk. At year end, the Road Commission had \$49,015,171 of bank deposits (checking and high balance savings accounts) that were uninsured and uncollateralized. At year end, the Economic Development Corporation had \$106,366 of bank deposits (checking and high balance savings accounts) that were uninsured and uncollateralized. At year end, the Water and Waste Services Division had bank deposits (checking and high balance savings accounts) that were fully insured. At year end, the Drain Commission had \$2,762,822 of bank deposits (checking and high balance savings accounts) that were uninsured and uncollateralized. At year end, the Land Bank Authority had \$0 of bank deposits (checking and savings accounts) that were uninsured and uncollateralized. At year end, the Brownfield Authority did not have any bank deposits (checking and savings accounts) that were uninsured and uncollateralized. At year end, the Storm Water Management System had \$165,077 of bank deposits (checking and savings accounts) that were uninsured and uncollateralized.

Custodial credit risk of investments- At year end, the following investment securities were uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the Commission's name.

Road Commission:

<u>Type of Investment</u>	<u>Carrying Value</u>	<u>How Held</u>
U.S. gov or agency bond or notes (sweep)	\$ 513,237	Counterparty

Interest rate risk- Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Commission's investment policy does not restrict investment maturities, other than commercial paper which can only be purchased with a 270 day maturity. At year end, the average maturities of investments are as follows:

Road Commission:		
<u>Investment</u>	<u>Fair Value</u>	<u>Less than one year</u>
Michigan Governmental MMF	\$ 513,237	\$ 513,237
Mutual funds	8,630,138	8,630,138
Land Bank Authority:		
<u>Investment</u>	<u>Fair Value</u>	<u>Less than one year</u>
Governmental security pooled fund	\$ 342,355	\$ 342,355

Credit risk – State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Commission has no investment policy that would further limit its investment choices. As of year end, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

Road Commission:			
<u>Investment</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
Michigan Governmental MMF	\$ 513,237	Aaa	Moody's
MERS total Market Fund	8,630,138	N/A	
Land Bank Authority:			
<u>Investment</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
Governmental security pool	\$ 342,355	N/A	N/A

#### ROAD COMMISSION:

**Long-Term Debt:** The long term debt for the Genesee County Road Commission is presented below:

	<u>Balance October 1, 2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance September 30, 2010</u>
MTF notes	\$13,305,000	\$	\$(1,590,000)	\$11,715,000
SIB Loan	2,601,283		(1,875,557)	725,726
Recovery Zone Bond		6,000,000		6,000,000
Capital leases	156,749		(78,473)	78,276
Total notes and leases	<u>16,063,032</u>	<u>6,000,000</u>	<u>(3,544,030)</u>	<u>18,519,002</u>
Compensated absences	1,002,117	60,492		1,062,609
Net OPEB obligation	<u>2,234,266</u>		<u>(477,820)</u>	<u>1,756,446</u>
Total long term debt	<u>\$19,299,415</u>	<u>\$6,060,492</u>	<u>\$(4,021,850)</u>	<u>\$21,338,057</u>

The outstanding bonds and notes payable at September 30, 2010, and matured interest thereon, are payable to the State of Michigan from the proceeds of state-collected taxes returned to the Road Commission as Act 51 monies. In the case of default, the state treasurer is authorized to withhold future disbursements of Act 51 monies due the Road Commission until the defaulted payments are recovered by the state.

For certain outstanding notes, special assessments have also been levied on specific properties abutting certain road improvements. The collection of the assessments has been pledged as additional security for the payment of the bonds.

The detail of general obligation bonds and loans payable is shown below:

<u>Obligation Payables</u>	<u>Final Payment Due</u>	<u>Interest Rate or Range</u>	<u>Annual Principal Payment or Range</u>	<u>Outstanding Balance Sept. 30, 2010</u>	<u>Due Within One Year</u>
Michigan Transportation Fund notes:					
2001 Issue .....	August 1, 2011	3.75%-4.2%	\$ 125,000	\$ 125,000	\$ 125,000
2002 Issue .....	August 1, 2012	2.80-3.70	25,000	50,000	25,000
2006A Issue .....	August 1, 2016	4.00	160,000-295,000	1,615,000	245,000
2006B Issue .....	August 1, 2013	5.20-5.30	50,000-90,000	260,000	85,000
2007 Issue .....	September 30, 2017	3.70-4.00	385,000-525,000	3,260,000	415,000
2008 Issue .....	August 1, 2018	3.00-4.00	320,000-515,000	3,400,000	345,000
2009 Issue .....	August 1, 2019	2.00-3.30	295,000-380,000	<u>3,005,000</u>	<u>300,000</u>
Total Notes .....				11,715,000	1,540,000

# NOTES TO FINANCIAL STATEMENTS

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<u>Obligation Payables</u>	<u>Final Payment Due</u>	<u>Interest Rate or Range</u>	<u>Annual Principal Payment or Range</u>	<u>Outstanding Balance Sept. 30, 2010</u>	<u>Due Within One Year</u>
SIB Loan 2008 .....		3.00	221,317-349,092	725,726	234,795
Recovery Zone Bond 2010 Issue .....	August 1, 2020	4.34	560,000-665,000	6,000,000	560,000
Capital lease obligation .....				78,276	78,276
Compensated absences .....				1,062,609	158,654
Net OPEB obligation .....				<u>1,756,446</u>	
				<u>\$21,338,057</u>	<u>\$2,571,725</u>

Annual requirements to pay principal and interest on the outstanding obligations at September 30, 2010, are as follows:

	<u>Long-term debt</u>	<u>Capital leases</u>
Year Ended 9-30-2011 .....	\$2,992,120	\$80,883
9-30-2012 .....	2,881,581	
9-30-2013 .....	2,846,524	
9-30-2014 .....	2,487,493	
09/30/2015 .....	2,486,748	
09/30/2016 - 09/30/2020 .....	<u>8,095,075</u>	
Amount representing interest .....	<u>(3,348,815)</u>	<u>(2,607)</u>
	<u>\$18,440,726</u>	<u>\$78,276</u>

Act 143, Public Acts of State 1943, provides that total bonds and notes outstanding under this act cannot exceed 40% of the sum of the revenues derived from state collected taxes returned to the county for county road purposes for the last preceding five calendar years and not specifically allocated for other purposes. As of September 30, 2010, the Road Commission is within the statutory limit of Act 143.

**Future Revenues Pledged for Debt Payment:** The Road Commission Board has irrevocably appropriated and pledged the money received and to be received by the County from the Michigan Transportation Fund (the "Transportation Fund") for highway and road purposes pursuant to Act 51, Public Acts of Michigan, 1951, as amended ("Act 51") to the extent necessary to pay the above principal of and interest on the Michigan Transportation Notes. Proceeds from the bonds provided financing for the construction of the road projects. During the current year, Act 51 revenues were \$20,615,338 compared to the annual debt requirements of \$4,090,616.

**Property and Equipment:** The following table summarizes the changes in the components of the Road Commission's capital assets:

	<u>Balance Oct. 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Sept. 30, 2010</u>
Capital assets not being depreciated:				
Land and improvements .....	\$ 478,816	\$	\$	\$ 478,816
Construction in progress .....	90,375	909,223	90,375	909,223
Depletable assets .....	<u>1,210</u>			<u>1,210</u>
Subtotal .....	570,401	909,223	90,375	1,389,249
Capital assets being depreciated:				
Land improvements .....	1,101,329	136,897		1,238,226
Buildings and improvements .....	9,308,234	67,006		9,375,240
Equipment:				
Road .....	22,069,314	3,154,258	2,505,861	22,717,711
Shop .....	463,016	7,704		470,720
Engineering .....	107,782	16,192		123,974
Yard and Storage .....	498,964			498,964
Office .....	1,210,656	38,028	35,549	1,213,135
Lab .....	<u>13,408</u>			<u>13,408</u>
Total .....	34,772,703	3,420,085	2,541,410	35,651,378
Infrastructure-Roads .....	303,397,331	16,019,683		319,417,014
Infrastructure-Bridges .....	<u>26,794,478</u>	<u>870,893</u>		<u>27,665,371</u>
Subtotal .....	<u>364,964,512</u>	<u>20,310,661</u>	<u>2,541,410</u>	<u>382,733,763</u>
Less accumulated depreciation for:				
Land improvements .....	(316,825)	(59,444)		(376,269)
Buildings and improvements .....	(5,105,588)	(422,487)		(5,528,075)
Equipment:				
Road .....	(17,469,059)	(2,200,042)	(2,481,385)	(17,187,716)
Shop .....	(381,826)	(22,922)		(404,748)
Engineering .....	(99,238)	(11,422)		(110,660)
Yard and storage .....	(498,964)			(498,964)
Office .....	(922,021)	(71,327)	(35,549)	(957,799)
Lab .....	<u>(13,408)</u>			<u>(13,408)</u>
Subtotal .....	<u>(24,806,929)</u>	<u>(2,787,644)</u>	<u>(2,516,934)</u>	<u>(25,077,641)</u>

	<u>Balance Oct. 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Sept. 30, 2010</u>
Infrastructure-Bridges .....	(5,457,243)	(696,498)		(6,153,741)
Infrastructure-Roads .....	<u>(174,730,862)</u>	<u>(10,836,633)</u>		<u>(185,567,495)</u>
Subtotal.....	<u>(180,188,105)</u>	<u>(11,533,131)</u>		<u>(191,721,236)</u>
Total net capital assets.....	<u>\$160,539,877</u>	<u>\$ 6,899,109</u>	<u>\$ 114,851</u>	<u>\$167,324,135</u>

## POST-EMPLOYMENT BENEFITS—

### PLAN DESCRIPTION

The Road Commission provides retiree health care benefits to eligible employees and their spouses. This is a single employer defined benefit plan administered by the Road Commission. The benefits are provided under collective bargaining agreements.

### FUND POLICY

The collective bargaining agreements require the Road Commission to pay the insurance premium/claim costs of the retiree and spouse until death. The Commission obtains health care coverage for retirees through private insurers. Upon eligibility for Medicare, the Road Commission will pay the difference between the plan costs and the amount covered by Medicare. The Road Commission has no obligation to make contributions in advance of when the insurance premiums or claims are due for payment (in other words, this may be financed on a “pay-as-you-go” basis).

### FUNDING PROGRESS

For the year ended September 30, 2010 the Road Commission has estimated the cost of providing retiree health care benefits through an actuarial valuation as of September 30, 2010. The valuation computes an annual required contribution, which represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. This valuation's computed contribution and actual funding are summarized as follows:

	<u>Fiscal Year Ended September 30</u>	
	<u>2009</u>	<u>2010</u>
Annual required contribution (recommended)	\$5,083,112	\$4,494,838
Interest on the prior year's net OPEB obligation	327,341	167,570
Less adjustment to the annual required contribution	<u>(347,126)</u>	<u>(277,943)</u>
Annual OPEB cost	\$5,063,327	\$4,384,465
Amount contributed:		
Payments of current premiums	(2,321,262)	(2,386,251)
Advance funding	<u>(4,872,340)</u>	<u>(2,476,034)</u>
Decrease in net OPEB obligation	(2,130,275)	(477,820)
OPEB obligation – beginning of year	<u>4,364,541</u>	<u>2,234,266</u>
OPEB obligation – end of year	<u>\$2,234,266</u>	<u>\$1,756,446</u>

	<u>Fiscal Year Ended September 30</u>		
	<u>2008</u>	<u>2009</u>	<u>2010</u>
Annual OPEB Costs	\$6,885,616	\$5,063,327	\$4,384,465
Percentage contributed	36.6%	142%	108%
Net OPEB obligation	\$4,364,541	\$2,234,266	\$1,756,446

The funding progress of the plan as of the most recent valuation date is as follows:

	<u>Fiscal Year Ended September 30</u>		
	<u>2008</u>	<u>2009</u>	<u>2010</u>
Unfunded AAL	\$(52,077,151)	\$(87,622,775)	\$(52,714,774)
Funded	0%	0%	15%
Annual covered payroll – December 31,	\$10,145,294	\$9,659,446	\$ 9,023,093
Ratio of UAAL to covered payroll	513%	907%	496%

### ACTUARIAL METHODS AND ASSUMPTIONS

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as

# NOTES TO FINANCIAL STATEMENTS

## GENESEE COUNTY

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required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the September 30, 2010, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 7.5 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 9.0 percent initially, reduced by decrements to an ultimate rate of 5.0 percent after four years. Both rates included a 4.0 percent inflation assumption. At the point in time that the Road Commission begins funding the plan, the actuarial value of assets will be determined using techniques that spread the effects of short-term volatility in the market value of investments over a multiple year period. The UAAL is being amortized as a level percentage of projected payroll on a closed 30 year basis. The remaining amortization period at September 30, 2010, was 28 years.

### WATER AND WASTE SERVICES:

**Long-Term Debt:** The summary of long-term debt transactions for the Water and Waste Services for the year ended December 31, 2009, is presented below:

	<u>Balance Jan. 1, 2009</u>	<u>Additions (Reductions)</u>	<u>Balance Dec. 31, 2009</u>	<u>Due In One Year</u>
1.625% to 7.0% Interceptor and treatment facilities .....	\$ 86,340,641	\$ 12,319,417	\$ 98,660,058	\$5,495,000
2.5% to 7.375% District No. 3.....	37,965,000	(2,310,000)	35,655,000	2,400,000
2.50% to 5.00% Water supply system .....	<u>43,765,000</u>	<u>(1,135,000)</u>	<u>42,630,000</u>	<u>1,175,000</u>
	<u>\$168,070,641</u>	<u>\$ 8,874,417</u>	<u>\$176,945,058</u>	<u>9,070,000</u>

The annual requirements to pay principal and interest on the outstanding obligations for Water and Waste Services at December 31, 2009, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010 .....	\$ 9,070,000	\$6,107,292	\$15,177,292
2011 .....	9,305,000	5,811,940	15,116,940
2012 .....	9,670,000	5,501,344	15,171,344
2013 .....	9,990,000	5,175,195	15,165,195
2014 .....	10,345,000	4,828,301	15,173,301
2015-2019.....	49,085,000	18,879,657	67,964,657
2020-2024.....	42,175,000	11,808,025	53,983,025
2025-2029.....	30,290,058	4,953,029	35,243,087
2030-2033.....	<u>7,015,000</u>	<u>794,162</u>	<u>7,809,162</u>
Total .....	<u>\$176,945,058</u>	<u>\$63,858,945</u>	<u>\$240,804,003</u>

**Future Revenues Pledged for Debt Payment:** The Water and Waste Services Division has pledged substantially all revenue of the Water and Sewer Fund, net of operating expenses, to repay the above Genesee County Drain Commissioner water and sewer revenue bonds. Proceeds from the bonds provided financing for the construction of the water and waste systems described above. The bonds are payable solely from the net revenues of the water and sewer system. The remaining principal and interest to be paid on the bonds total \$130,656,154. During the current year, net revenues of the system were \$12,751,617 compared to the annual debt requirements of \$6,714,320.

**Subsequent Event:** The Division issued Series 2010A \$24,240,000 state revolving fund sewage disposal system revenue bonds in January 2010. The proceeds from these bonds will be used to fund interceptor and treatment facility construction costs. The Division issued Series 2010A \$1,505,000 state revolving fund sewage disposal system No. 3 revenue bonds in January 2010. The proceeds from these bonds will be used to fund district No. 3 construction costs.

**Capital Assets -** The following is a summary of capital assets for Water and Waste Services at December 31, 2009:

	<u>Balance Jan. 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Dec. 31, 2009</u>
Proprietary fund capital assets				
Enterprise Funds:				
Capital assets not being depreciated:				
Land .....	\$ 871,021	\$	\$	\$ 871,021
Construction in progress .....	61,593,469	16,663,165		78,256,634
Reclassifications and adjustments			(22,267,475)	(22,267,475)
Subtotal.....	<u>62,464,490</u>	<u>16,663,165</u>	<u>(22,267,475)</u>	<u>56,860,180</u>

	<u>Balance Jan. 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Dec. 31, 2009</u>
Capital assets being depreciated:				
Distribution & collections systems	224,517,148	6,227,733		230,744,881
Reclassifications and adjustments		22,252,496		22,252,496
Vehicles.....	45,300	197,113		242,413
Buildings and equipment.....	<u>4,190,306</u>	<u>283,596</u>		<u>4,473,902</u>
Subtotal.....	<u>228,752,754</u>	<u>28,960,938</u>		<u>257,713,692</u>
Less accumulated depreciation for:				
Distribution & collections systems	(32,932,030)	(4,844,276)		(37,776,306)
Vehicles.....	(5,663)	(61,278)		(66,941)
Buildings and equipment.....	<u>(2,225,813)</u>	<u>(508,766)</u>		<u>(2,734,579)</u>
Subtotal.....	<u>(35,163,506)</u>	<u>(5,414,320)</u>		<u>(40,577,826)</u>
Net capital assets being depreciated	<u>193,589,248</u>	<u>23,546,618</u>		<u>217,135,866</u>
Total capital assets – Net of depreciation	<u>256,053,738</u>	<u>40,209,783</u>	<u>(22,267,475)</u>	<u>273,996,046</u>
Internal Service Funds:				
Capital assets being depreciated –				
Buildings and equipment.....	7,081,281	551,632	(14,617)	7,618,296
Less accumulated depreciation –				
Buildings and equipment.....	<u>(4,700,158)</u>	<u>(355,005)</u>	<u>14,617</u>	<u>(5,040,546)</u>
Net capital assets being depreciated	<u>2,381,123</u>	<u>196,627</u>		<u>2,577,750</u>
Total capital assets – Net of depreciation	<u>2,381,123</u>	<u>196,627</u>		<u>2,577,750</u>
Total proprietary fund capital assets	<u>\$258,434,861</u>	<u>\$40,406,410</u>	<u>\$(22,267,475)</u>	<u>\$276,573,796</u>

## POST-EMPLOYMENT BENEFITS—

### PLAN DESCRIPTION

The Water and Waste Services Division provides retiree healthcare, dental, life, and vision benefits to eligible employees and their spouses through the Municipal Employees' Retirement System. This is an agent multiple employer defined benefit plan administered by the Division. The benefits are provided under collective bargaining agreements.

### FUND POLICY

The collective bargaining agreements do not require employee contributions. The Division has no obligation to make contributions in advance of when the insurance premiums are due for payment (in other words, this may be financed on a "pay-as-you-go" basis). However, as shown below, the Division has made contributions to advance-fund these benefits, as determined by the Division.

### FUNDING PROGRESS

For the year ended December 31, 2009, the Division has estimated the cost of providing retiree healthcare benefits through an actuarial valuation as of December 31, 2008. The valuation computes an annual required contribution, which represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. This valuation's computed contribution and actual funding are summarized as follows:

	<u>Fiscal Year Ended December 31</u>	
	<u>2008</u>	<u>2009</u>
Annual required contribution (recommended)	\$2,044,285	\$2,085,921
Interest on the prior year's net OPEB obligation		76,228
Less adjustment to the annual required contribution		<u>(47,720)</u>
Annual OPEB cost	2,044,285	2,114,429
Amount contributed:		
Payments of current premiums	(1,091,433)	(1,016,108)
Advance funding	<u>(5,000)</u>	<u>(23,850)</u>
Increase in net OPEB obligation	947,852	1,074,471
OPEB obligation – Beginning of year		<u>947,852</u>
OPEB obligation – end of year	<u>\$ 947,852</u>	<u>\$2,022,323</u>
	<u>Fiscal Year Ended December 31</u>	
	<u>2008</u>	<u>2009</u>
Annual OPEB Costs	\$2,044,285	\$2,114,429
Percentage contributed	53.63%	49.18%
Net OPEB obligation	\$947,852	\$2,022,323

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The funding progress of the plan as of the most recent valuation date is as follows:

	<u>Fiscal Year Ended December 31</u>	
	<u>2008</u>	<u>2009</u>
Unfunded AAL	\$22,642,182	\$26,440,321
Funded	0%	0%
Annual covered payroll – December 31,	\$8,138,717	\$8,420,060
Ratio of UAAL to covered payroll	278.20%	314.02%

### ACTUARIAL METHOD AND ASSUMPTIONS

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2008 actuarial valuation, the individual entry age actuarial cost method was used. The actuarial assumptions included an 8.0 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 5.0 percent. The UAAL is being amortized as a level percentage of projected payroll over 30 years.

### DRAIN COMMISSION:

The summary of long-term debt transactions for the Drain funds for the year ended September 30, 2010, is presented below:

	<u>Balance Oct. 1, 2009</u>	<u>Additions (Reductions)</u>	<u>Balance Sept. 30, 2010</u>	<u>Due in One Year</u>
5.0% to 5.6% McCollum Avenue Twenty Drain Drainage District Bond .....	\$ 140,000	\$ (140,000)	\$	\$
3.69% to 6.85% Genesee County Special Assessment debt with governmental commitment .....	588,767	411,412 (201,421)	798,758	481,091
4.75 to 5.4% Genesee County Drainage District #1610 Series 2000 Bonds .....	350,000	(50,000)	300,000	50,000
4.0 to 4.25% Genesee County Drainage District #408 Series 2006 Bonds .....	545,000	(100,000)	445,000	100,000
4.0% Genesee County Drainage District #382 Series 2007 Bonds .....	<u>1,465,000</u>	<u>(400,000)</u>	<u>1,065,000</u>	<u>400,000</u>
	<u>\$3,088,767</u>	<u>\$ (480,009)</u>	<u>\$ 2,608,758</u>	<u>\$1,031,091</u>

The annual requirements to pay principal and interest on the outstanding obligations for the Drain funds at September 30, 2010, are as follows:

2010/2011 .....	\$1,132,426
2011/2012 .....	803,977
2012/2013 .....	315,793
2013/2014 .....	235,697
2014/2015 .....	190,350
2016/2019 .....	<u>182,700</u>
	2,860,943
Amount representing interest .....	<u>(252,185)</u>
	<u>\$2,608,758</u>



The following is a summary of capital assets for the Drain fund at September 30, 2010:

	<b>Balance Oct. 1, 2009</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance Sept. 30, 2010</b>
Capital assets being depreciated:				
Equipment.....	\$1,564,582	\$	\$	\$ 1,564,582
Infrastructure.....	22,738,789	1,829,782		24,568,571
Drain System Retrospective .....	29,376,026			29,376,026
Capital assets not being depreciated:				
Construction in Progress .....	163,658	29,711	(85,748)	107,622
Subtotal .....	<u>53,843,055</u>	<u>1,859,493</u>	<u>(85,748)</u>	<u>55,616,801</u>
Less Allowance for Depreciation ..				
Equipment.....	(1,161,025)	(157,041)		(1,318,066)
Infrastructure.....	(4,068,222)	(2,238,509)		(6,306,731)
Drain System Retrospective .....	<u>(20,131,888)</u>			<u>(20,131,888)</u>
Subtotal .....	<u>(25,361,135)</u>	<u>(2,395,550)</u>		<u>(27,756,685)</u>
Net capital assets being depreciated	<u>28,318,262</u>	<u>(565,766)</u>		<u>27,752,496</u>
Total Capital Assets				
Net of depreciation.....	<u>\$28,481,920</u>	<u>\$ (536,055)</u>	<u>\$ (85,748)</u>	<u>\$ 27,860,118</u>

During 2006, the Drain Commission complied with the provisions of GASB Statement 34 relative to the retroactive adjustment to capitalize infrastructure back to 1980.

#### LAND BANK AUTHORITY:

The summary of long-term debt transactions for the Genesee County Land Bank Authority for the year ended September 30, 2010, is presented below:

	<b>Balance Oct.1, 2009</b>	<b>Additions</b>	<b>(Reductions)</b>	<b>Balance Sept. 30, 2010</b>	<b>Due In One Year</b>
Promissory Note – Genesee County .....	\$ 975,038	\$	\$	\$ 975,038	\$ 130,027
Berridge Place Project.....	1,195,000		(180,000)	1,015,000	230,000
Note payable.....	148,799		(148,799)		
Note payable - LRC .....	310,000		(199,253)	110,747	110,747
Land Bank Center .....	1,925,000		(35,000)	1,890,000	40,000
Vehicle leases.....	9,886		(9,886)		
Total note leases .....	<u>4,563,723</u>		<u>(572,938)</u>	<u>3,990,785</u>	<u>510,774</u>
Compensated absences .....	16,891	13,141		30,032	
Total long-term .....	<u>\$4,580,614</u>	<u>\$ 13,141</u>	<u>\$ (572,938)</u>	<u>\$ 4,020,817</u>	<u>\$ 510,774</u>

The annual requirements to pay principal and interest on the outstanding obligations at September 30, 2010, are as follows:

2011 .....	\$ 680,114
2012 .....	569,971
2013 .....	574,057
2014 .....	578,193
2015 .....	286,259
2016-2020 .....	1,038,007
2021-2025 .....	730,689
20226-2030 .....	735,165
2031-2034 .....	589,797
	5,782,253
Amount representing interest.....	<u>(1,791,468)</u>
	<u>\$3,990,785</u>

The following is a summary of capital assets for the Genesee County Land Bank Authority at September 30, 2010:

	<b>Balance Oct. 1, 2009</b>	<b>Disposals and Additions</b>	<b>Balance Adjustments</b>	<b>Sept. 30, 2010</b>
Capital assets not being depreciated:				
Land .....	\$ 282,908	\$	\$ (198,600)	\$ 84,308
Construction in progress-Bldgs....				
Subtotal.....	<u>282,908</u>		<u>(198,600)</u>	<u>84,308</u>

# NOTES TO FINANCIAL STATEMENTS

## GENESEE COUNTY

## EXHIBIT A-13

	<u>Balance Oct. 1, 2009</u>	<u>Disposals and Additions</u>	<u>Balance Adjustments</u>	<u>Sept. 30, 2010</u>
Capital assets being depreciated:				
Buildings and improvements.....	16,286,075	(146,214)	198,600	16,338,461
Maintenance and equipment .....	152,279	56,368		208,647
Office equipment.....	87,133	4,246		91,379
Vehicles .....	103,159	17,115		120,274
Subtotal .....	<u>16,628,646</u>	<u>(68,485)</u>	<u>198,600</u>	<u>16,758,761</u>
Less Accumulated depreciation:				
Buildings and improvements.....	(1,480,154)	(449,572)		(1,929,726)
Maintenance and equipment .....	(28,394)	(9,923)		(38,317)
Office equipment.....	(87,649)	(23,964)		(111,613)
Vehicles .....	(64,200)	(16,103)		(80,303)
Subtotal .....	<u>(1,660,397)</u>	<u>(499,562)</u>		<u>(2,159,959)</u>
Net capital assets being depreciated .....	<u>14,968,249</u>	<u>(568,047)</u>	<u>198,600</u>	<u>14,598,802</u>
Total capital assets – Net of depreciation	<u>\$15,251,157</u>	<u>\$(568,047)</u>	<u>\$ 198,600</u>	<u>\$14,683,110</u>

### BROWNFIELD AUTHORITY:

The summary of long-term debt transactions for the Genesee County Brownfield Authority for the year ended September 30, 2010 is presented below:

	<u>Balance Oct. 1, 2009</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Balance Sept. 30, 2010</u>	<u>Due In One Year</u>
3.0% to 5.0% Genesee County Brownfield Authority Series 2005 Tax Increment Bonds, Subject to redemption prior to maturity.....	<u>\$13,035,000</u>	<u>\$</u>	<u>\$ (105,000)</u>	<u>\$12,930,000</u>	<u>\$110,000</u>

The annual requirements to pay principal and interest on the outstanding obligations at September 30, 2010, are as follows:

2011 .....	\$ 724,000
2012 .....	817,600
2013 .....	843,500
2014 .....	843,500
2015 .....	852,900
2016-2019 .....	3,501,975
2020-2024 .....	4,570,925
2025-2029 .....	4,793,000
2030-2034 .....	5,025,750
2035-2039 .....	<u>1,035,250</u>
	23,008,400
Amount representing interest.....	<u>(10,078,400)</u>
	<u>\$12,930,000</u>

### NOTE O-RESTATEMENT OF NET ASSETS

**Restatement:** Net assets and fund balances at September 30, 2010, were restated to correct beginning balances. Net assets and fund balances were restated for the following reasons:

- 1) To properly account for accounts receivable for road projects in the Governmental Activities.
- 2) To account for loans receivable in the Major Special Revenue Fund – Community Development financials

	<u>As Previously Reported</u>	<u>Adjustments</u>	<u>Restated Amounts</u>
Component units:			
Net Assets			
Road Commission	<u>\$205,963,173</u>	<u>\$ 103,322 <sup>(1)</sup></u>	<u>\$ 206,066,495</u>
Primary government:			
Net Assets			
Governmental activities	<u>\$ 137,138,141</u>	<u>\$ 9,759,447 <sup>(2)</sup></u>	<u>\$ 146,897,588</u>

## NOTE P-GASB UPCOMING ACCOUNTING PRONOUNCEMENTS DISCLOSURE

In June 2007, the GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, effective for the County's 2010 fiscal year end. This Statement requires capitalization of identifiable intangible assets in the statement of net assets and provides guidance for amortization of intangible assets unless they are considered to have an indefinite useful life. This Statement also establishes specified conditions upon which internally generated intangible assets should be recognized and amortized, including internally generated computer software. The County is currently evaluating the impact this standard will have on the financial statements when adopted.

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated and unreserved will be replaced with five new classifications: nonspendable, restricted, committed, assigned and unassigned. The County is currently evaluating the impact this standard will have on the financial statements when adopted. The County will implement Statement No. 54 beginning with the fiscal year ended September 30, 2011.

## Note Q-PENSION, EMPLOYEES' FRINGE BENEFIT (VEBA) AND QUALIFIED EXCESS BENEFIT ARRANGEMENT (QEBA) TRUST FUNDS

	General Employees Retirement System	Employees' Qualified Excess Arrangement (QEBA)	Employees' Fringe Benefit (VEBA)	Total
Statement of Net Assets:				
Cash and investments	\$ 415,619,873	\$ 983	\$ 41,578,517	\$ 457,199,373
Other assets	2,156,460		1,109,358	3,265,818
Liabilities	<u>(23,412,209)</u>		<u>(2,190,584)</u>	<u>(25,602,793)</u>
Net Assets	<u>394,364,124</u>	<u>983</u>	<u>40,497,291</u>	<u>434,862,398</u>
Statement of Changes in Net Assets:				
Investment Income	60,858,466		2,201,446	63,059,912
Contributions	14,457,565		13,512,778	27,970,343
Other increases	5,562,757		1,629,352	7,192,109
Benefit payments	<u>(32,750,874)</u>		<u>(12,410,424)</u>	<u>(45,161,298)</u>
Other decreases	<u>(3,944,499)</u>		<u>(215,204)</u>	<u>(4,159,703)</u>
Change in Net Assets	<u>\$ 44,183,415</u>	<u>\$</u>	<u>\$ 4,717,948</u>	<u>\$ 48,901,363</u>

## Note R-Subsequent Event

The county issued Series 2011 \$20,000,000 tax anticipation notes in March 2011. The proceeds from these bonds will be used to provide cashflow for County operations prior to collection of the 2011 property tax levy. The collections for this levy will be collected between July, 2011 and June, 2012. The tax anticipation notes have a maturity date of November 30, 2011.



**SUPPLEMENTARY  
INFORMATION  
GENERAL AND MAJOR FUNDS**



**SCHEDULE OF REVENUES AND TRANSFERS IN  
BUDGET AND ACTUAL -- GENERAL FUND  
REQUIRED SUPPLEMENTARY INFORMATION**

**GENESEE COUNTY**

**Exhibit B-1**

Fiscal Year Ended September 30, 2010				
	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>OPERATING REVENUE</b>				
<b>TAXES</b>				
Current property taxes.....	\$ 57,343,241	\$ 56,475,794	\$ 45,331,994	\$ (11,143,800)
<b>LICENSES AND PERMITS</b>				
Dog licenses .....	445,000	435,000	438,516	3,516
Other.....	73,300	130,025	132,824	2,799
TOTALS	518,300	565,025	571,340	6,315
<b>FINES AND FORFEITURES</b>				
Ordinance fines and costs.....	2,701,044	1,728,000	1,739,714	11,714
Bond forfeitures .....	39,551	34,160	33,162	(998)
TOTALS	2,740,595	1,762,160	1,772,876	10,716
<b>USE OF MONEY AND PROPERTY</b>				
Interest earned .....	400,000	129,500	104,552	(24,948)
<b>OTHER INTERGOVERNMENTAL REVENUES</b>				
Probate judges salaries .....	285,010	188,390	201,879	13,489
Revenue Sharing.....			667,757	667,757
State liquor tax.....	2,382,337	2,600,000	2,339,105	(260,895)
State cigarette tax.....	40,141	108,601	108,601	
Other.....	3,803,494	4,304,489	4,654,428	349,939
TOTALS	6,510,982	7,201,480	7,971,770	770,290
<b>CHARGES FOR SERVICES</b>				
Animal Shelter .....	45,000	56,100	68,577	12,477
District Court.....	2,769,790	2,468,250	2,546,996	78,746
Friend of the Court.....	271,765	271,765	268,630	(3,135)
Probate Court .....	142,150	147,450	150,007	2,557
Probation fees .....	33,000	35,500	36,185	685
County Treasurer.....	1,110,000	661,400	664,369	2,969
County Clerk .....	1,171,327	1,074,900	1,099,820	24,920
Register of Deeds .....	1,325,136	1,202,525	1,231,044	28,519
Sheriff .....	1,731,310	1,495,885	1,438,088	(57,797)
Other services .....	365,476	402,597	331,488	(71,109)
TOTALS	8,964,954	7,816,372	7,835,204	18,832
OTHER REVENUE.....	579,500	846,863	855,861	8,998
TOTAL OPERATING REVENUE	77,057,572	74,797,194	64,443,597	(10,353,597)
<b>TRANSFERS IN</b>				
Enterprise Funds .....	2,946,446	3,322,081	9,425,510	6,103,429
Special Revenue Funds.....	1,893,811	1,807,855	2,937,769	1,129,914
Capital Projects Funds.....	150,000	150,000	150,000	
Debt Service Funds.....			9,804,400	9,804,400
Revenue Sharing.....	9,910,159	10,695,759	10,057,260	(638,499)
Internal Service Funds.....	752,223	755,705	383,656	(372,049)
TOTAL TRANSFERS IN	15,652,639	16,731,400	32,758,595	16,027,195
	<u>\$ 92,710,211</u>	<u>\$ 91,528,594</u>	<u>\$ 97,202,192</u>	<u>\$ 5,673,598</u>

NOTE - The budgetary basis is the same as reported by generally accepted accounting principles.

**SCHEDULE OF EXPENDITURES AND APPROPRIATIONS  
BUDGET AND ACTUAL -- GENERAL FUND  
REQUIRED SUPPLEMENTARY INFORMATION**

**GENESEE COUNTY**

**Exhibit B-2**

Fiscal Year Ended September 30, 2010				
	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>LEGISLATIVE</b>				
Board of Commissioners.....	\$ 871,556	\$ 882,816	\$ 902,798	\$ (19,982)
<b>MANAGEMENT AND PLANNING</b>				
Board Coordinator.....	411,300	395,744	386,802	8,942
Boundary Commission.....	650			
County Clerk.....	3,350,066	3,097,886	3,052,848	45,038
County Treasurer.....	2,018,694	1,628,292	1,593,542	34,750
Drain Commission.....	1,541,012	1,485,152	1,472,952	12,200
Elections Clerk.....	692,107	518,735	501,609	17,126
Equalization.....	1,030,403	972,746	952,394	20,352
GIS.....	223,167	209,681	210,978	(1,297)
Register of Deeds.....	596,324	628,505	607,742	20,763
TOTALS	9,863,723	8,936,741	8,778,867	157,874
<b>ADMINISTRATION OF JUSTICE</b>				
Adult Probation.....	62,468	65,947	65,949	(2)
Circuit Court.....	9,368,813	8,784,977	8,409,695	375,282
District Court.....	6,290,509	6,395,820	6,385,832	9,988
Jury Board.....	235,670	224,610	219,507	5,103
Probate Court.....	2,674,738	2,670,670	2,620,923	49,747
Prosecutor.....	5,286,817	5,421,010	5,404,913	16,097
Court Services.....	584,167	585,587	571,921	13,666
TOTALS	24,503,182	24,148,621	23,678,740	469,881
<b>LAW ENFORCE/ COMMUNITY PROTECTION</b>				
Road Patrol.....	220,935	366,165	360,986	5,179
Office of Emergency Preparedness.....	243,204	236,871	234,005	2,866
Sheriff Administration.....	2,717,676	2,777,414	2,767,156	10,258
Sheriff Marine Division.....	76,414	59,413	46,019	13,394
Detective Division.....	1,380,529	1,683,063	1,641,186	41,877
Sheriff Security.....	18,976,519	19,206,393	19,067,997	138,396
New Paths.....	323,765	323,765	323,765	0
TOTALS	23,939,042	24,653,084	24,441,114	211,970
<b>HUMAN SERVICES</b>				
Veterans Burial.....	41,038	65,338	69,301	(3,963)
Veterans Information Center.....	181,503	179,539	176,390	3,149
TOTALS	222,541	244,877	245,691	(814)
<b>COMMUNITY ENRICHMENT AND DEVELOPMENT</b>				
Cooperative Extension.....	35,718	35,718	29,477	6,241
<b>GENERAL SUPPORT SERVICES</b>				
Equity and Diversity.....	139,026	136,578	133,851	2,727

NOTE - The budgetary basis is the same as the basis required by generally accepted accounting principles.



Fiscal Year Ended September 30, 2010				
	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
OTHER				
Other.....	\$ 3,016,300	\$ 2,636,669	\$ 3,020,246	\$ (383,577)
Postretirement Benefits.....				
TOTALS	<u>3,016,300</u>	<u>2,636,669</u>	<u>3,020,246</u>	<u>(383,577)</u>
CAPITAL OUTLAY				
Circuit Court.....		208,036	208,035	1
County Clerk.....			5,066	(5,066)
District Court.....		25,675	7,544	18,131
Drain Commission.....				
GIS.....				
Prosecutor.....				
Sheriff.....		30,409	36,409	(6,000)
Treasurers.....				
All others.....			118,916	(118,916)
TOTALS	<u>0</u>	<u>264,120</u>	<u>375,970</u>	<u>(111,850)</u>
TOTAL EXPENDITURES	<u>62,591,088</u>	<u>61,939,224</u>	<u>61,606,754</u>	<u>332,470</u>
APPROPRIATIONS				
Special Revenue:				
Administration of Justice Funds.....	3,384,848	3,163,299	3,163,017	282
Animal Shelter.....	999,075	947,319	957,896	(10,577)
Child Care.....	10,262,562	10,124,107	10,124,107	
Community Enrichment and Development Funds.....	213,458	213,458	206,470	6,988
County Health.....	6,035,397	5,601,192	5,552,867	48,325
Debt Service Funds.....	2,746,446	2,746,446	2,898,146	(151,700)
Law Enforcement Funds.....	374,749	375,971	375,150	821
Medical Examiner.....	1,329,862	1,516,552	1,516,552	
Mental Health.....	3,700,000	3,700,000	3,700,000	
Parks and Recreation.....	329,246	329,246	329,246	
Planning Commission.....	538,980	526,997	526,997	
Social Services.....	4,500	10,500	10,500	
TOTALS	<u>29,919,123</u>	<u>29,255,087</u>	<u>29,360,948</u>	<u>(105,861)</u>
Internal Service:				
Administrative Services.....		103,415	94,343	9,072
Vehicles and Equipment.....	200,000	204,270	268,495	(64,225)
Building and Grounds.....		26,618	26,555	63
TOTALS	<u>200,000</u>	<u>334,303</u>	<u>389,393</u>	<u>(55,090)</u>
TOTAL APPROPRIATIONS	<u>30,119,123</u>	<u>29,589,390</u>	<u>29,750,341</u>	<u>(160,951)</u>
TOTAL EXPENDITURES AND APPROPRIATIONS	<u>\$ 92,710,211</u>	<u>\$ 91,528,614</u>	<u>\$ 91,357,095</u>	<u>\$ 171,519</u>

**SCHEDULE OF REVENUES AND OTHER SOURCES--BUDGET AND ACTUAL--  
MAJOR SPECIAL REVENUE FUNDS  
REQUIRED SUPPLEMENTARY INFORMATION**

**GENESEE COUNTY**

**Exhibit B-3**

Fiscal Year Ended September 30, 2010			
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>MENTAL HEALTH</b>			
General Fund appropriation.....	\$ 3,700,000	\$ 3,700,000	\$
Use of money and property.....	10,817	9,492	(1,325)
Federal grants.....	5,619,723	5,042,581	(577,142)
State grants.....	20,792,846	19,348,144	(1,444,702)
Charges for services.....	112,172,403	111,823,997	(348,406)
Other.....	1,407,737	1,512,062	104,325
TOTALS	<u>\$ 143,703,526</u>	<u>\$ 141,436,276</u>	<u>\$ (2,267,250)</u>
<b>COUNTY HEALTH</b>			
General Fund appropriation.....	\$ 5,815,705	\$ 5,900,427	\$ 84,722
Licenses and permits.....	1,044,937	983,732	(61,205)
Federal grants.....	4,631,455	7,006,633	2,375,178
State grants.....	9,691,690	2,246,021	(7,445,669)
Other intergovernmental revenue.....		493,697	493,697
Charges for services.....	258,156	268,279	10,123
Other.....	386,906	1,819,042	1,432,136
TOTALS	<u>\$ 21,828,849</u>	<u>\$ 18,717,831</u>	<u>\$ (3,111,018)</u>
<b>COMMUNITY ACTION RESOURCE DEPARTMENT</b>			
Federal grants.....	\$ 30,608,690	\$ 30,608,690	
State grants.....	2,238,446	2,238,446	
Charges for services.....	3,000,346	3,000,346	
Other.....	4,010,447	4,010,447	
TOTALS	<u>\$ 39,857,929</u>	<u>\$ 39,857,929</u>	<u>\$ 0</u>
<b>COMMUNITY DEVELOPMENT</b>			
Federal grants.....	\$ 5,734,468	\$ 5,734,468	
Other.....	41,561	41,561	
TOTALS	<u>\$ 5,776,029</u>	<u>\$ 5,776,029</u>	<u>\$ 0</u>

NOTE - The budgetary basis is the same as the basis required by generally accepted accounting principles.

**SCHEDULE OF EXPENDITURES AND OTHER USES--BUDGET AND ACTUAL--  
MAJOR SPECIAL REVENUE FUNDS  
REQUIRED SUPPLEMENTARY INFORMATION**

**GENESEE COUNTY**

**Exhibit B-4**

Fiscal Year Ended September 30, 2010			
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>MENTAL HEALTH</b>			
Board administration.....	\$ 7,163,341	\$ 5,287,596	\$ 1,875,745
Managed care.....	19,660,417	19,562,172	98,245
Residential services.....	30,402,739	30,608,257	(205,518)
Adult services.....	27,430,923	26,446,616	984,307
Clinical services.....	4,437,519	4,204,183	233,336
State hospitals.....	6,774,550	6,859,152	(84,602)
Developmental disabilities.....	21,104,580	20,951,495	153,085
Inpatient services.....	11,733,704	11,924,213	(190,509)
Substance abuse services.....	9,983,307	8,268,347	1,714,960
Employee benefits.....	6,260,370	6,260,370	
Capital outlay.....	706,080	706,080	
TOTALS	<u>\$ 145,657,530</u>	<u>\$ 141,078,481</u>	<u>\$ 4,579,049</u>
<b>COUNTY HEALTH</b>			
Personnel services.....	\$ 8,035,859	\$ 7,623,010	\$ 412,849
Fringe benefits.....	5,535,017	5,251,261	283,756
Supplies and services.....	7,971,118	5,400,317	2,570,801
Capital outlay.....	42,750	9,488	33,262
Transfers out.....	1,469,078	1,472,298	(3,220)
TOTALS	<u>\$ 23,053,822</u>	<u>\$ 19,756,374</u>	<u>\$ 3,297,448</u>
<b>COMMUNITY ACTION RESOURCE DEPARTMENT</b>			
Personnel services.....	\$ 10,249,423	\$ 10,288,178	\$ (38,755)
Fringe benefits.....	5,625,884	5,650,232	(24,348)
Supplies and services.....	22,059,612	21,841,550	218,062
Capital outlay.....	273,402	273,402	
Transfers out.....		408,704	(408,704)
TOTALS	<u>\$ 38,208,321</u>	<u>\$ 38,462,066</u>	<u>\$ (253,745)</u>
<b>COMMUNITY DEVELOPMENT</b>			
Supplies and services.....	913,767	913,767	
Program grants.....	3,317,526	3,317,526	
Capital outlay.....	2,812	2,812	
TOTALS	<u>\$ 4,234,105</u>	<u>\$ 4,234,105</u>	<u>\$ 0</u>

NOTE - The budgetary basis is the same as the basis required by generally :



**COMBINING  
FUND FINANCIAL STATEMENTS  
NONMAJOR GOVERNMENTAL FUNDS**

# COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

## GENESEE COUNTY

## Exhibit C-1

		<b>Special Revenue</b>
Cash and cash equivalents - Note C.....	\$	13,023,838
Investments - Note C.....		5,798,560
Interest and accounts receivable.....		273,323
Due from other governmental units.....		11,820,555
Due from other County funds -- Note L.....		2,187,483
Due from component unit - Land Bank Authority.....		
Prepaid expenses.....		
Supplies inventory.....		160,649
Other assets.....		18,027
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>33,282,435</b>
Accounts Payable.....	\$	3,171,236
Accrued payroll.....		1,168,400
Other accrued liabilities and deposits.....		262,751
Due to other governmental units.....		3,344,836
Due to other County funds -- Note L.....		6,222,515
Deferred revenue - Note K.....		437,559
<b>TOTAL LIABILITIES</b>		<b>14,607,297</b>
Fund balances:		
Reserved for inventory.....		160,649
Unreserved:		
Designated for programs.....		14,884,455
Designated for debt service.....		
Undesignated.....		3,630,034
<b>TOTAL FUND BALANCES</b>		<b>18,675,138</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$</b>	<b>33,282,435</b>

September 30, 2010

Debt Service	Capital Projects	Total Nonmajor Governmental Funds
\$ 376,408	\$ 284,914	\$ 13,685,160
	860	5,798,560
		274,183
131,992		11,820,555
1,890,000		2,319,475
		1,890,000
		0
		160,649
		18,027
<u>\$ 2,398,400</u>	<u>\$ 285,774</u>	<u>\$ 35,966,609</u>

\$		\$ 3,171,236
		1,168,400
		262,751
		3,344,836
131,992		6,354,507
1,890,000		2,327,559
<u>2,021,992</u>	<u>0</u>	<u>16,629,289</u>

		160,649
	271,442	15,155,897
376,404		376,404
	14,332	3,644,366
<u>376,404</u>	<u>285,774</u>	<u>19,337,316</u>

<u>\$ 2,398,396</u>	<u>\$ 285,774</u>	<u>\$ 35,966,605</u>
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# **COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--NONMAJOR GOVERNMENTAL FUNDS**

**GENESEE COUNTY**

**Exhibit C-2**

	<u>Primary</u>
	<u>Special Revenue</u>
Revenues:	
Taxes--Note H.....	\$ 29,788,931
Licenses and permits.....	139,905
Fines and forfeitures.....	198,335
Use of money and property.....	121,158
Federal grants--Note G.....	38,187,358
State grants--Note G.....	14,348,208
Other intergovernmental revenues.....	337,731
Charges for services.....	5,071,891
Other.....	1,625,484
TOTAL REVENUES	<u>89,819,001</u>
Expenditures:	
Current operations:	
Management and planning.....	
Administration of justice.....	14,536,478
Law enforcement and community protection.....	11,684,647
Human services.....	63,589,784
Community enrichment and development.....	11,381,273
Other.....	1,933,348
Capital outlay.....	463,172
Debt service--Note E:	
Principal payments.....	
Interest.....	
TOTAL EXPENDITURES	<u>103,588,702</u>
REVENUES OVER(UNDER) EXPENDITURES	<u>(13,769,701)</u>
Other financing sources (uses):	
Transfers-In.....	17,546,447
Transfers-Out.....	(14,714,109)
TOTAL OTHER FINANCING SOURCES(USES)	<u>2,832,338</u>
NET CHANGE IN FUND BALANCES	(10,937,363)
Fund balance at beginning of year.....	29,612,501
FUND BALANCE AT END OF YEAR	<u>\$ 18,675,138</u>



**Government - Fiscal Year Ended September 30, 2010**

		Total Nonmajor Governmental Funds	
Debt Service	Capital Projects		
\$ 10,130,441		\$ 39,919,372	
		139,905	
		198,335	
506,162	\$ 125	627,445	
		38,187,358	
		14,348,208	
		337,731	
		5,071,891	
		1,625,484	
<u>10,636,603</u>	<u>125</u>	<u>100,455,729</u>	
		14,536,478	
		11,684,647	
		63,589,784	
		11,381,273	
33,365	9,856	1,976,569	
		463,172	
2,944,500		2,944,500	
1,172,487		1,172,487	
<u>4,150,352</u>	<u>9,856</u>	<u>107,748,910</u>	
<u>6,486,251</u>	<u>(9,731)</u>	<u>(7,293,181)</u>	
13,583,733		31,130,180	
<u>(19,804,400)</u>	<u>(150,000)</u>	<u>(34,668,509)</u>	
<u>(6,220,667)</u>	<u>(150,000)</u>	<u>(3,538,329)</u>	
265,584	(159,731)	(10,831,510)	
110,820	445,505	30,168,826	
<u>\$ 376,404</u>	<u>\$ 285,774</u>	<u>\$ 19,337,316</u>	



**COMBINING  
FINANCIAL STATEMENTS  
NONMAJOR SPECIAL REVENUE FUNDS**



## NONMAJOR SPECIAL REVENUE FUNDS

**Accommodations Ordinance Tax** - to account for the collection of a five percent hotel room tax and subsequent disbursement of such revenues to the Flint Convention and Tourist Council and the Genesee County Parks and Recreation Department. Board of Commissioners resolution provides for use of such revenues to promote tourism and convention business.

**Administration of Justice** - to account for programs that provide support to local court activities within Genesee County. Financing is provided through various Federal and State grants and General Fund appropriations.

**Animal Shelter** - to account for the operations of the County's Animal Shelter facility. Financing is provided through appropriations from General Fund.

**Child Care** - to account for court ordered expenses for the health and welfare of minor children. Financing is provided by General Fund appropriations and State matching of certain eligible costs.

**Community Enrichment and Development** - to account for small grants providing for activities that support community development. Financing is provided through various Federal and State grants and General Fund appropriations.

**Drug Forfeiture** - to account for local share of funds received as a result of seizures made in the arrest and prosecution of criminal drug cases in Genesee County.

**Emergency Medical Services** - to account for the costs of providing advanced emergency medical services. Financing is provided by an annual property tax levy.

**Health Care Services** - to account for the costs of providing health care to low income, uninsured persons, in addition to substantially improving the quality of life of those persons. Financing is provided by an annual property tax levy.

**Law Enforcement** - to account for programs designated for the support of local law enforcement efforts in Genesee County. Financing is provided through various Federal and State grants and General Fund appropriations.

**Medical Examiner** - to account for the costs of the medical examiner's office.

**Parks and Recreation** - to account for the operations and maintenance of County owned parks and facilities, exclusive of Parks & Recreation Enterprise Fund. Financing is provided by General Fund appropriations, an annual property tax levy, and charges for services of operating the parks.

**Planning Commission** - to account for the planning and information gathering activities undertaken to improve city or county maintained roads, relieve local unemployment, or other related activities which benefit county residents. Financing is provided by State and Federal grants and General Fund appropriations.

**Revenue Sharing** - to account for the state authorized program to set aside property taxes to replace revenue sharing no longer distributed to counties.

**Senior Services** - to account for the costs of providing services to improve the health, safety, and quality of life for seniors in Genesee County. Financing is provided by an annual property tax levy.

**Social Services** - to account for the costs of providing financial assistance to County residents who cannot meet basic requirements for personal needs, shelter, and medical care. Financing is provided by the Michigan Department of Social Services and General Fund appropriations.

**Township Police Support Services** - to account for the costs pertaining to township police services performed by the Genesee County Sheriff's Department. Financing is provided primarily by the townships utilizing the service on a cost reimbursement basis.

**Workforce Investment Act Program** - to account for federally funded grant programs to provide job training to eligible individuals. Genesee County is the grant recipient for this program which provides services for Genesee and Shiawassee County. The County contracts with a non-profit entity, Career Alliance, to provide services under this program. Career Alliance contracts for all services funded by this program.

# COMBINING BALANCE SHEET--NONMAJOR SPECIAL REVENUE FUNDS

GENESEE COUNTY

Exhibit D-1

	Accommodation Ordinance Tax	Administration of Justice	Animal Shelter
<b>ASSETS</b>			
Cash and cash equivalents.....	\$ 320,226	\$	\$
Investments.....			
Interest and accounts receivable.....		48,890	
Due from other governmental units.....		2,394,215	
Due from other County funds.....			42,383
Supplies inventory.....			
Other assets.....			1,012
<b>TOTAL ASSETS</b>	<b>\$ 320,226</b>	<b>\$ 2,443,105</b>	<b>\$ 43,395</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Accounts payable.....	\$ 240,170	\$ 148,057	\$ 7,414
Accrued payroll.....		468,630	21,617
Other accrued liabilities and deposits.....		178,469	
Due to other governmental units.....			
Due to other County funds.....	80,056	1,588,822	
Deferred revenue.....		10,745	
<b>TOTAL LIABILITIES</b>	<b>320,226</b>	<b>2,394,723</b>	<b>29,031</b>
<b>Fund balances:</b>			
Reserved for inventory.....			
Unreserved:			
Designated for programs.....		48,382	14,364
Undesignated.....			
<b>TOTAL FUND BALANCES</b>	<b>0</b>	<b>48,382</b>	<b>14,364</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 320,226</b>	<b>\$ 2,443,105</b>	<b>\$ 43,395</b>

September 30, 2010

Child Care	Community Enrichment and Development	Drug Forfeiture	Emergency Medical Services	Health Care Services
\$ 1,149,354	\$	\$	\$ 2,795,780	\$ 2,970,330
2,504,264	5,086 136,948 1,224,881	2,442 460,042		
<u>\$ 3,653,618</u>	<u>\$ 1,366,915</u>	<u>\$ 462,484</u>	<u>\$ 2,795,780</u>	<u>\$ 2,970,330</u>
\$ 597,065	\$ 22,514 16,845	\$ 1,274 4,013	\$ 25,321 144,027	
83,194				133,278
116,942			353,175	56,129
<u>797,201</u>	<u>275,723 315,082</u>	<u>143,427 148,714</u>	<u>522,523</u>	<u>\$ 189,407</u>
2,856,417		313,770	2,273,257	2,780,923
<u>2,856,417</u>	<u>1,051,833</u>	<u>313,770</u>	<u>2,273,257</u>	<u>2,780,923</u>
<u>\$ 3,653,618</u>	<u>\$ 1,366,915</u>	<u>\$ 462,484</u>	<u>\$ 2,795,780</u>	<u>\$ 2,970,330</u>

(Continued)

# COMBINING BALANCE SHEET-NONMAJOR SPECIAL REVENUE FUNDS-CONTINUED

## GENESEE COUNTY

## Exhibit D-1 Continued

	Law Enforcement	Medical Examiner	Parks and Recreation
<b>ASSETS</b>			
Cash and cash equivalents.....	\$	\$	\$
Investments.....			5,798,560
Interest and accounts receivable.....	113,169	1,240	26,575
Due from other governmental units.....	973,811		
Due from other County funds.....	2,724	102,000	80,056
Supplies inventory.....			160,649
Other assets.....		16,830	
<b>TOTAL ASSETS</b>	<b>\$ 1,089,704</b>	<b>\$ 120,070</b>	<b>\$ 6,065,840</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Accounts payable.....	\$ 106,466	\$ 42,105	\$ 205,972
Accrued payroll.....	75,643	49,024	192,478
Other accrued liabilities and deposits.....			1,088
Due to other governmental units.....			
Due to other County funds.....	873,290	28,941	2,143,729
Deferred revenue.....			5,000
<b>TOTAL LIABILITIES</b>	<b>1,055,399</b>	<b>120,070</b>	<b>2,548,267</b>
<b>Fund balances:</b>			
Reserved for inventory.....			160,649
Unreserved:			
Designated for programs.....	34,305		790,510
Undesignated.....			2,566,414
<b>TOTAL FUND BALANCES</b>	<b>34,305</b>	<b>0</b>	<b>3,517,573</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,089,704</b>	<b>\$ 120,070</b>	<b>\$ 6,065,840</b>



September 30, 2010

Planning Commission	Revenue Sharing	Senior Services	Social Services	Township Police Support Services	Workforce Investment Act Program	Total
\$ 127,433		\$ 5,660,715	\$	\$	\$	\$ 13,023,838
75,921						5,798,560
1,813,734			203,061	578,085	3,216,437	273,323
107,111			168,286			11,820,555
						2,187,483
				185		160,649
						18,027
<u>\$ 2,124,199</u>	<u>\$ 0</u>	<u>\$ 5,660,715</u>	<u>\$ 371,347</u>	<u>\$ 578,270</u>	<u>\$ 3,216,437</u>	<u>\$ 33,282,435</u>
\$ 1,400,037		\$ 355,816	\$ 19,000	\$ 9	\$ 16	\$ 3,171,236
112,291		8,070		75,762		1,168,400
			172,000		3,039,558	262,751
		302,069		502,499	176,863	3,344,836
2,664						6,222,515
<u>1,514,992</u>	<u>\$ 0</u>	<u>665,955</u>	<u>191,000</u>	<u>578,270</u>	<u>3,216,437</u>	<u>437,559</u>
						14,607,297
597,420		4,994,760	180,347			160,649
11,787						14,884,455
						3,630,034
609,207	0	4,994,760	180,347	0	0	18,675,138
<u>\$ 2,124,199</u>	<u>\$ 0</u>	<u>\$ 5,660,715</u>	<u>\$ 371,347</u>	<u>\$ 578,270</u>	<u>\$ 3,216,437</u>	<u>\$ 33,282,435</u>

# **COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--SPECIAL REVENUE FUNDS**

**GENESEE COUNTY**

**Exhibit D-2**

	<b>Accommodation Ordinance Tax</b>	<b>Administration of Justice</b>	<b>Animal Shelter</b>
Revenues:			
Taxes.....	\$ 1,053,193	\$	\$
Licenses and permits.....			
Fines and forfeitures.....			
Use of money and property.....			
Federal grants.....		7,794,584	
State grants.....		1,866,472	
Other intergovernmental revenue.....		20,613	
Charges for services.....		1,014,658	
Other.....		121,010	8,475
<b>TOTAL REVENUES</b>	<b>1,053,193</b>	<b>10,817,337</b>	<b>8,475</b>
Expenditures:			
Current Operations:			
Management and planning.....			
Administration of justice.....		14,536,478	
Law enforcement and community protection.....			967,371
Human services.....			
Community enrichment and development.....	794,895		
Other.....			
Capital outlay.....			
Debt Service:			
Principal Payments.....			
<b>TOTAL EXPENDITURES</b>	<b>794,895</b>	<b>14,536,478</b>	<b>967,371</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>258,298</b>	<b>(3,719,141)</b>	<b>(958,896)</b>
Other financing sources (uses):			
Transfers-In.....		3,163,138	957,896
Transfers-Out.....	(258,298)	(366,289)	
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(258,298)</b>	<b>2,796,849</b>	<b>957,896</b>
<b>NET CHANGE IN FUND BALANCES</b>		<b>(922,292)</b>	<b>(1,000)</b>
Fund balances at beginning of year.....		970,674	15,364
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 0</b>	<b>\$ 48,382</b>	<b>\$ 14,364</b>

**Fiscal Year Ended Septe**

<b>Child Care</b>	<b>Community Enrichment and Development</b>	<b>Drug Forfeiture</b>	<b>Emergency Medical Services</b>	<b>Health Care Services</b>
\$	\$	\$	\$ 4,663,827	\$ 11,019,569
		198,335	3,602	930
109,611	114,800			
7,450,222	172,055			
	24,957			
287,993	348,165			
486,314	587,788			
<u>8,334,140</u>	<u>1,247,765</u>	<u>198,335</u>	<u>4,667,429</u>	<u>11,020,499</u>
		226,343	5,010,393	10,865,228
15,699,392	1,267,668			
	173,497		24,829	
<u>15,699,392</u>	<u>1,441,165</u>	<u>226,343</u>	<u>5,035,222</u>	<u>10,865,228</u>
<u>(7,365,252)</u>	<u>(193,400)</u>	<u>(28,008)</u>	<u>(367,793)</u>	<u>155,271</u>
10,124,107	206,470			
(1,499,164)	(218,774)	(73,093)		(352,559)
<u>8,624,943</u>	<u>(12,304)</u>	<u>(73,093)</u>	<u>0</u>	<u>(352,559)</u>
1,259,691	(205,704)	(101,101)	(367,793)	(197,288)
<u>1,596,726</u>	<u>1,257,537</u>	<u>414,871</u>	<u>2,641,050</u>	<u>2,978,211</u>
<u>\$ 2,856,417</u>	<u>\$ 1,051,833</u>	<u>\$ 313,770</u>	<u>\$ 2,273,257</u>	<u>\$ 2,780,923</u>

(Continued)

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES--SPECIAL REVENUE FUNDS -- CONTINUED**

**GENESEE COUNTY**

**Exhibit D-2 Continued**

	<u>Law Enforcement</u>	<u>Medical Examiner</u>	<u>Parks and Recreation</u>
Revenues:			
Taxes.....	\$	\$	\$ 5,341,384
Licenses and permits.....	138,525		
Fines and forfeitures.....			
Use of money and property.....			107,408
Federal grants.....	1,297,234		
State grants.....	899,682		72,644
Other intergovernmental revenue.....	292,161		
Charges for services.....	67,122	48,150	2,066,366
Other.....	330,904		75,844
<b>TOTAL REVENUES</b>	<u>3,025,628</u>	<u>48,150</u>	<u>7,663,646</u>
Expenditures:			
Current Operations:			
Management and planning.....			
Administration of justice.....			
Law enforcement and community protection.....	3,272,320		
Human services.....		1,564,702	
Community enrichment and development.....			4,420,400
Other.....			1,933,348
Capital outlay.....	233,202		27,261
Debt Service:			
Principal Payments.....			
<b>TOTAL EXPENDITURES</b>	<u>3,505,522</u>	<u>1,564,702</u>	<u>6,381,009</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(479,894)</u>	<u>(1,516,552)</u>	<u>1,282,637</u>
Other financing sources (uses):			
Transfers-In.....	448,243	1,516,552	587,544
Transfers-Out.....	(1,521)		(1,381,452)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>446,722</u>	<u>1,516,552</u>	<u>(793,908)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(33,172)</b>	<b>0</b>	<b>488,729</b>
Fund balances at beginning of year.....	67,477	0	3,028,844
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ 34,305</u>	<u>\$ 0</u>	<u>\$ 3,517,573</u>

**Fiscal Year Ended September 30, 2010**

<b>Planning Commission</b>	<b>Revenue Sharing</b>	<b>Senior Services</b>	<b>Social Services</b>	<b>Township Police Support Services</b>	<b>Workforce Investment Act Program</b>	<b>Total</b>
\$ 1,380	\$	\$ 7,710,958	\$	\$	\$	\$ 29,788,931
						139,905
	8,548	670				198,335
2,938,092					25,933,037	121,158
62,673			1,073,471	2,208,220	542,769	38,187,358
						14,348,208
1,239,437						337,731
15,149						5,071,891
<u>4,256,731</u>	<u>8,548</u>	<u>7,711,628</u>	<u>1,073,471</u>	<u>2,208,220</u>	<u>26,475,806</u>	<u>1,625,484</u>
						<u>89,819,001</u>
						14,536,478
		7,894,274	1,090,382	2,208,220	26,475,806	11,684,647
4,898,310						63,589,784
						11,381,273
4,383						1,933,348
						463,172
<u>4,902,693</u>	<u>0</u>	<u>7,894,274</u>	<u>1,090,382</u>	<u>2,208,220</u>	<u>26,475,806</u>	<u>103,588,702</u>
<u>(645,962)</u>	<u>8,548</u>	<u>(182,646)</u>	<u>(16,911)</u>	<u>0</u>	<u>0</u>	<u>(13,769,701)</u>
526,997			15,500			17,546,447
	(10,057,260)	(505,699)				(14,714,109)
<u>526,997</u>	<u>(10,057,260)</u>	<u>(505,699)</u>	<u>15,500</u>	<u>0</u>	<u>0</u>	<u>2,832,338</u>
(118,965)	(10,048,712)	(688,345)	(1,411)			(10,937,363)
728,172	10,048,712	5,683,105	181,758	0	0	29,612,501
<u>\$ 609,207</u>	<u>0</u>	<u>\$ 4,994,760</u>	<u>\$ 180,347</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 18,675,138</u>

# SCHEDULE OF REVENUES AND OTHER SOURCES--BUDGET AND ACTUAL-- NONMAJOR SPECIAL REVENUE FUNDS

## GENESEE COUNTY

## Exhibit D-3

Fiscal Year Ended September 30, 2010			
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>ACCOMMODATION ORDINANCE TAX</b>			
Taxes.....	\$ 1,016,000	\$ 1,053,193	\$ 37,193
TOTALS	<u>\$ 1,016,000</u>	<u>\$ 1,053,193</u>	<u>\$ 37,193</u>
<b>ADMINISTRATION OF JUSTICE</b>			
General Fund appropriation.....	\$ 2,922,385	\$ 3,163,138	\$ 240,753
Federal grants.....	8,149,019	7,794,584	(354,435)
State grants.....	2,159,056	1,866,472	(292,584)
Other intergovernmental revenue.....		20,613	20,613
Charges for services.....	908,676	1,014,658	105,982
Other.....	5,516	121,010	115,494
TOTALS	<u>\$ 14,144,652</u>	<u>\$ 13,980,475</u>	<u>\$ (164,177)</u>
<b>ANIMAL SHELTER</b>			
General Fund appropriation.....	\$ 945,457	\$ 957,896	\$ 12,439
Other.....	8,475	8,475	0
TOTALS	<u>\$ 953,932</u>	<u>\$ 966,371</u>	<u>\$ 12,439</u>
<b>CHILD CARE</b>			
General Fund appropriation.....	\$ 10,176,764	\$ 10,124,107	\$ (52,657)
Federal grants.....	75,000	109,611	34,611
State grants.....	8,821,781	7,450,222	(1,371,559)
Charges for services.....	185,000	287,993	102,993
Other.....	795,396	486,314	(309,082)
TOTALS	<u>\$ 20,053,941</u>	<u>\$ 18,458,247</u>	<u>\$ (1,595,694)</u>
<b>COMMUNITY ENRICHMENT AND DEVELOPMENT</b>			
General Fund appropriation.....	\$ 213,458	\$ 206,470	\$ (6,988)
Federal grants.....		114,800	114,800
State grants.....	196,426	172,055	(24,371)
Charges for services.....	491,447	348,165	(143,282)
Other intergovernmental revenue.....		24,957	24,957
Other.....	9,000	587,788	578,788
TOTALS	<u>\$ 910,331</u>	<u>\$ 1,454,235</u>	<u>\$ 543,904</u>
<b>DRUG FORFEITURES</b>			
Fines and forfeitures.....	\$ 198,335	\$ 198,335	\$ 0
TOTALS	<u>\$ 198,335</u>	<u>\$ 198,335</u>	<u>\$ 0</u>
<b>EMERGENCY MEDICAL SERVICES</b>			
Taxes.....	\$ 4,736,853	\$ 4,663,827	\$ (73,026)
Use of money and property.....	50,000	3,602	(46,398)
TOTALS	<u>\$ 4,786,853</u>	<u>\$ 4,667,429</u>	<u>\$ (119,424)</u>
<b>HEALTH CARE SERVICES</b>			
Taxes.....	\$ 11,339,116	\$ 11,019,569	\$ 319,547
Use of money and property.....	930	930	
TOTALS	<u>\$ 11,340,046</u>	<u>\$ 11,020,499</u>	<u>\$ 319,547</u>
<b>LAW ENFORCEMENT</b>			
General Fund appropriation.....	\$ 54,704	\$ 448,243	\$ 393,539
Licenses and permits.....	226,432	138,525	(87,907)
Federal grants.....	1,130,200	1,297,234	167,034
State grants.....	238,688	899,682	660,994
Charges for services.....	29,208	67,122	37,914
Other.....	109,479	330,904	221,425
Other intergovernmental revenue.....		292,161	292,161
TOTALS	<u>\$ 1,788,711</u>	<u>\$ 3,473,871</u>	<u>\$ 1,685,160</u>

**Fiscal Year Ended September 30, 2010**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance with Final Budget- Positive (Negative)</b>
<b>MEDICAL EXAMINER</b>			
General Fund appropriation.....	\$ 1,405,929	\$ 1,516,552	\$ 110,623
Charges for services.....	55,000	48,150	(6,850)
<b>TOTALS</b>	<u><u>\$ 1,460,929</u></u>	<u><u>\$ 1,564,702</u></u>	<u><u>\$ 103,773</u></u>
<b>PARKS AND RECREATION</b>			
General Fund appropriation.....	\$ 329,246	\$ 329,246	\$
Taxes.....	5,352,255	5,341,384	(10,871)
Use of money and property.....	90,000	107,408	17,408
State grants.....	5,000	72,644	67,644
Other Transfers-In.....	250,000	258,298	8,298
Charges for services.....	1,711,029	2,066,366	355,337
Other.....	56,000	75,844	19,844
<b>TOTALS</b>	<u><u>\$ 7,793,530</u></u>	<u><u>\$ 8,251,190</u></u>	<u><u>\$ 457,660</u></u>
<b>PLANNING COMMISSION</b>			
General Fund appropriation.....	\$ 526,997	\$ 526,997	\$
Licenses and permits.....		1,380	1,380
Federal grants.....	3,419,133	2,938,092	(481,041)
State grants.....		62,673	62,673
Charges for services.....	1,272,420	1,239,437	(32,983)
Other.....	1,050	15,149	14,099
<b>TOTALS</b>	<u><u>\$ 5,219,600</u></u>	<u><u>\$ 4,783,728</u></u>	<u><u>\$ (435,872)</u></u>
<b>REVENUE SHARING</b>			
Use of money and property.....	\$ 8,548	\$ 8,548	\$
<b>TOTALS</b>	<u><u>\$ 8,548</u></u>	<u><u>\$ 8,548</u></u>	<u><u>\$ 0</u></u>
<b>SENIOR SERVICES</b>			
Taxes.....	\$ 7,337,064	\$ 7,710,958	373,894
Use of money and property.....		670	670
<b>TOTALS</b>	<u><u>\$ 7,337,064</u></u>	<u><u>\$ 7,711,628</u></u>	<u><u>\$ 374,564</u></u>
<b>SOCIAL SERVICES</b>			
General Fund appropriation.....	\$ 15,500	\$ 15,500	\$
State grants.....	1,305,419	1,073,471	(231,948)
<b>TOTALS</b>	<u><u>\$ 1,320,919</u></u>	<u><u>\$ 1,088,971</u></u>	<u><u>\$ (231,948)</u></u>
<b>TOWNSHIP POLICE SUPPORT SERVICES</b>			
State grants.....	\$ 2,102,701	\$ 2,208,220	\$ 105,519
<b>TOTALS</b>	<u><u>\$ 2,102,701</u></u>	<u><u>\$ 2,208,220</u></u>	<u><u>\$ 105,519</u></u>
<b>WORKFORCE INVESTMENT ACT PROGRAM</b>			
Federal grants.....	\$ 25,933,037	\$ 25,933,037	\$
State grants.....	542,769	542,769	
<b>TOTALS</b>	<u><u>\$ 26,475,806</u></u>	<u><u>\$ 26,475,806</u></u>	<u><u>\$ 0</u></u>

# SCHEDULE OF EXPENDITURES AND OTHER USES--BUDGET AND ACTUAL-- NONMAJOR SPECIAL REVENUE FUNDS

## GENESEE COUNTY

## Exhibit D-4

Fiscal Year Ended September 30, 2010			
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>ACCOMMODATION ORDINANCE TAX</b>			
Supplies and services.....	\$ 767,000	\$ 794,895	\$ (27,895)
Transfer to Parks and Recreation.....	249,000	258,298	(9,298)
TOTALS	<u>\$ 1,016,000</u>	<u>\$ 1,053,193</u>	<u>\$ (37,193)</u>
<b>ADMINISTRATION OF JUSTICE</b>			
Personnel services.....	\$ 7,107,102	\$ 7,213,359	\$ (106,257)
Fringe benefits.....	4,707,218	4,777,072	(69,854)
Supplies and services.....	3,005,507	2,545,209	460,298
Capital outlay.....	81,000		81,000
Other.....		838	(838)
Transfer out.....		366,289	(366,289)
TOTALS	<u>\$ 14,900,827</u>	<u>\$ 14,902,767</u>	<u>\$ (1,940)</u>
<b>ANIMAL SHELTER</b>			
Personnel services.....	\$ 399,027	\$ 418,936	\$ (19,909)
Fringe benefits.....	317,383	290,081	27,302
Supplies and services.....	237,522	258,354	(20,832)
TOTALS	<u>\$ 953,932</u>	<u>\$ 967,371</u>	<u>\$ (13,439)</u>
<b>CHILD CARE</b>			
Foster care.....	\$ 1,689,463	\$ 1,412,300	\$ 277,163
Private institutional care.....	11,167,438	7,779,725	3,387,713
Juvenile detention center.....	4,640,014	4,331,353	308,661
Training schools.....	3,557,026	2,176,011	1,381,015
Transfer out.....	52,657	1,499,164	(1,446,507)
TOTALS	<u>\$ 21,106,598</u>	<u>\$ 17,198,553</u>	<u>\$ 3,908,045</u>
<b>COMMUNITY ENRICHMENT AND DEVELOPMENT</b>			
Personnel services.....	\$ 278,420	\$ 412,298	\$ (133,878)
Fringe benefits.....	166,905	227,498	(60,593)
Supplies and services.....	267,876	627,872	(359,996)
Capital outlay.....	20,300	173,497	(153,197)
Transfers out.....	176,830	218,774	(41,944)
TOTALS	<u>\$ 910,331</u>	<u>\$ 1,659,939</u>	<u>\$ (749,608)</u>
<b>DRUG FORFEITURES</b>			
Personnel services.....	\$ 108,167	\$ 108,167	\$
Fringe benefits.....	74,699	74,699	
Supplies and services.....	43,477	43,477	
Transfers out.....	73,093	73,093	
TOTALS	<u>\$ 299,436</u>	<u>\$ 299,436</u>	<u>\$ 0</u>
<b>EMERGENCY MEDICAL SERVICES</b>			
Personnel services.....	\$ 2,328,187	\$ 2,399,814	\$ (71,627)
Fringe benefits.....	1,747,083	1,743,184	3,899
Supplies and services.....	992,975	867,395	125,580
Capital outlay.....		24,829	(24,829)
TOTALS	<u>\$ 5,068,245</u>	<u>\$ 5,035,222</u>	<u>\$ 33,023</u>



**Fiscal Year Ended September 30, 2010**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance with Final Budget- Positive (Negative)</b>
<b>HEALTH CARE SERVICES</b>			
Supplies and services.....	\$ 11,089,116	\$ 10,865,228	\$ 223,888
Transfers out.....	250,000	352,559	(102,559)
<b>TOTALS</b>	<b><u>\$ 11,339,116</u></b>	<b><u>\$ 11,217,787</u></b>	<b><u>\$ 121,329</u></b>
<b>LAW ENFORCEMENT</b>			
Personnel services.....	\$ 370,727	\$ 1,079,970	\$ (709,243)
Fringe benefits.....	238,152	682,874	(444,722)
Supplies and services.....	203,098	1,416,707	(1,213,609)
Other.....		92,769	(92,769)
Capital outlay.....	978,862	233,202	745,660
Transfers out.....	450	1,521	(1,071)
<b>TOTALS</b>	<b><u>\$ 1,791,289</u></b>	<b><u>\$ 3,507,043</u></b>	<b><u>\$ (1,715,754)</u></b>
<b>Medical Examiner</b>			
Personnel services.....	\$ 713,763	\$ 762,745	\$ (48,982)
Fringe benefits.....	311,941	328,756	(16,815)
Supplies and services.....	435,225	473,201	(37,976)
<b>TOTALS</b>	<b><u>\$ 1,460,929</u></b>	<b><u>\$ 1,564,702</u></b>	<b><u>\$ (103,773)</u></b>
<b>PARKS AND RECREATION</b>			
Personnel services.....	\$ 2,795,079	\$ 2,585,903	\$ 209,176
Fringe benefits.....	1,176,148	1,155,688	20,460
Supplies and services.....	622,450	662,999	(40,549)
Other.....	2,250,971	1,933,348	317,623
Capital outlay.....	37,000	43,071	(6,071)
Transfers out.....	911,893	1,381,452	(469,559)
<b>TOTALS</b>	<b><u>\$ 7,793,541</u></b>	<b><u>\$ 7,762,461</u></b>	<b><u>\$ 31,080</u></b>
<b>PLANNING COMMISSION</b>			
Personnel services.....	\$ 1,247,599	\$ 1,127,992	\$ 119,607
Fringe benefits.....	1,219,434	1,126,110	93,324
Supplies and services.....	2,797,267	2,644,208	153,059
Capital outlay.....	5,300	4,383	917
<b>TOTALS</b>	<b><u>\$ 5,269,600</u></b>	<b><u>\$ 4,902,693</u></b>	<b><u>\$ 366,907</u></b>
<b>REVENUE SHARING</b>			
Transfers out.....	\$ 10,057,260	\$ 10,057,260	\$
<b>TOTALS</b>	<b><u>\$ 10,057,260</u></b>	<b><u>\$ 10,057,260</u></b>	<b><u>\$ 0</u></b>

(Continued)

**SCHEDULE OF EXPENDITURES AND OTHER USES--BUDGET AND ACTUAL--  
NONMAJOR SPECIAL REVENUE FUNDS**

**GENESEE COUNTY**

**Exhibit D-4**

Fiscal Year Ended September 30, 2010			
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
SENIOR SERVICES			
Personnel services.....	\$ 238,026	\$ 163,632	\$ 74,394
Supplies and services.....		119,490	(119,490)
Programs and grants.....	7,099,038	7,611,152	(512,114)
Transfers out.....		505,699	(505,699)
TOTALS	<u>\$ 7,337,064</u>	<u>\$ 8,399,973</u>	<u>\$ (1,062,909)</u>
SOCIAL SERVICES			
State programs.....	\$ 1,090,382	\$ 1,090,382	\$
TOTALS	<u>\$ 1,090,382</u>	<u>\$ 1,090,382</u>	<u>\$ 0</u>
TOWNSHIP POLICE SUPPORT SERVICES			
Personnel services.....	\$ 1,053,579	\$ 1,113,748	\$ (60,169)
Fringe benefits.....	870,936	886,027	(15,091)
Other.....	178,186	208,445	(30,259)
TOTALS	<u>\$ 2,102,701</u>	<u>\$ 2,208,220</u>	<u>\$ (105,519)</u>
WORKFORCE INVESTMENT ACT PROGRAM			
Personnel services.....	\$ 50,721	\$ 50,721	\$
Fringe benefits.....	35,245	35,245	
Supplies and services.....	26,389,840	26,389,840	
TOTALS	<u>\$ 26,475,806</u>	<u>\$ 26,475,806</u>	<u>\$ 0</u>

**COMBINING  
FINANCIAL STATEMENTS  
NON-MAJOR DEBT SERVICE FUNDS**



## NON-MAJOR DEBT SERVICE FUNDS

**Burton Clinic** - To account for the funding and payment of principal and interest on debt issued to finance the construction of the new Burton Health Center Clinic, under a lease-purchase agreement with the Genesee County Building Authority.

**Courthouse Square** - To account for the funding and payment of principal and interest on debt issued to finance construction of the new addition and the renovations needed to the Genesee County Courthouse, under a lease-purchase agreement with the Genesee County Building Authority.

**GCCARD** - To account for the funding and payment of principal and interest on debt issued to finance renovation of Genesee County Community Action Resource Department, under a lease-purchase agreement with the Genesee County Building Authority.

**GCCARD Warehouse** - To account for the funding and payment of principal and interest on debt issued to finance purchase and renovation of Genesee County Community Action Resource Department.

**Hughes and Hatcher Center** - To account for the funding and payment of principal and interest on debt issued to finance the purchase and renovation of the Hughes and Hatcher Building.

**McCree South Facility** - To account for the funding and payment of principal and interest on debt issued to finance the purchase and renovation of the former Wards Building under a lease-purchase arrangement with the Genesee County Building Authority.

**1998 Refinancing** - To account for the debt service related to the Series 1998 General Obligation Bonds issued to advance refund various other bond issues.

**Tax Note Obligation** - To account for the proceeds and distribution of property tax anticipation notes that were issued to provide cash flow for the Genesee County general fund.

**Tax Note Repayment** - To account for the funding and payment of principal and interest on tax anticipation notes issued for cash flow for the Genesee County general fund

COMBINING BALANCE SHEET--NON-MAJOR DEBT SERVICE FUNDS

GENESEE COUNTY

Exhibit E-1

	Burton Clinic	Courthouse Square	GCCARD	GCCARD Warehouse
ASSETS				
Cash and cash equivalents.....	\$	\$	\$	
Prepaid Expense.....				
Due from other funds.....				
Long term advance to component unit.....				
TOTAL ASSETS	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCES				
Accounts payable.....	\$	\$	\$	\$
Deferred revenue.....				
TOTAL LIABILITIES	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund balances:				
Reserved for prepaids.....				
Unreserved:				
Designated for debt service.....				
Undesignated.....				
TOTAL FUND BALANCES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

September 30, 2010

Hughes & Hatcher Center	McCree South Facility	1998 Refinancing	Tax Note Obligation	Tax Note Repayment	Total
\$ 108,024	\$	\$	\$ 168,368	\$ 100,012	\$ 376,408
			66,807	65,185	131,992
1,890,000					1,890,000
<u>\$ 1,998,024</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 235,175</u>	<u>\$ 165,197</u>	<u>\$ 2,398,400</u>

\$	\$	\$	\$ 65,185	\$ 66,807	\$ 131,992
1,890,000					1,890,000
<u>1,890,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 65,185</u>	<u>\$ 66,807</u>	<u>\$ 2,021,992</u>

					0
108,024			169,990	98,390	376,404
					0
<u>108,024</u>	<u>0</u>	<u>0</u>	<u>169,990</u>	<u>98,390</u>	<u>376,404</u>
<u>\$ 1,998,024</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 235,175</u>	<u>\$ 165,197</u>	<u>\$ 2,398,396</u>

# **COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--NON-MAJOR DEBT SERVICE FUNDS**

**GENESEE COUNTY**

**Exhibit E-2**

	<b>Burton Clinic</b>	<b>Courthouse Square</b>	<b>GCCARD</b>
Revenues:			
Tax Revenue.....	\$	\$	\$
Use of money and property.....			
<b>TOTAL REVENUES</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
Expenditures:			
Current Operations:			
Debt Service:			
Other.....	275	250	275
Principal Payments.....	220,000	1,250,000	120,000
Interest and Fiscal Charges.....	27,050	778,266	101,673
<b>TOTAL EXPENDITURES</b>	<b>247,325</b>	<b>2,028,516</b>	<b>221,948</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(247,325)</b>	<b>(2,028,516)</b>	<b>(221,948)</b>
Transfers in (out):			
Transfers-Out.....			
Transfers-In.....	247,325	2,028,516	221,948
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>247,325</b>	<b>2,028,516</b>	<b>221,948</b>
<b>NET CHANGE IN FUND BALANCES</b>			
Fund balances at beginning of year.....			
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>



Fiscal Year Ended September 30, 2010

<b>GCCARD Warehouse</b>	<b>Hughes &amp; Hatcher Center</b>	<b>McCree South Facility</b>	<b>1998 Refinancing</b>	<b>Tax Note Obligation</b>	<b>Tax Note Repayment</b>	<b>Total</b>
\$	\$	\$	\$	\$	\$	\$
	141,243	359,584		4,509	10,130,441	10,130,441
<u>\$ 0</u>	<u>141,243</u>	<u>359,584</u>	<u>\$ 0</u>	<u>\$ 4,509</u>	<u>\$ 10,131,267</u>	<u>506,162</u>
	225	375	150	31,815		33,365
115,000	35,000	1,110,000	94,500			2,944,500
71,756	107,118	33,300	20,447		32,877	1,172,487
<u>186,756</u>	<u>142,343</u>	<u>1,143,675</u>	<u>115,097</u>	<u>31,815</u>	<u>32,877</u>	<u>4,150,352</u>
(186,756)	(1,100)	(784,091)	(115,097)	(27,306)	10,098,390	6,486,251
				(9,804,400)	(10,000,000)	(19,804,400)
186,756		784,091	115,097	10,000,000		13,583,733
<u>186,756</u>	<u>0</u>	<u>784,091</u>	<u>115,097</u>	<u>195,600</u>	<u>(10,000,000)</u>	<u>(6,220,667)</u>
	(1,100)			168,294	98,390	265,584
	109,124			1,696		110,820
<u>\$ 0</u>	<u>\$ 108,024</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 169,990</u>	<u>\$ 98,390</u>	<u>\$ 376,404</u>



**COMBINING  
FINANCIAL STATEMENTS  
NON-MAJOR CAPITAL PROJECT FUNDS**



## NON-MAJOR CAPITAL PROJECT FUNDS

**Courthouse Square** - To account for the funding proceeds and project costs related to the renovation and development of the Courthouse Square project.

**GCCARD Lippincott** - To account for the funding proceeds and project costs related to the renovation and development of the GCCARD facilities.

**Jail Site Remediation** - To account for the funding proceeds and project costs related to the remedial activities at the contaminated jail site.

# COMBINING BALANCE SHEET--NON-MAJOR CAPITAL PROJECT FUNDS

GENESEE COUNTY

Exhibit F-1

	September 30, 2010			
	Courthouse Square	GCCARD Lippincott	Jail Site Remediation	Total
ASSETS				
Cash and cash equivalents.....	\$ 14,585	\$ 255,997	\$ 14,332	\$ 284,914
Interest and accounts receivable.....	860			860
TOTAL ASSETS	<u>\$ 15,445</u>	<u>\$ 255,997</u>	<u>\$ 14,332</u>	<u>\$ 285,774</u>
LIABILITIES AND FUND BALANCES				
Due to other County funds.....	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL LIABILITIES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances:				
Unreserved:				
Undesignated.....			14,332	14,332
Designated:				
Courthouse Square Project.....	15,445			15,445
GCCARD Lippincott Project.....		255,997		255,997
TOTAL FUND BALANCES	<u>15,445</u>	<u>255,997</u>	<u>14,332</u>	<u>285,774</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 15,445</u>	<u>\$ 255,997</u>	<u>\$ 14,332</u>	<u>\$ 285,774</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES--NON-MAJOR  
CAPITAL PROJECT FUNDS**

**GENESEE COUNTY**

**Exhibit F-2**

	Fiscal Year Ended September 30, 2010			
	Courthouse Square	GCCARD Lippincott	Jail Site Remediation	Total
Revenues:				
Use of money and property.....	\$ 52	\$	\$ 73	\$ 125
Other.....				
TOTAL REVENUES	52		73	125
Expenditures:				
Current Operations:				
Capital outlay.....				
Other.....	8,196		1,660	9,856
TOTAL EXPENDITURES	8,196		1,660	9,856
REVENUES OVER (UNDER) EXPENDITURES	(8,144)		(1,587)	(9,731)
Other financing sources (uses):				
Transfers in (out):				
Transfers-In.....				0
Transfers-Out.....	(150,000)			(150,000)
TOTAL OTHER FINANCING SOURCES (USES)	(150,000)			(150,000)
NET CHANGE IN FUND BALANCE	(158,144)		(1,587)	(159,731)
Fund balance at beginning of year.....	173,589	255,997	15,919	445,505
FUND BALANCE AT END OF YEAR	\$ 15,445	\$ 255,997	\$ 14,332	\$ 285,774





**COMBINING  
FINANCIAL STATEMENTS  
NON-MAJOR ENTERPRISE FUNDS**



## NON-MAJOR ENTERPRISE FUNDS

**Parks and Recreation Enterprise** - To account for activities of the campgrounds and railroad. The fund records revenue from the warehouse and sternwheeler activities to cover bond costs.

**Commissary Funds** - To account for the accumulated profit from the sale of snack foods and small personal items to inmates and others at the Genesee County Jail.

# COMBINING BALANCE SHEET -- NON-MAJOR ENTERPRISE FUNDS

## GENESEE COUNTY

## Exhibit G-1

	September 30, 2010		
	Business Type Activities - Non-Major Enterprise Funds		
	Non-Major Parks and Recreation	Non-Major Commissary	Total
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents.....	\$ 785,208	\$ 67,585	\$ 852,793
Investments.....			
Interest and accounts receivable.....	689,234		689,234
Due from other county funds.....		32,641	32,641
Supplies inventory.....			
Net OPEB asset.....	65,655		65,655
Prepayments.....	1,540,097	100,226	1,640,323
<b>TOTAL CURRENT ASSETS</b>	<b>1,540,097</b>	<b>100,226</b>	<b>1,640,323</b>
<b>CAPITAL ASSETS</b>			
Land.....	706,110		706,110
Land improvements.....	3,074,493		3,074,493
Buildings and improvements.....	1,181,215		1,181,215
Equipment.....	3,698,649		3,698,649
<b>TOTAL CAPITAL ASSETS</b>	<b>8,660,467</b>		<b>8,660,467</b>
Less allowances for depreciation.....	7,113,267		7,113,267
<b>TOTAL CAPITAL ASSETS, NET</b>	<b>1,547,200</b>		<b>1,547,200</b>
<b>TOTAL ASSETS</b>	<b>\$ 3,087,297</b>	<b>\$ 100,226</b>	<b>\$ 3,187,523</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable.....	\$ 9,874	\$	\$ 9,874
Accrued payroll.....	26,370		26,370
Other accrued liabilities and deposits.....	2,850		2,850
Current portion of notes/bonds payable.....	40,500		40,500
<b>TOTAL CURRENT LIABILITIES</b>	<b>79,594</b>		<b>79,594</b>
<b>LONG-TERM DEBT</b>			
Net OPEB obligation.....	22,886		22,886
General and workers compensation claim liability.....			
Notes/bonds payable exclusive of current portion.....	97,500		97,500
<b>TOTAL LONG-TERM DEBT</b>	<b>120,386</b>		<b>120,386</b>
<b>TOTAL LIABILITIES</b>	<b>199,980</b>		<b>199,980</b>
<b>NET ASSETS:</b>			
Restricted for parks & recreation expendable.....	339,222		339,222
Restricted for parks & recreation non expendable.....	445,986		445,986
Invested in capital assets net of related debt.....	1,409,200		1,409,200
Unrestricted.....	692,909	100,226	793,135
<b>TOTAL NET ASSETS</b>	<b>2,887,317</b>	<b>100,226</b>	<b>2,987,543</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 3,087,297</b>	<b>\$ 100,226</b>	<b>\$ 3,187,523</b>

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
FUND NET ASSETS--NON-MAJOR ENTERPRISE FUNDS**

**GENESEE COUNTY**

**Exhibit G-2**

	Fiscal Year Ended September 30, 2010		
	Business Type Activities - Non-Major Enterprise Funds		
	Non-Major Parks and Recreation	Non-Major Commissary	Total
Operating revenues:			
Charges for sales and services:			
Ticket, permit & concession sales.....	\$ 275,921	\$ 566,448	\$ 842,369
State revenue.....			
TOTAL OPERATING REVENUES	275,921	566,448	842,369
Operating expenses:			
Salaries and fringe benefits.....	570,623		570,623
Supplies and other operating expenses.....	149,770	371,173	520,943
Depreciation.....	119,665		119,665
TOTAL OPERATING EXPENSES	840,058	371,173	1,211,231
OPERATING INCOME(LOSS)	(564,137)	195,275	(368,862)
Non-operating revenues (expenses):			
Investment earnings (loss).....	55,361	(3,770)	51,591
Interest expense.....	(22,030)		(22,030)
TOTAL NON-OPERATING REVENUES (EXPENSES)	33,331	(3,770)	29,561
INCOME (LOSS) BEFORE TRANSFERS	(530,806)	191,505	(339,301)
Transfers-in.....	667,494		667,494
Transfers-out.....		(200,000)	(200,000)
TOTAL TRANSFERS	667,494	(200,000)	467,494
CHANGE IN NET ASSETS	136,688	(8,495)	128,193
Net assets at beginning of year.....	2,750,629	108,721	2,859,350
NET ASSETS AT END OF YEAR	\$ 2,887,317	\$ 100,226	\$ 2,987,543

# STATEMENT OF CASH FLOWS- NON-MAJOR ENTERPRISE FUNDS

GENESEE COUNTY

Exhibit G-3

	Fiscal Year Ended September 30, 2010		
	Business Type Activities - Non-Major Enterprise Funds		
	Non-Major Parks and Recreation	Non-Major Commissary	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers.....	\$ 275,921	\$ 566,448	\$ 842,369
Cash payments to suppliers for goods and services.....	(157,282)	(380,631)	(537,913)
Cash payments to employees for services.....	(539,491)		(539,491)
Cash payments to other funds.....	(689,234)		(689,234)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	(1,110,086)	185,817	(924,269)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers-in from other funds.....	667,494		667,494
Transfers-out to other funds.....		(200,000)	(200,000)
NET CASH USED FOR NONCAPITAL FINANCING ACTIVITIES	667,494	(200,000)	467,494
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Principal paid on long-term debt.....	(40,500)		(40,500)
Interest paid on long-term debt.....	(8,763)		(8,763)
Proceeds from sale of long-term debt.....	8,315		8,315
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(40,948)	0	(40,948)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest and dividends on investments.....		(3,770)	(3,770)
NET CASH (USED FOR) IN INVESTING ACTIVITIES	0	(3,770)	(3,770)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(483,540)	(17,953)	(501,493)
Cash and cash equivalents at beginning of year.....	483,540	85,538	569,078
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 0	\$ 67,585	\$ 67,585
RECONCILIATION OF OPERATING INCOME(LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:			
Operating income(loss).....	\$ (564,137)	\$ 195,275	\$ (368,862)
Adjustments to reconcile operating income(loss) to net cash provided by (used for) operating activities:			
Depreciation.....	119,662		119,662
Change in assets and liabilities:			
(Increase) decrease in prepaids.....		(9,458)	(9,458)
(Increase) decrease in due from other funds.....	(689,234)		(689,234)
(Increase) decrease in supplies inventory.....			
Increase (decrease) in accounts payable and related items.....	(7,509)		(7,509)
Increase (decrease) in accrued payroll.....	829		829
Increase in net OPEB liability.....	30,303		30,303
Net cash provided by (used for) operating activities.....	\$ (1,110,086)	\$ 185,817	\$ (924,269)
Noncash investing activities - increase in fair value of investments.....	\$ 55,361	\$	\$ 55,361

**COMBINING  
FINANCIAL STATEMENTS  
INTERNAL SERVICE FUNDS**

# INTERNAL SERVICE FUNDS

## GENESEE COUNTY

### ADMINISTRATIVE SERVICES

**Central Stores** - To account for the cost of office supplies purchased from an outside vendor. These costs are then spread to individual departments at actual costs.

**Administrative Copier** - To provide centralized financial control over most of the duplicating equipment used outside the Print Shop. Through the Purchasing Agent, efforts are made to ensure that this equipment is efficiently deployed, properly serviced, reasonably priced, and meets, but does not exceed, departmental needs.

**Print Shop** -To provide low-cost printing to operating departments with high volume printing needs. The Print Shop thus augments the volume copying capability of the Administrative Copier. All other printing needs are scheduled through the Print Shop. Print Shop costs are charged to user departments on a "per job" basis.

**Microfilm Division** - To provide reasonably priced microfilming service to operating departments in an effort to reduce the pressure on overcrowded storage facilities. Included in the division are various microfilm production and viewing machines plus the requisite staff and supplies for maintaining services to user departments.

**Corporation Counsel** - To advise the County and its departments on issues of a legal nature. Corporation Counsel is further responsible for advising the Board of Commissioners on the legality of proposed decisions or activities and for insuring the necessary County documents adhere to the prescribed legal formats and standards.

**Controller** - To prepare and maintain the County budget, the audit and payment of claims for goods and services to outside vendors and to employees, audit records and accounts of County departments, oversee the design and implementation of accounting and financial systems in the County, and other tasks that are assigned by the Board of Commissioners.

**Human Resources** - To maintain all County personnel records; recruiting, testing and hiring employees; administration of fringe benefit programs; and also conducting classification and compensation surveys. The Human Resources Department negotiates labor contracts with County bargaining units and is responsible for grievance resolution and contract administration.

**Purchasing** - To authorize all purchase orders of County departments. This includes seeking bids on appropriate items and services, as well as, assisting departments in finding vendors and suppliers of specific items. The Purchasing Agent also administers the county's printing and motor pool departments and is also responsible for the disposal of all used and obsolete items of no further use to the County.

**Data Processing** - To provide specific services to individual departments within County government and surrounding municipalities. These include processing of County and retirement payroll, child support checks, and supporting financial information, personnel history files, land descriptions, and delinquent and current tax information. The County Data Processing Department prepares tax rolls and tax bills for virtually all surrounding townships and cities. The cost of these services are charged on the basis of programming, central processor, and operator time incurred providing requested services.

**Employee Unemployment Benefit Trust Fund** - To account for contributions made to the State of Michigan by Genesee County. The contributions will be paid by the State to employees in case of unemployment.



## **VEHICLES AND EQUIPMENT**

**Motor Pool** - To reduce travel expenses paid to employees who require the use of an automobile while conducting County business. Departments are charged on a per mile basis. Maintenance and gasoline services are also extended to various Government related organizations outside the County structure.

**Parks and Recreation Vehicle and Equipment** - To account for all activity relating to the operation of the Parks and Recreation motor pool. Other functions of this fund are to purchase, operate, and maintain equipment required for the efficient operation of the Parks and Recreation department.

**Telephone Fund** - To provide centralized control over all payments made to finance the acquisition of a County owned phone system and payments made to telephone companies. County departments are billed for phone calls made and charges for equipment on a per phone basis.

## **BUILDING AND GROUNDS**

**Building and Grounds** - To provide for the maintenance and custodial services for all County owned buildings. It is also responsible for care of the grounds, landscape, and greenery around County owned buildings, as well as making all structural changes and facilitating the movement of furniture and fixtures.

## **SELF INSURED MEDICALS**

**Self Insured Medical** - To provide a funding mechanism for the payment of the costs of pharmaceuticals and medical insurance for County employees. The County contracts with a third party administrator to provide claims processing with the cost of the claims reimbursed from this fund.

## **SELF FUNDED PROPERTY/CASUALTY PROGRAM**

**Self Funded Property/Casualty Program** - To initiate and oversees loss prevention and loss control activities to reduce losses, and to account for all applicable workers' compensation, auto, property, and liability claims.

# COMBINING BALANCE SHEET--INTERNAL SERVICE FUNDS

## GENESEE COUNTY

## Exhibit H-1

		<u>Administrative Services</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents.....	\$	
Investments.....		
Interest and accounts receivable.....		1,463
Due from other governmental units.....		
Due from other county funds.....		6,050,790
Supplies inventory.....		
Prepayments.....		74,585
<b>TOTAL CURRENT ASSETS</b>		<u>6,126,838</u>
<b>RESTRICTED ASSETS:</b>		
Investments.....	\$	
<b>PROPERTY AND EQUIPMENT</b>		
Construction in progress.....	\$	
Land.....		
Buildings and improvements.....		
Equipment.....		4,581,005
<b>TOTAL PROPERTY AND EQUIPMENT</b>		<u>4,581,005</u>
Less allowances for depreciation.....		1,839,853
<b>TOTAL PROPERTY AND EQUIPMENT, NET</b>		<u>2,741,152</u>
<b>TOTAL ASSETS</b>	<b>\$</b>	<u><u>8,867,990</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable.....	\$	63,035
Accrued payroll.....		1,820,485
Accrued liabilities and deposits payable.....		
Due to other governmental units.....		
Due to other county funds.....		254,677
Long-term advance.....		
Current portion of notes/bonds payable.....		3,974,402
<b>TOTAL CURRENT LIABILITIES</b>		<u>6,112,599</u>
<b>LONG-TERM DEBT</b>		
General, workers compensation claim and IBNR liability.....	\$	
Notes/bonds payable exclusive of current portion.....		1,769,293
<b>TOTAL LONG-TERM DEBT</b>		<u>1,769,293</u>
<b>TOTAL LIABILITIES</b>		<u>7,881,892</u>
<b>NET ASSETS</b>		
Reserved for:		
Invested in capital assets, net of related debt.....	\$	2,741,152
Major claims.....		
Unrestricted (deficit) .....		(1,755,054)
<b>TOTAL NET ASSETS</b>		<u>986,098</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$</b>	<u><u>8,867,990</u></u>

September 30, 2010

Vehicles and Equipment	Building and Grounds	Self Insured Medicals	Self Funded Prop./Casualty Program	Total
\$	\$	\$	\$	\$
			428,074	428,074
			8,011,679	8,011,679
344	10,711	138,651	1,988,672	2,139,841
1,356	57,014			58,370
6,775	1,551,992	1,289,528	5,645	8,904,730
36,613				36,613
		353,527	299,826	727,938
45,088	1,619,717	1,781,706	10,733,896	20,307,245
\$			746,066	746,066
	7,600			7,600
131,033	42,463			173,496
176,430				176,430
7,402,587	1,626,489			13,610,081
7,710,050	1,676,552			13,967,607
4,292,389	1,237,242			7,369,484
3,417,661	439,310			6,598,123
\$ 3,462,749	\$ 2,059,027	\$ 1,781,706	\$ 11,479,962	\$ 27,651,434
\$	\$	\$	\$	\$
40,941	173,517	210,417	293,589	781,499
5,281	66,871		38,413	1,931,050
	52,912		2,696,066	2,748,978
	270,702			270,702
			2,446	257,123
2,259,020				2,259,020
			1,000,000	4,974,402
2,305,242	564,002	210,417	4,030,514	13,222,774
\$	\$	\$	\$	\$
		446,584	2,648,492	3,095,076
		446,584	2,648,492	1,769,293
		657,001	6,679,006	4,864,369
2,305,242	564,002			18,087,143
\$	\$	\$	\$	\$
3,417,661	439,310			6,598,123
(2,260,154)	1,055,715	1,124,705	4,800,956	2,966,168
1,157,507	1,495,025	1,124,705	4,800,956	9,564,291
\$ 3,462,749	\$ 2,059,027	\$ 1,781,706	\$ 11,479,962	\$ 27,651,434

# **COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS--INTERNAL SERVICE FUNDS**

## **GENESEE COUNTY**

## **Exhibit H-2**

	<u>Administrative Services</u>
Operating revenues:	
Charges for services.....	\$ 6,679,897
TOTAL OPERATING REVENUES	<u>6,679,897</u>
Operating expenses:	
Salaries and fringe benefits.....	5,215,388
Supplies and other operating expenses.....	2,457,926
Depreciation.....	457,167
TOTAL OPERATING EXPENSES	<u>8,130,481</u>
OPERATING INCOME (LOSS)	<u>(1,450,584)</u>
Non-operating revenues :	
Interest income.....	
Interest expense.....	
Gain on investment.....	
Gain on sale of property and equipment.....	
TOTAL NON-OPERATING REVENUES (EXPENSES)	
INCOME (LOSS) BEFORE TRANSFERS	<u>(1,450,584)</u>
Transfers in (out):	
Transfers-in.....	1,182,043
Transfers-out.....	<u>(281,433)</u>
TOTAL TRANSFERS IN (OUT)	<u>900,610</u>
CHANGE IN NET ASSETS	<u>(549,974)</u>
Net Assets at beginning of year.....	1,536,072
NET ASSETS AT END OF YEAR	<u>\$ 986,098</u>

**Fiscal Year Ended September 30, 2010**

<b>Vehicles and Equipment</b>	<b>Building and Grounds</b>	<b>Self Insured Medicals</b>	<b>Self Funded Prop./Casualty Program</b>	<b>Total</b>
\$ 1,755,174	\$ 2,292,690	\$ 6,072,237	\$ 2,878,974	\$ 19,678,972
1,755,174	2,292,690	6,072,237	2,878,974	19,678,972
217,798	2,110,131		204,659	7,747,976
1,307,345	2,980,323	5,260,643	2,933,179	14,939,416
653,370	40,507			1,151,044
2,178,513	5,130,961	5,260,643	3,137,838	23,838,436
(423,339)	(2,838,271)	811,594	(258,864)	(4,159,464)
248		364	224,140	224,752
			300,416	300,416
248		364	524,556	525,168
(423,091)	(2,838,271)	811,958	265,692	(3,634,296)
888,670	90,780			2,161,493
	(102,223)			(383,656)
888,670	(11,443)			1,777,837
465,579	(2,849,714)	811,958	265,692	(1,856,459)
691,928	4,344,739	312,747	4,535,264	11,420,750
\$ 1,157,507	\$ 1,495,025	\$ 1,124,705	\$ 4,800,956	\$ 9,564,291

# **COMBINING STATEMENT OF CASH FLOWS- INTERNAL SERVICE FUNDS**

## **GENESEE COUNTY**

## **Exhibit H-3**

	<u>Administrative Services</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers.....	\$ 6,675,441
Cash payments to suppliers for goods and services.....	(2,487,710)
Cash payments to employees for services.....	(4,873,629)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	<u>(685,898)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Advances to other governmental units, County units and funds.....	(550,520)
Transfers-in from other funds.....	1,182,043
Transfers-out to other funds.....	(281,433)
NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES	<u>350,090</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition and construction of capital assets.....	(112,654)
Principal paid on long-term debt.....	309,980
Interest paid on long-term debt.....	
Proceeds from sale of equipment.....	
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	<u>197,326</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of investment securities.....	
Proceeds from sale and maturities of investment securities.....	
Interest and dividends on investments.....	
NET CASH PROVIDED BY (USED FOR) IN INVESTING ACTIVITIES	<u>(138,482)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(138,482)
Cash and cash equivalents at beginning of year.....	138,482
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:	
Operating income(loss).....	\$ (1,450,584)
Adjustments to reconcile operating income(loss) to net cash provided by (used for) operating activities:	
Depreciation.....	457,167
Change in assets and liabilities:	
(Increase) decrease in interest and accounts receivable.....	(4,459)
(Increase) decrease in supplies inventory.....	
(Increase) decrease in prepayment and other current assets.....	19,439
Increase (decrease) in accounts payable and related items.....	(49,221)
Increase (decrease) in accrued payroll.....	341,760
Increase (decrease) in other accrued liabilities and deposits.....	
Net cash provided by (used for) operating activities.....	<u>\$ (685,898)</u>

**Fiscal Year Ended September 30, 2010**

<b>Vehicle and Equipment</b>	<b>Building and Grounds</b>	<b>Self Insured Medicals</b>	<b>Self Funded Prop./Casualty Program</b>	<b>Total</b>
\$ 1,766,474	\$ 2,307,577	\$ 5,939,766	\$ 3,931,852	\$ 20,621,110
(1,299,610)	(2,961,082)	(4,957,168)	(2,571,346)	(14,276,916)
(220,653)	(2,120,867)		(174,984)	(7,390,133)
<u>246,211</u>	<u>(2,774,372)</u>	<u>982,598</u>	<u>1,185,522</u>	<u>(1,045,939)</u>
(754,223)	(1,551,614)	(1,289,528)		(4,145,885)
888,670	90,780			2,161,493
	(102,223)			(383,656)
<u>134,447</u>	<u>(1,563,057)</u>	<u>(1,289,528)</u>		<u>(2,368,048)</u>
(380,906)	(16,251)			(509,811)
				309,980
<u>(380,906)</u>	<u>(16,251)</u>			<u>(199,831)</u>
			(6,731,934)	(6,731,934)
			5,331,222	5,331,222
248		364	224,140	224,752
<u>248</u>		<u>364</u>	<u>(1,176,572)</u>	<u>(1,175,960)</u>
	(4,353,680)	(306,566)	8,950	(4,789,778)
	4,353,680	306,566	419,124	5,217,852
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
			<u>428,074</u>	<u>428,074</u>
\$ (423,339)	\$ (2,838,271)	\$ 811,594	\$ (258,864)	\$ (4,159,464)
653,370	40,507			1,151,044
11,304	14,887	(132,470)	(1,947,122)	(2,057,860)
(7,808)		(353,527)		(361,335)
			23,986	43,425
15,539	19,241	210,417	2,974,196	3,170,172
(2,855)	(10,736)		29,675	357,844
		446,584	363,651	810,235
<u>\$ 246,211</u>	<u>\$ (2,774,372)</u>	<u>\$ 982,598</u>	<u>\$ 1,185,522</u>	<u>\$ (1,045,939)</u>





**COMBINING  
FINANCIAL STATEMENTS  
FIDUCIARY FUNDS**



## FIDUCIARY FUNDS

**Pension Trust Fund** - To account for the contributions to the defined benefit plan that provides for pension and disability benefits for most Genesee County employees.

**Employees Qualified Excess Benefit Arrangement Fund** - To provide a mechanism for payment of accrued pension benefits that are in excess of the IRS limits on the amounts that can be paid from the Retirement Fund.

**Employees Fringe Benefits Fund** - To account for funds set aside in previous years and cost savings related to a lower cost Defined Contribution Plan with the intent to accumulate adequate funds to defray part of the cost of retiree medical benefits in future years. This fund was transferred to a VEBA in late 2004 with the intent of using these dollars for the compliance with the new GASB OPEB requirements.

**Trust and Agency Funds** - To account for the collection and payment of property taxes to other taxing units, as well as other payments that are held for other governmental entities.

**Library Penal Fines Agency** - To account for the collection of library penal fines and the distribution to applicable other entities.

**OTHER SUPPLEMENTAL INFORMATION  
COMBINING STATEMENT OF NET ASSETS  
FIDUCIARY FUNDS**

**GENESEE COUNTY**

**Exhibit I-1**

		<u>Pension</u>
		<u>Pension Trust Fund Retirement 12/31/09</u>
<b>ASSETS</b>		
Cash and short-term cash investments.....	\$	20,398,368
Cash and inv. held as collateral for securities lending.....		23,047,925
<b>TOTAL CASH AND CASH EQUIVALENTS</b>		<u>43,446,293</u>
Receivables:		
Prepaid expenses.....		677,141
Other receivables.....		1,479,319
Accrued interest and dividends.....		<u>2,156,460</u>
<b>TOTAL RECEIVABLES</b>		<u>2,156,460</u>
Investments at fair value:		
U.S. Government securities.....		33,867,322
Foreign Govts. and Agencies.....		76,652,138
Corporate bonds.....		86,536,802
Common stocks.....		95,293,715
Preferred stocks.....		5,036,258
Money market.....		
Mutual funds.....		49,246,679
Real Estate.....		15,274,921
Hedge fund-of funds.....		10,265,745
<b>TOTAL INVESTMENTS</b>		<u>372,173,580</u>
<b>TOTAL ASSETS</b>		<u>417,776,333</u>
<b>LIABILITIES</b>		
Accounts payable.....		364,284
IBNR liability.....		
Amounts due broker under securities lending agreement.....		23,047,925
<b>TOTAL LIABILITIES</b>		<u>23,412,209</u>
<b>NET ASSETS</b>		
Held in trust for pension benefits and other purposes.....	\$	<u>394,364,124</u>

**Fiscal Year ended September 30, 2010**

**and Other Employee Benefit Trust Funds**

<b>Employees' Qualified Exces Benefit Arrangement (QEBA)</b>	<b>Employees' Fringe Benefit (VEBA)</b>	<b>Total</b>
\$	\$	\$
		20,398,368
		23,047,925
		43,446,293
	619,912	619,912
	200,188	877,329
	289,258	1,768,577
	1,109,358	3,265,818
983	1,092,098	34,960,403
		76,652,138
	13,098,422	99,635,224
	23,443,197	118,736,912
		5,036,258
	3,944,800	3,944,800
		49,246,679
		15,274,921
		10,265,745
983	41,578,517	413,753,080
983	42,687,875	460,465,191
	1,528,639	1,892,923
	661,945	661,945
		23,047,925
	2,190,584	25,602,793
\$ 983	\$ 40,497,291	\$ 434,862,398

**OTHER SUPPLEMENTAL INFORMATION  
COMBINING STATEMENT OF CHANGES IN NET ASSETS  
FIDUCIARY FUNDS**

**GENESEE COUNTY**

**Exhibit I-2**

		<b>Pension</b>
		<b>Retirement 12/31/09</b>
<b>ADDITIONS</b>		
Contributions:		
Employer.....	\$	12,096,241
Plan members.....		2,361,324
Total contributions		14,457,565
Investment earnings:		
Net increase/(decrease)		
in fair value of investments.....		60,858,466
Interest.....		3,603,341
Dividends.....		1,874,231
Total investment earnings.....		66,336,038
Less investment expense.....		1,540,920
Net investment earnings.....		64,795,118
Securities lending income:		
Interest and fees.....		108,229
Less borrower rebates and bank fees.....		23,044
Net securities lending income.....		85,185
Total additions.....		79,337,868
<b>DEDUCTIONS</b>		
Benefits.....		32,750,874
Refunds of contributions.....		110,191
Administrative expenses.....		465,701
Transfer to other pensions plans.....		1,827,687
Total deductions.....		35,154,453
Change in net assets.....		44,183,415
Net assets-beginning of the year.....		350,180,709
Net assets- end of the year.....	\$	394,364,124

Fiscal year ended September 30, 2010

and Other Employee Benefit Trust Funds

Employees' Qualified Excess Benefit Arrangement (QEBA)	Employees' Fringe Benefit (VEBA)	Total
\$	\$ 12,907,088	\$ 25,003,329
	605,690	2,967,014
	13,512,778	27,970,343
	2,201,446	63,059,912
	1,279,870	4,883,211
0	349,482	2,223,713
0	3,830,798	70,166,836
	166,139	1,707,059
0	3,664,659	68,459,777
		108,229
		23,044
		85,185
0	17,177,437	96,515,305
0	12,410,424	45,161,298
		110,191
0	49,065	514,766
		1,827,687
0	12,459,489	47,613,942
0	4,717,948	48,901,363
983	35,779,343	385,961,035
\$ 983	\$ 40,497,291	\$ 434,862,398

# **COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES** **TRUST AND AGENCY FUNDS**

## **Exhibit I-3**

		<div> <div>Balances</div> <div>October 1, 2009</div> </div>
TRUST AND AGENCY FUNDS		
ASSETS		
Cash and cash equivalents.....	\$	25,845,422
Accounts receivable.....		172,473
	\$	<u>26,017,895</u>
LIABILITIES		
Accounts Payable.....		26,017,895
	\$	<u>26,017,895</u>
LIBRARY PENAL FINES		
ASSETS		
Cash and cash equivalents.....	\$	186,885
LIABILITIES		
Accounts Payable.....		186,885
	\$	<u>186,885</u>
TOTALS ALL AGENCY FUNDS		
ASSETS		
Cash and cash equivalents.....	\$	26,032,307
Accounts receivable.....		172,473
	\$	<u>26,204,780</u>
LIABILITIES		
Accounts Payable.....		26,204,780
	\$	<u>26,204,780</u>



**Year Ended September 30, 2010**

<b>Additions</b>	<b>Deductions</b>	<b>Balances September 30, 2010</b>
106,500,834	112,707,967	\$ 19,638,289
546,610	683,516	35,567
<u>107,047,444</u>	<u>113,391,483</u>	<u>\$ 19,673,856</u>
218,192,493	224,536,532	19,673,856
<u>218,192,493</u>	<u>224,536,532</u>	<u>\$ 19,673,856</u>
582,157	617,598	\$ 151,444
1,438,592	1,474,033	151,444
<u>1,438,592</u>	<u>1,474,033</u>	<u>\$ 151,444</u>
107,082,991	113,325,565	\$ 19,789,733
546,610	683,516	35,567
<u>107,629,601</u>	<u>114,009,081</u>	<u>\$ 19,825,300</u>
219,631,085	226,010,565	19,825,300
<u>219,631,085</u>	<u>226,010,565</u>	<u>\$ 19,825,300</u>



## **CAPITAL ASSETS<sup>(1)</sup>**

<sup>(1)</sup>This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. The capital assets of internal service funds are included in governmental activities in the statement of net assets.

**CAPITAL ASSETS - USED IN OPERATIONS OF GOVERNMENTAL ACTIVITIES  
EXCLUSIVE OF INTERNAL SERVICE  
SCHEDULE BY FUNCTION AND ACTIVITY**

**GENESEE COUNTY**

**Exhibit J-1**

	<b>Fiscal Year ended September 30, 2010</b>	
	<b>Total</b>	<b>Land</b>
<b>MANAGEMENT AND PLANNING</b>		
Board Coordinator.....	\$ 6,758	\$
County Clerk.....	63,248	
County Treasurer.....	127,324	
Drain Commission.....	231,589	
Equalization.....	111,374	
Register of Deeds.....	97,788	
	<u>638,081</u>	
<b>ADMINISTRATION OF JUSTICE</b>		
Circuit Court.....	2,168,178	253,992
District Court.....	1,644,103	
Jury Board.....	5,350	
Probate Court.....	24,827	
Prosecutor.....	56,973	
	<u>3,899,431</u>	<u>253,992</u>
<b>LAW ENFORCEMENT AND COMMUNITY PROTECTION</b>		
Animal Shelter.....	1,793,046	
Office of Emergency Preparedness.....	122,280	
Public Safety.....	27,818,765	73,300
	<u>29,734,091</u>	<u>73,300</u>
<b>HUMAN SERVICES</b>		
Veteran's Information.....	22,797	
Buildings and Grounds-McCree.....	13,270	
County Health.....	727,237	54,000
	<u>763,304</u>	<u>54,000</u>
<b>COMMUNITY ENRICHMENT AND DEVELOPMENT</b>		
Cooperative Extension.....	437,460	
Total Quality Management.....	2,600	
	<u>440,060</u>	
<b>COMMUNITY MENTAL HEALTH.....</b>	<u>3,310,163</u>	
<b>GENERAL</b>		
Land and Improvements.....	3,932,709	3,650,039
Buildings and Improvements.....	71,772,340	
Equipment.....	7,901,420	
	<u>83,606,469</u>	<u>3,650,039</u>
<b>TOTAL GENERAL GOVERNMENT</b>	<u>122,391,599</u>	<u>4,031,331</u>
<b>RECREATION.....</b>	<u>25,878,420</u>	<u>8,781,286</u>
<b>TOTAL CAPITAL ASSETS ALLOCATED TO FUNCTIONS</b>	<u>\$ 148,270,019</u>	<u>\$ 12,812,617</u>
Construction in Progress.....	<u>7,600</u>	
<b>TOTAL CAPITAL ASSETS</b>	<u>\$ 148,277,619</u>	

Land Improvements	Buildings and Improvements	Equipment
\$	\$	\$
		6,758
		63,248
		127,324
		231,589
		111,374
		97,788
		638,081
18,578	1,423,241	472,367
	1,432,001	212,102
		5,350
		24,827
		56,973
18,578	2,855,242	771,619
1,423	1,747,860	43,763
		122,280
385,136	26,906,971	453,358
386,559	28,654,831	619,401
		22,797
		13,270
		673,237
		709,304
	363,710	73,750
	363,710	2,600
		76,350
		3,310,163
282,670	71,772,340	7,901,420
282,670	71,772,340	7,901,420
687,807	103,646,123	14,026,338
6,453,490	9,838,422	805,222
\$ 7,141,297	\$ 113,484,545	\$ 14,831,560

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**

**GENESEE COUNTY**

**Exhibit J-2**

	Fiscal Year Ended September 30, 2010			
	Capital Assets October 1, 2009	Additions	Deletions	Capital Assets September 30, 2010
MANAGEMENT AND PLANNING				
Board Coordinator.....	\$ 6,758	\$	\$	\$ 6,758
County Clerk.....	58,182	5,066		63,248
County Treasurer.....	127,324			127,324
Drain Commission.....	4,113,009		3,881,420	231,589
Equalization.....	111,374			111,374
Register of Deeds.....	97,788			97,788
	<u>4,514,435</u>	<u>5,066</u>	<u>3,881,420</u>	<u>638,081</u>
ADMINISTRATION OF JUSTICE				
Circuit Court.....	1,960,143	208,035		2,168,178
District Court.....	1,636,559	25,044	17,500	1,644,103
Jury Board.....	5,350			5,350
Probate Court.....	24,827			24,827
Prosecutor.....	56,973			56,973
	<u>3,683,852</u>	<u>233,079</u>	<u>17,500</u>	<u>3,899,431</u>
LAW ENFORCEMENT AND COMMUNITY PROTECTION				
Animal Shelter.....	1,793,046			1,793,046
Office of Emergency Preparedness.....	16,634	105,646		122,280
Public Safety.....	28,220,162	36,409	437,806	27,818,765
	<u>30,029,842</u>	<u>142,055</u>	<u>437,806</u>	<u>29,734,091</u>
HUMAN SERVICES				
Veteran's Information.....	22,797			22,797
Buildings and Ground-McCree .....		13,270		13,270
County Health.....	717,749	9,488		727,237
	<u>740,546</u>	<u>22,758</u>	<u>0</u>	<u>763,304</u>
COMMUNITY ENRICHMENT AND DEVELOPMENT				
Cooperative Extension.....	437,460			437,460
Total Quality Management.....	2,600			2,600
	<u>440,060</u>			<u>440,060</u>
COMMUNITY MENTAL HEALTH.....	<u>2,604,083</u>	<u>706,080</u>		<u>3,310,163</u>
GENERAL				
Land and Improvements.....	3,932,709			3,932,709
Buildings and Improvements.....	71,741,305	31,035		71,772,340
Equipment.....	7,389,204	513,301	1,085	7,901,420
	<u>83,063,218</u>	<u>544,336</u>	<u>1,085</u>	<u>83,606,469</u>
TOTAL GENERAL GOVERNMENT	<u>125,076,036</u>	<u>1,653,374</u>	<u>4,337,811</u>	<u>122,391,599</u>
RECREATION.....	<u>25,640,574</u>	<u>237,846</u>		<u>25,878,420</u>
TOTAL CAPITAL ASSETS ALLOCATED TO FUNCTIONS	<u>150,716,610</u>	<u>1,891,220</u>	<u>4,337,811</u>	<u>148,270,019</u>
Construction in Progress.....		7,600		7,600
TOTAL CAPITAL ASSETS	<u>\$ 150,716,610</u>	<u>\$ 1,898,820</u>	<u>\$ 4,337,811</u>	<u>\$ 148,277,619</u>

**COMBINING  
FINANCIAL STATEMENTS  
COMPONENT UNITS**





## COMPONENT UNITS

**Brownfield Authority** - To account for the financing used to revitalize environmentally distressed, blighted, and functionally obsolete properties within the County.

**Drains** - To account for the construction and maintenance of drains; determining drainage districts; and apportioning costs of drains among property owners.

# COMBINING BALANCE SHEET--COMPONENT UNIT BROWNFIELD AUTHORITY

## GENESEE COUNTY

## Exhibit K-1

	September 30, 2010		
	Brownfield Authority	Adjustments	Statement of Net Assets
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents.....	\$ 172,528	\$	\$ 172,528
Investments.....	1,000,000		1,000,000
Interest and accounts receivable.....		106,160	106,160
<b>TOTAL CURRENT ASSETS</b>	<u>\$ 1,172,528</u>	<u>\$ 106,160</u>	<u>\$ 1,278,688</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable.....	\$ 258,500	\$	\$ 258,500
Due to component units.....	299,276		299,276
Unamortized note premium.....		460,069	460,069
Current portion debt.....		110,000	110,000
<b>TOTAL CURRENT LIABILITIES</b>	<u>557,776</u>	<u>570,069</u>	<u>1,127,845</u>
<b>LONG-TERM DEBT</b>			
Notes/bonds payable exclusive of current portion....		12,820,000	12,820,000
<b>TOTAL LONG-TERM DEBT</b>	<u>0</u>	<u>12,820,000</u>	<u>12,820,000</u>
<b>TOTAL LIABILITIES</b>	<u>557,776</u>	<u>13,390,069</u>	<u>13,947,845</u>
<b>FUND BALANCES/NET ASSETS</b>			
Reserved for:			
Unrestricted .....	614,752	(614,752)	0
<b>TOTAL FUND BALANCES</b>	<u>614,752</u>	<u>(614,752)</u>	<u>0</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 1,172,528</u>		
<b>NET ASSETS:</b>			
Unrestricted (deficit) .....		\$ (12,669,157)	<u>\$ (12,669,157)</u>

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCES/STATEMENT OF ACTIVITIES  
COMPONENT UNIT BROWNFIELD AUTHORITY**

**GENESEE COUNTY**

**Exhibit K-2**

	<b>Brownfield Authority</b>	<b>Adjustments</b>	<b>Statement of Activities</b>
Operating revenues:			
Use of money and property.....	\$ 2,062	\$	\$ 2,062
Charges for services.....	238,902		238,902
TOTAL OPERATING REVENUES	<u>240,964</u>		<u>240,964</u>
Operating expenses:			
Interest expense.....	415,206	205,194	620,400
Capital outlay.....	262,990		262,990
Other.....	530		530
TOTAL OPERATING EXPENSES	<u>678,726</u>	<u>205,194</u>	<u>883,920</u>
OPERATING INCOME(LOSS)	<u>(437,762)</u>	<u>(205,194)</u>	<u>(642,956)</u>
REVENUE AND OTHER FINANCING SOURCES UNDER (OVER)			
EXPENDITURES AND OTHER FINANCING USES	<u>(437,762)</u>	<u>(205,194)</u>	<u>(642,956)</u>
CHANGE IN NET ASSETS	(437,762)	(205,194)	(642,956)
Fund balances/net assets (deficit) at beginning of year.....	1,052,514	(13,078,715)	(12,026,201)
FUND BALANCES/NET ASSETS (DEFICIT) AT END OF YEAR	<u>\$ 614,752</u>	<u>\$ (13,283,909)</u>	<u>\$ (12,669,157)</u>

# COMBINING BALANCE SHEET--COMPONENT UNIT DRAIN SPECIAL ASSESSMENT

## GENESEE COUNTY

## Exhibit K-3

	Drain Capital Projects	Drain Internal Service
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents.....	\$ 615,038	\$ 1,506,909
Short term investments.....		
Special assessment receivable.....	4,086,579	
Interest receivable.....		
Inventory.....		41,456
Machinery and equipment.....		246,517
Construction in progress.....		
Capital assets infrastructure.....		
TOTAL CURRENT ASSETS	<u>\$ 4,701,617</u>	<u>\$ 1,794,882</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable.....	\$ 91,514	\$ 8,097
Accrued payroll.....		42,168
Yearly drain orders payable.....		
Bonds payable.....		
Contracts payable.....	36,365	
Interest payable.....		
Deposits payable security bond.....	6,680	
Long-term advance from Primary Government.....	500,000	
Deferred revenues.....		
TOTAL LIABILITIES	<u>634,559</u>	<u>50,265</u>
FUND BALANCES/NET ASSETS		
Reserved for:		
Invested in capital assets - net of related debt.....		246,517
Unrestricted .....	4,067,058	1,498,100
TOTAL FUND BALANCES	<u>4,067,058</u>	<u>1,744,617</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,701,617</u>	<u>\$ 1,794,882</u>

**September 30, 2010**

Drain Chapter 20 Debt & Capital Projects		Totals	Adjustments	Statement of Net Assets	
\$	440,342	\$	2,562,289	\$	2,562,289
	200,533		200,533		200,533
			4,086,579		4,086,579
			41,456		41,456
			246,517		246,517
			107,622		107,622
			27,505,977		27,505,977
			0		0
<u>\$</u>	<u>640,875</u>	<u>\$</u>	<u>7,137,374</u>	<u>\$</u>	<u>34,750,973</u>
\$		\$	99,611	\$	99,611
			42,168		42,168
			798,758		798,758
			1,810,000		1,810,000
			36,365		36,365
			32,232		32,232
			6,680		6,680
			500,000		500,000
<u></u>	<u>0</u>	<u></u>	<u>684,824</u>	<u></u>	<u>3,325,814</u>
			246,517		25,292,814
<u>640,875</u>	<u>6,206,033</u>	<u></u>	<u>24,972,609</u>	<u></u>	<u>6,132,345</u>
<u>640,875</u>	<u>6,452,550</u>	<u></u>	<u>24,972,609</u>	<u></u>	<u>31,425,159</u>
<u>\$</u>	<u>640,875</u>	<u>\$</u>	<u>7,137,374</u>	<u>\$</u>	<u>34,750,973</u>

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCES/STATEMENT OF ACTIVITIES  
COMPONENT UNIT DRAIN SPECIAL ASSESSMENT**

**GENESEE COUNTY**

**Exhibit K-4**

	<b>Drain Capital Projects</b>	<b>Drain Internal Service</b>
Operating revenues:		
Taxes.....	\$ 2,211,854	\$
Use of money and property.....	364	
Charges for services.....	24,584	1,227,480
Contributed capital.....		
Other revenue.....	56,033	
<b>TOTAL OPERATING REVENUES</b>	<b>2,292,835</b>	<b>1,227,480</b>
Operating expenses:		
Current:		
Other.....	2,329,607	1,046,622
Depreciation.....		157,039
Debt Service:		
Interest expense.....	115,387	
<b>TOTAL OPERATING EXPENSES</b>	<b>2,444,994</b>	<b>1,203,661</b>
<b>OPERATING INCOME(LOSS)</b>	<b>(152,159)</b>	<b>23,819</b>
Other financing sources (uses)		
Proceeds from notes.....	411,412	
Proceeds from bonds.....		
Principal payments.....	(751,422)	
Operating transfers in (out):		
Transfers in.....	34,331	100,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(305,679)</b>	<b>100,000</b>
<b>REVENUE AND OTHER FINANCING SOURCES UNDER (OVER)</b>		
<b>EXPENDITURES AND OTHER FINANCING USES</b>	<b>(457,838)</b>	<b>123,819</b>
<b>CHANGE IN NET ASSETS</b>	<b>(457,838)</b>	<b>123,819</b>
Fund balances/net assets at beginning of year.....	4,524,896	1,620,798
<b>FUND BALANCES/NET ASSETS AT END OF YEAR</b>	<b>\$ 4,067,058</b>	<b>\$ 1,744,617</b>

<b>Drain Chapter 20 Debt &amp; Capital Projects</b>	<b>Totals</b>	<b>Adjustments</b>	<b>Statement of Activities</b>
\$ 144,324	\$ 2,356,178	\$	\$ 2,356,178
893	1,257		1,257
	1,252,064		1,252,064
	56,033	1,463,785	1,463,785
<u>145,217</u>	<u>3,665,532</u>	<u>1,463,785</u>	<u>5,129,317</u>
	3,376,229	(317,770)	3,058,459
	157,039	2,238,510	2,395,549
4,095	119,482		119,482
<u>4,095</u>	<u>3,652,750</u>	<u>1,920,740</u>	<u>5,573,490</u>
<u>141,122</u>	<u>12,782</u>	<u>(456,955)</u>	<u>(444,173)</u>
	411,412	(411,412)	
(140,000)	(891,422)	891,422	
	134,331		134,331
<u>(140,000)</u>	<u>(345,679)</u>	<u>480,010</u>	<u>134,331</u>
1,122	(332,897)	23,055	(309,842)
1,122	(332,897)	23,055	(309,842)
639,753	6,785,447	24,949,554	31,735,001
<u>\$ 640,875</u>	<u>\$ 6,452,550</u>	<u>\$ 24,972,609</u>	<u>\$ 31,425,159</u>





# STATISTICAL DATA

## III Statistical Section

This part of the comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

### Contents

**Financial Trends:** These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. (Tables 1-3, 6, and 14)

**Revenue Capacity:** These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax. (Tables (7-10)

**Debt Capacity:** These schedules contain information to help the reader assess the affordability of the County's current levels of outstanding debt, and the County's ability to issue additional debt in the future. (Tables 11-13 and 15-16)

**Demographics and Economic Information:** These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place. (Tables 4-5)

**Operating Information:** These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs. (Tables (17-19)

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

## NET ASSETS BY COMPONENT

### GENESEE COUNTY

Table 1

	As of September 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental activities:								
Invested in capital assets,								
net of related debt	\$ 62,947,814	\$ 64,123,284	\$ 68,614,443	\$ 67,224,385	\$ 64,134,346	\$ 69,465,773	\$ 69,993,382	\$ 67,466,131
Restricted	-	-	-	-	41,013,071	31,787,518	11,717,237	20,241,229
Unrestricted	60,790,372	67,344,504	69,552,164	76,773,053	53,409,520	46,266,553	55,427,622	48,973,673
Total governmental activities net assets	<u>\$ 123,738,186</u>	<u>\$ 131,467,788</u>	<u>\$ 138,166,607</u>	<u>\$ 143,997,438</u>	<u>\$ 158,556,937</u>	<u>\$ 147,519,844</u>	<u>\$ 137,138,141</u>	<u>\$ 136,681,033</u>
Business-type activities:								
Invested in capital assets,								
net of related debt	\$ 5,199,516	\$ 5,486,788	\$ 4,746,425	\$ 4,884,340	\$ 4,843,600	\$ 4,762,075	\$ 4,650,120	\$ 4,555,525
Restricted	5,596,895	5,596,895	6,588,273	8,059,145	7,899,456	8,231,695	7,284,048	10,444,490
Unrestricted	21,505,116	17,129,144	11,825,867	8,615,103	7,285,666	5,927,406	6,763,931	793,135
Total business-type activities net assets	<u>\$ 32,301,527</u>	<u>\$ 28,212,827</u>	<u>\$ 23,160,565</u>	<u>\$ 21,558,588</u>	<u>\$ 20,028,722</u>	<u>\$ 18,921,176</u>	<u>\$ 18,698,099</u>	<u>\$ 15,793,150</u>
Primary government:								
Invested in capital assets,								
net of related debt	\$ 68,147,330	\$ 69,610,072	\$ 73,360,868	\$ 72,108,725	\$ 68,977,946	\$ 74,227,848	\$ 74,643,502	\$ 72,021,656
Restricted	5,596,895	5,595,895	6,588,273	8,059,145	48,912,527	40,019,213	19,001,285	30,685,719
Unrestricted	82,295,488	84,473,648	81,378,031	85,388,156	60,695,186	52,193,959	62,191,453	49,766,808
Total primary government net assets	<u>\$ 156,039,713</u>	<u>\$ 159,679,615</u>	<u>\$ 161,327,172</u>	<u>\$ 165,556,026</u>	<u>\$ 178,585,659</u>	<u>\$ 166,441,020</u>	<u>\$ 155,836,240</u>	<u>\$ 152,474,183</u>

## GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE

### GENESEE COUNTY

Table 2

Fiscal Year	Property Tax	State Income Tax	Single Business Tax	State Liquor Tax	State Cigarette Tax	Total
2001	\$ 52,779,443	\$ 8,616,399	\$ 1,560,273	\$ 952,505	\$ 100,009	\$ 64,008,629
2002	56,339,393	8,392,256	1,560,273	1,017,209	76,889	67,386,020
2003	59,330,821	7,365,672	1,505,222	981,323	(265,687)	68,917,351
2004	61,506,389	5,929,005	1,352,579	1,010,888	77,147	69,876,008
2005	80,016,835	-	-	2,092,636	250,829	82,360,300
2006	90,130,888	-	-	2,160,880	272,636	92,564,404
2007	111,592,675	-	-	2,254,464	257,589	114,104,728
2008	93,344,562	-	-	2,439,661	210,485	95,994,708
2009	91,550,851	-	-	2,327,635	149,948	94,028,434
2010	82,135,572	-	-	2,339,105	108,601	84,583,278

## CHANGES IN GOVERNMENTAL NET ASSETS

### GENESEE COUNTY

Table 3

Expenses	Fiscal Year Ended September 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental activities:								
Legislative	\$ 832,256	\$ 927,251	\$ 919,415	\$ 1,016,026	\$ 1,069,833	\$ 1,214,248	\$ 1,017,849	\$ 696,041
Management and planning	11,858,822	18,128,369	33,824,940	34,035,699	23,725,214	24,039,638	20,134,241	11,411,258
Administration of justice	35,822,370	36,764,408	37,721,807	37,466,674	39,276,030	41,936,773	40,753,810	39,946,657
Law enforcement and community protection	31,890,961	37,074,422	31,940,559	35,380,617	34,905,596	38,116,364	37,980,488	38,882,911
Human services	189,589,126	193,080,458	207,518,433	206,232,926	233,155,128	242,401,247	258,530,717	266,815,618
Community enrichment and development	9,541,896	7,759,423	7,952,030	10,198,345	9,609,647	10,089,211	9,062,996	20,266,580
General support services	244,806	201,566	229,806	330,176	278,423	280,225	244,885	140,579
Other	6,279,220	3,166,480	1,015,465	-	-	-	-	-
Interest on long-term debt	1,876,245	1,449,721	1,590,352	1,244,093	1,400,466	1,392,532	1,375,967	1,172,487
Total governmental activities expenses	287,935,702	298,552,098	322,712,807	325,904,556	343,420,337	359,470,238	369,100,953	379,332,131
Business-type activities:								
Commissary	318,061	260,464	275,728	307,663	297,833	325,880	351,625	371,173
Delinquent Tax	3,566,015	4,339,170	2,876,769	4,417,404	3,914,658	5,009,045	5,739,360	5,237,615
Parks and recreation enterprise	1,537,414	1,510,269	1,454,358	1,786,317	1,654,706	1,094,510	865,909	862,088
Total business-type activities expenses	5,421,490	6,109,903	4,606,855	6,511,384	5,867,197	6,429,435	6,956,894	6,470,876
Total primary government expenses	\$ 293,357,192	\$ 304,662,001	\$ 327,319,662	\$ 332,415,940	\$ 349,287,534	\$ 365,899,673	\$ 376,057,847	\$ 385,803,007
General Revenues and Other Changes in Net Assets	Fiscal Year Ended September 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
Program Revenues								
Governmental activities:								
Charges for services:								
Management and planning	\$ 6,449,909	\$ 6,760,492	\$ 6,317,835	\$ 5,595,829	\$ 4,648,102	\$ 4,837,484	\$ 4,163,514	\$ 4,360,168
Administration of justice	3,546,663	4,207,446	4,339,188	4,030,973	4,994,718	5,155,752	5,023,773	4,222,465
Law enforcement and community protection	1,247,805	1,540,849	1,366,836	1,536,277	1,916,284	1,810,730	1,713,565	1,573,787
Human services	68,097,426	74,186,952	82,879,118	84,679,874	83,688,901	97,169,192	105,029,552	115,428,765
Community enrichment and development	1,499,970	1,866,889	2,300,229	2,319,598	1,334,426	2,244,379	2,346,760	2,414,531
Operating grants and contributions	108,374,146	108,447,493	106,495,973	102,973,924	110,619,729	108,102,706	121,062,036	128,746,641
Capital grants and contributions	-	-	-	-	1,995,000	1,960,000	-	-
Total governmental activities program revenues	189,215,919	197,010,121	203,699,179	201,136,475	209,197,160	221,280,243	239,339,200	256,746,357
Business-type activities:								
Charges for services:								
Commissary	502,931	458,052	473,796	467,888	490,221	506,601	534,613	566,448
Delinquent Tax	4,920,582	9,632,038	-	7,827,298	6,659,293	9,478,156	10,814,957	12,173,759
Parks and recreation enterprise	1,182,977	413,848	777,295	1,402,855	1,419,368	683,320	296,384	275,921
Total business-type activities program revenues	6,606,490	10,503,938	1,251,091	9,698,041	13,783,761	16,273,302	22,431,777	13,016,128
Total primary government program revenues	\$ 195,822,409	\$ 207,514,059	\$ 204,950,270	\$ 210,834,516	\$ 222,980,921	\$ 237,553,545	\$ 261,770,977	\$ 269,762,485
Net (expense)/revenue								
Governmental activities	\$ (98,719,783)	\$ (101,541,977)	\$ (119,013,628)	\$ (124,768,081)	\$ (134,223,177)	\$ (138,189,995)	\$ (129,761,753)	\$ (122,585,774)
Business-type activities	1,185,000	4,394,035	(3,355,764)	3,186,657	2,701,685	4,238,642	4,689,060	6,545,252
Total primary government net expense	\$ (97,534,783)	\$ (97,147,942)	\$ (122,369,392)	\$ (121,581,424)	\$ (131,521,492)	\$ (133,951,353)	\$ (125,072,693)	\$ (116,040,522)

## CHANGES IN GOVERNMENTAL NET ASSETS

### GENESEE COUNTY

Table 3 Continued

	Fiscal Year Ended September 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental activities:								
Taxes:								
Current property taxes	\$ 49,744,291	\$ 61,506,389	\$ 80,016,835	\$ 90,130,888	\$ 111,592,675	\$ 93,344,562	\$ 91,550,851	\$ 82,135,572
State income tax	7,365,672	5,929,005	-	-	-	-	-	-
Single business tax	1,505,222	1,352,579	-	-	-	-	-	-
State liquor tax	981,323	1,010,888	2,092,636	2,160,880	2,254,464	2,439,661	2,327,635	2,339,105
State cigarette tax	(265,687)	77,147	250,829	272,636	257,589	210,485	149,948	108,601
Use of money and investments	2,897,705	4,092,363	5,632,975	3,528,890	4,132,787	3,040,092	2,340,338	741,489
Other unrestricted intergovernmental revenues	26,693,472	18,452,999	21,993,912	22,586,954	19,274,036	18,874,190	14,013,688	7,889,596
Other unrestricted revenues	1,851,150	4,154,743	2,825,926	6,659,243	6,460,995	3,697,846	4,455,444	9,179,669
Unrestricted contributions	3,623,846	3,866,178	4,071,075	-	-	-	-	-
Transfers	7,561,032	8,829,288	7,909,798	5,259,421	4,810,130	3,878,982	4,549,503	9,975,187
Total governmental activities	101,958,026	109,271,579	124,793,986	130,598,912	148,782,676	125,485,818	119,387,407	112,369,219
Business-type activities:								
Taxes			5,883,971	-	-	-	-	-
Use of money and investments	150,171	346,553	329,329	470,787	578,579	199,878	64,499	79,000
Other unrestricted intergovernmental revenues							16,000	-
Transfers	(7,561,032)	(8,829,288)	(7,909,798)	(5,259,421)	(4,810,130)	(3,878,982)	(4,549,503)	(9,975,187)
Total business-type activities	(7,410,861)	(8,482,735)	(1,696,498)	(4,788,634)	(4,231,551)	(3,679,104)	(4,469,004)	(9,896,187)
Total primary government	\$ 94,547,165	\$ 100,788,844	\$ 123,097,488	\$ 125,810,278	\$ 144,551,125	\$ 121,806,714	\$ 114,918,403	\$ 102,473,032
<b>Change in Net Assets</b>								
Governmental activities	\$ 3,238,243	\$ 7,729,602	\$ 5,780,358	\$ 5,830,831	\$ 14,559,499	\$ (12,704,177)	\$ (10,374,346)	\$ (10,216,555)
Business-type activities	(6,225,861)	(4,088,700)	(5,052,262)	(1,601,977)	(1,529,866)	559,538	220,056	(3,350,935)
Total primary government	\$ (2,987,618)	\$ 3,640,902	\$ 728,096	\$ 4,228,854	\$ 13,029,633	\$ (12,144,639)	\$ (10,154,290)	\$ (13,567,490)

## DEMOGRAPHIC AND ECONOMIC STATISTICS

### GENESEE COUNTY

Table 4

Fiscal Year	Population <sup>1</sup>	Personal Income	Per Capita Personal Income <sup>2</sup>	School Enrollment <sup>3</sup>	Unemployment Rate <sup>4</sup>
2001	438,754	11,428,225,438	26,047	90,329	7.5
2002	440,391	11,768,568,693	26,723	90,491	8.6
2003	441,712	12,279,151,888	27,799	89,805	9.4
2004	442,739	12,109,797,128	27,352	89,423	8.9
2005	442,732	11,941,810,236	26,973	84,979	7.7
2006	436,141	12,146,526,850	27,850	84,418	8.1
2007	441,966	12,684,424,200	28,700	83,240	7.6
2008	436,141	12,379,745,000	32,321	81,781	10.6
2009	424,043	12,165,474,000	34,025	78,956	14.6
2010	Estimate 434,715	Not Yet Available	Not Yet Available	77,306	12.5

Data sources

<sup>1</sup>Bureau of the Census

<sup>2</sup>Bureau of the Census

<sup>3</sup>Genesee Intermediate School District

<sup>4</sup>State of Michigan

### PRINCIPAL EMPLOYERS

### GENESEE COUNTY

### CURRENT YEAR AND NINE YEARS AGO

Table 5

Employer	2009			2001		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
General Motors Corp	3,417	1	1.77 %	17,179	1	9.52 %
Genesys Health System	3,265	2	1.69			
Hurley Medical Center	2,650	3	1.37	2,800	5	1.55
Square D	2,500	4	1.30			
McLaren Medical Center	2,500	5	1.30	2,400	6	1.33
Flint Metal Center	2,180	6	1.13			
Genesee County	1,200	7	0.62	1,200	10	0.66
United States Postal Service	1,200	8	0.62	1,200	9	0.66
General Motors Corp., Powertr	1,200	9	0.62			
Flint, City of	1,100	10	0.57	1,311	8	0.73
Delphi Electronics				4,932	2	2.73
Genesys Health System				3,265	3	1.81
Flint Community Schools				3,200	4	1.77
Meijer, Inc				1,563	7	0.87
Total	21,212		12.08 %	39,050		21.64 %

Source: Flint Genesee Economic Growth Alliance.

# CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

## GENESEE COUNTY

Table 6

	2001	2002	2003	2004
<b>Revenues</b>				
Taxes	\$ 52,779,443	\$ 56,339,393	\$ 59,330,821	\$ 61,506,389
Licenses and permits	1,062,359	985,811	1,020,218	1,135,328
Fines and forfeitures	1,602,481	2,036,590	2,603,628	2,634,086
Use of money and property	5,973,298	3,498,117	4,002,596	4,796,954
Federal grants	52,560,978	59,266,293	63,459,559	58,521,771
State grants	51,780,681	50,983,604	44,853,105	50,345,235
Other intergovernmental revenues	20,175,195	19,206,174	21,322,672	14,845,416
Charges for services	75,352,962	77,931,129	80,841,773	88,562,628
Other	3,637,222	5,007,064	7,283,432	15,806,629
Total revenues	264,924,619	275,254,175	284,717,804	298,154,436
<b>Expenditures</b>				
Current operations:				
Legislative	737,376	802,421	836,525	924,581
Management and planning	8,893,000	10,332,028	10,730,757	10,548,857
Administration of justice	32,641,399	33,312,780	35,730,821	36,280,906
Law enforcement and community protection	28,811,997	30,132,814	31,170,314	32,194,935
Human services	173,456,318	185,210,860	189,995,280	192,932,327
Community enrichment and development	7,086,572	7,912,569	9,366,372	7,539,899
General support services	223,428	312,012	244,295	199,860
Other	8,078,557	9,470,451	11,049,688	12,177,907
Capital outlay	15,708,671	10,732,099	4,972,876	4,380,397
Debt service principal	3,732,319	3,417,248	3,752,248	3,427,248
Debt service interest	1,825,025	1,733,445	1,876,245	1,641,983
Advance refunding escrow				
Total expenditures	281,194,662	293,368,727	299,725,421	302,248,900
Excess of revenues over (under) expenditures	(16,270,043)	(18,114,552)	(15,007,617)	(4,094,464)
<b>Other financing sources (uses)</b>				
Proceeds from notes		4,700,000	4,700,000	7,645,000
Discount sale of bonds				
Payment to refund bond escrow				(6,362,420)
Transfers in	33,850,091	35,054,252	37,261,766	40,524,638
Transfers out	(24,649,620)	(27,512,436)	(25,138,289)	(27,010,834)
Total other financing sources (uses)	9,200,471	12,241,816	16,823,477	14,796,384
Net change in fund balances	\$ (7,069,572)	\$ (5,872,736)	\$ 1,815,860	\$ 10,701,920
Debt service as a percentage of noncapital expenditures	1.9%	1.7%	1.8%	1.7%

2005	2006	2007	2008	2009	2010
\$ 82,360,302	\$ 86,840,515	\$ 110,748,784	\$ 96,475,936	\$ 84,534,288	\$ 85,251,366
1,396,599	1,238,421	1,463,997	1,514,703	1,759,640	1,694,977
2,371,011	2,473,432	2,715,541	2,190,518	2,139,682	1,971,211
4,174,354	3,795,451	4,394,915	3,309,684	1,173,100	741,489
55,359,347	47,636,776	63,486,445	53,919,149	64,989,753	86,579,730
51,065,065	55,337,148	47,133,284	54,183,557	56,072,284	38,180,819
8,167,368	8,454,322	6,733,314	8,069,683	8,159,750	8,803,198
97,560,370	98,162,552	96,582,431	111,217,537	116,804,045	127,999,717
16,366,979	17,063,294	13,876,995	11,822,662	9,740,510	9,864,457
318,821,395	321,001,911	347,135,706	342,703,429	345,373,052	361,086,964
920,466	1,018,198	1,074,904	1,211,126	902,798	902,798
12,302,328	11,387,914	11,746,542	13,061,601	8,778,867	8,778,867
36,094,472	36,092,505	39,616,056	41,179,919	38,628,589	38,215,218
31,504,040	33,575,804	34,349,956	36,662,783	36,543,125	36,125,761
202,020,809	212,013,445	227,256,969	242,138,776	258,536,374	260,262,424
7,774,226	9,134,039	6,762,148	7,140,903	8,818,413	15,642,043
228,656	230,987	278,953	279,291	133,851	133,851
26,975,242	13,958,517	13,447,187	8,954,222	5,139,994	4,996,815
8,194,847	2,826,643	2,004,138	1,145,240	3,552,291	1,830,924
2,827,248	2,779,000	2,536,000	2,599,000	2,711,000	2,944,500
1,840,218	1,521,960	1,544,866	1,496,932	1,438,967	1,172,487
330,682,552	324,539,012	340,617,719	355,869,793	365,184,269	371,005,688
(11,861,157)	(3,537,101)	6,517,987	(13,166,364)	(19,811,217)	(9,918,724)
17,486,536				1,150,000	
(41,969)					
(13,776,115)					
48,184,559	47,404,927	72,052,311	73,025,131	71,978,284	73,489,202
(38,273,955)	(43,701,772)	(68,010,760)	(70,417,354)	(62,187,903)	(66,299,852)
13,579,056	3,703,155	4,041,551	2,607,777	10,940,381	7,189,350
\$ 1,717,899	\$ 166,054	\$ 10,559,538	\$ (10,558,587)	\$ (8,870,836)	\$ (2,729,374)
1.4%	1.3%	1.2%	1.1%	1.1%	1.1%

## DIRECT AND OVERLAPPING<sup>1</sup> PROPERTY TAX RATES

### GENESEE COUNTY

Table 7

Fiscal Year	Millage Rates - Direct County Taxes <sup>2</sup>						Schools
	General Operating	County Parks	County Emergency Medical Services	Senior Citizens	Health Services	Total Direct Taxes <sup>3</sup>	
2001	5.58	0.49	0.49			6.56	15.57
2002	5.58	0.49	0.49			6.56	15.21
2003	5.55	0.49	0.49			6.53	14.52
2004	5.52	0.49	0.49			6.5	13.79
2005	5.51	0.48	0.48			6.47	13.11
2006	5.51	0.48	0.48			6.47	14.8
2007	5.51	0.48	0.48	0.7	1.00	8.17	17.92
2008	5.51	0.48	0.48	0.7	1.00	8.17	17.97
2009	5.51	0.48	0.48	0.7	1.00	8.17	18.00
2010	5.51	0.48	0.48	0.7	1.00	8.17	18.00

Source: Genesee County Equalization

<sup>1</sup> Overlapping rates are those of local and county governments that apply to property owner within Genesee County. Not all overlapping government's property owners whose property is located within the geographic boundaries of the special district).

<sup>2</sup> Local and county governments are limited by State Statute (Headlee Amendment) to increase property taxes (without a vote of the public) rollback must be done.

<sup>3</sup> The maximum County millage rate allowed by Headlee Amendment for 2008 was 8.17.

## TAXABLE VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

### GENESEE COUNTY

Table 8

Fiscal Year Ended September 30	Taxable Value by Property Type:			
	Real Property			Agricultural & Other
	Residential	Commercial	Industrial	
2001	\$5,613,044,953	\$1,491,801,948	\$421,953,791	\$114,495,539
2002	6,072,127,173	1,597,976,309	418,394,903	116,615,019
2003	6,450,983,934	1,669,908,541	441,422,475	109,345,900
2004	6,895,425,829	1,753,000,981	443,446,262	108,187,742
2005	7,375,298,859	1,846,280,434	457,832,433	109,816,454
2006	7,930,930,667	1,942,291,432	462,904,596	108,960,093
2007	8,350,676,588	2,064,642,037	465,453,698	114,502,824
2008	8,350,007,649	2,094,584,863	460,814,189	115,709,217
2009	7,930,452,065	2,125,973,096	444,413,929	121,736,391
2010	6,955,393,965	2,009,484,789	387,987,718	120,627,170

Source: Genesee County Equalization

Note: Property in the county is reassessed annually. The county assesses property at approximately 50 percent of actual value for all Tax rates are per \$1,000 of assessed value.



Overlapping Taxes						Total Tax Rate
Mott Community College	Genesee Intermediate School	Townships Cities and Village	District Library	Airport Authority	Special Assess.	Direct & Overlapping Rates
1.61	2.89	8.25	0.78	0.49	0.19	36.34
2	3.49	9.41	0.78	0.49	0.17	38.11
1.84	3.57	8.82	0.77	0.49	0.19	36.73
1.94	3.40	9.12	0.76	0.49	0.17	36.17
1.85	3.23	8.67	0.76	0.48	0.14	34.71
1.94	3.32	9.21	0.75	0.48	0.12	37.09
2.65	3.54	6.93	0.75	0.48	0.11	40.55
2.65	3.54	6.91	0.75	0.48	0.15	40.62
2.65	3.54	6.92	0.75	0.48	0.18	40.69
2.65	3.54	6.77	0.75	0.48	0.22	40.58

rates apply to all Genesee County property owners (e.g., the rates for special districts apply only to the proportion of the no more than the rate of inflation exclusive of net additions in property values due to new construction. Otherwise, a rate

Personal Property	Total Value	Tax Rate (Mills)	Estimated Actual Value	Taxable Value as a % of Actual
\$951,796,172	\$8,593,092,403	6.56	\$20,198,052,686	42.54%
960,898,112	9,166,011,516	6.56	21,820,528,372	42.01%
933,727,354	9,605,388,204	6.53	23,297,946,094	41.23%
908,022,829	10,108,083,643	6.50	24,589,093,896	41.11%
932,598,141	10,721,826,321	6.47	26,070,064,822	41.13%
875,861,401	11,320,948,189	6.47	27,391,654,734	41.33%
854,545,349	11,849,820,496	8.17	28,313,868,698	41.85%
507,958,414	11,529,074,332	8.17	27,397,998,344	42.08%
763,503,909	11,386,079,390	8.17	24,932,643,592	45.67%
662,225,029	10,135,718,671	8.17	21,597,824,570	46.93%

types of real and personal property. Estimated actual value is calculated by doubling assessed value.

## PRINCIPAL PROPERTY TAX PAYERS

### GENESEE COUNTY

Table 9

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
General Motors Corp	\$ 229,410,928	1	2.12 %	\$ 447,086,574	1	0.44 %
Consumers Energy	204,389,705	2	1.89	210,134,918	2	0.21
Genesee valley Partners LP	56,908,600	3	0.53	54,707,470	4	0.05
Wal-Mart/Sam's	47,044,393	4	0.44			
Meijers Inc/Good Will Co Inc	30,117,207	5	0.28	18,807,416	6	0.02
Edward Rose Assoc ETAL	28,154,140	6	0.26			
Federal National Mortgage Assoc	22,276,697	7	0.21			
Home Depot	20,941,068	8	0.19			
The Kroger Co	20,212,815	9	0.19			
Androit Industries LLC	19,930,658	10	0.18			
Delphi Automotive				141,781,960	3	0.14
Vemco				20,661,000	5	0.02
Ring Screw Works				17,170,166	7	0.02
S.S. Kresge Co				16,655,235	8	0.02
Comcast Cablevision				16,507,236	9	0.02
E.D.S. Corporation				16,360,200	10	0.02
Totals	<u>\$ 679,386,211</u>		<u>6.29 %</u>	<u>\$ 959,872,175</u>		<u>0.96 %</u>

Source: Genesee County Equalization

## PROPERTY TAX LEVIES AND COLLECTIONS

### GENESEE COUNTY

Table 10

Tax Year	Fiscal Year Ended September 30	Total Levy	Current Collections	Percent Collected	Delinquent Collections	Total Tax Collections	Percent of Levy Collected
2000	2001	\$53,656,134	\$49,123,362	91.6	\$4,491,202	\$53,614,564	99.9
2001	2002	57,316,530	52,821,625	92.2	4,385,198	57,206,823	99.8
2002	2003	61,019,215	56,373,215	92.4	3,847,657	60,220,872	98.7
2003	2004	63,422,129	58,517,508	92.3	2,080,607	60,598,115	95.5
2004	2005	66,168,833	60,857,672	92.0	2,377,100	63,234,772	95.6
2005	2006	69,978,962	64,674,114	92.4	3,337,568	68,011,682	97.2
2006	2007	73,789,449	66,320,683	89.9	5,039,055	71,359,738	96.7
2007	2008	77,184,286	69,733,103	90.3	5,863,583	75,596,686	97.9
2008	2009	77,275,942	70,409,930	91.1	6,024,397	76,434,327	98.9
2009	2010	93,767,535	82,568,103	88.1	7,259,482	89,827,585	95.8

## RATIOS OF GENERAL BONDED DEBT OUTSTANDING

### GENESEE COUNTY

Table 11

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value <sup>1</sup> of Property	Per Capita <sup>2</sup>
2001	\$34,560,500	\$8,322,177	\$26,238,323	0.12	60
2002	36,018,500	9,798,882	26,219,618	0.11	60
2003	34,764,000	11,734,071	23,029,929	0.09	53
2004	35,486,000	14,908,023	20,577,977	0.08	47
2005	36,316,500	235,892	36,080,608	0.13	83
2006	33,537,500	0	33,537,500	0.12	77
2007	41,001,500	218,170	40,783,330	0.15	94
2008	38,402,500	110,224	38,292,276	0.14	88
2009	23,941,500	109,124	23,832,376	0.10	55
2010	20,997,000	376,404	20,620,596	0.08	47

Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

<sup>1</sup>See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property (Table 8) for property value data.

<sup>2</sup>Population data can be found in the Schedule of Demographic and Economic Statistics (Table 4).

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

### GENESEE COUNTY

Table 12

	Net Debt Outstanding	Percentage Applicable Genesee County <sup>1</sup>	Amount Applicable Genesee County
County at Large	\$97,080,000	100.0 %	\$97,080,000
School Districts	418,573,367	81.3	340,291,313
Cities and Villages	36,441,276	95.4	34,748,517
Townships	50,915,164	100.0	50,915,164
County-issued Bonds paid by local municipalities	200,888,000	112.9	226,859,256
Airport Authority	10,555,000	100.0	10,555,000
Mott Community College and Genesee Intermediate School District	65,450,000	89.9	58,832,000
Subtotal, overlapping debt			472,063,868
Genesee County direct debt			347,217,382
Total direct and overlapping debt			\$819,281,250

Source: Municipal Advisory Council of Michigan.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Genesee County. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

<sup>1</sup>The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

## RATIOS OF OUTSTANDING DEBT

### GENESEE COUNTY

**Table 13**

Fiscal Year	Governmental Activities			
	General Obligation Bonds	Equipment Notes	Capital Leases	Installment Agreements
2001	\$34,560,500	\$2,057,754	\$500	\$415,552
2002	36,018,500	1,513,694		311,664
2003	34,764,000	1,141,091		207,776
2004	35,486,000	747,432		103,888
2005	36,316,500	386,694		
2006	33,537,500	254,540		
2007	41,001,500	135,804		
2008	25,502,500	10,682		
2009	23,941,500			
2010	20,997,000			

Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

<sup>1</sup> See the Schedule of Demographic and Economic Statistics (Table 4) for personal income and population data.

## FUND BALANCES OF GOVERNMENTAL FUNDS

### GENESEE COUNTY

**Table 14**

	2001	2002	2003	2004
General Fund:				
Reserved	\$ 2,748,106	\$ 2,571,294	\$ 3,382,233	\$ 3,237,607
Unreserved	18,968,701	17,928,706	15,560,534	15,757,245
Total General Fund	<u>\$ 21,716,807</u>	<u>\$ 20,500,000</u>	<u>\$ 18,942,767</u>	<u>\$ 18,994,852</u>
All other governmental funds				
Reserved	\$ 638,603,620	\$ 11,175,952	\$ 7,021,921	\$ 1,700,659
Unreserved, reported in:				
Special Revenue Funds	13,780,202	10,816,731	16,599,640	27,968,408
Capital Projects Funds	1,572,646	(1,969,558)	132,638	1,561,015
Debt Service Funds	8,322,177	9,798,882	11,734,071	14,908,023
Total all other governmental funds	<u>\$ 662,278,645</u>	<u>\$ 29,822,007</u>	<u>\$ 35,488,270</u>	<u>\$ 46,138,105</u>

<b>Business - Type Activities</b>		<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Per Capita <sup>1</sup></b>
<b>General Obligation Bonds</b>	<b>Delinquent Tax Notes</b>			
\$1,044,500	\$12,978,000	\$51,056,806	43.81	117
921,500	15,411,500	54,176,858	44.68	124
766,000	14,513,000	51,391,867	43.08	118
609,000	14,617,000	51,563,320	43.83	118
463,500	16,484,000	53,650,694	44.17	123
307,500	21,795,000	55,894,540	44.49	128
253,500	29,742,000	71,132,804	55.57	163
217,500	67,592,090	93,322,772	72.91	214
178,500	70,441,250	94,561,250	73.88	217
138,000	55,451,292	76,586,292	59.84	176

<b>2005</b>		<b>2006</b>		<b>2007</b>		<b>2008</b>		<b>2009</b>		<b>2010</b>	
\$	3,540,891	\$	3,598,594	\$	3,887,892	\$	4,148,176	\$	3,757,229	\$	3,219,465
	15,292,806		9,801,036		7,501,262		6,780,668		1,071,157		7,955,013
\$	18,833,697	\$	13,399,630	\$	11,389,154	\$	10,928,844	\$	4,828,386	\$	11,174,478
\$	1,306,925	\$	23,309,614	\$	32,511,561	\$	32,653,060	\$	520,606	\$	3,300,415
	45,006,647		29,581,547		32,713,869		19,954,181		35,778,743		34,739,053
	1,467,695		726,119		743,694		194,621		445,505		285,774
	235,892		55,565		218,170		110,224		109,124		376,404
\$	48,017,159	\$	53,672,845	\$	66,187,294	\$	52,912,086	\$	36,853,978	\$	38,701,646

## LEGAL DEBT MARGIN

### GENESEE COUNTY

Table 15

	2001	2002	2003
<b>Calculation of Debt Limit:</b>			
State Equalized Valuation	\$10,099,026,343	\$10,910,264,186	\$11,648,973,047
10% of Taxable Value	1,009,902,634	1,091,026,419	1,164,897,305
<b>Calculation of Debt Subject to Limit:</b>			
Total Long-Term Debt	38,078,805	38,765,358	39,308,867
Plus Business Type Tax Notes	12,978,000	14,490,000	14,513,000
Component Unit Debt:			
Brownfield Authority			
Land Bank Authority			
Water and Waste Services	75,360,000	66,100,000	68,100,000
Road Commission	8,883,362	7,622,092	6,163,487
Drain Fund	2,720,986	2,262,885	2,207,898
<b>Less: Debt Not Subject to Limit:</b>			
Non-Bonded Debt	3,246,526	2,356,808	1,626,713
Road Commission Debt Not Subject to Legal Debt Limit	7,815,000	6,795,000	5,590,000
Water and Waste Service Sewer Bonds	69,410,000	62,275,000	65,945,000
Drain Fund Special Assessment Debt	1,365,986	1,057,885	1,152,898
<b>Net Debt Subject to Limit</b>	<b>56,183,641</b>	<b>56,755,642</b>	<b>55,978,641</b>
<b>Legal Debt Margin</b>	<b>953,718,993</b>	<b>1,034,270,777</b>	<b>1,108,918,664</b>
<b>Net Debt Subject to Limit as % of Debt Limit</b>	<b>5.56%</b>	<b>5.20%</b>	<b>4.81%</b>

Note: Under state finance law, Genesee County's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

## PLEDGED-REVENUE COVERAGE

### GENESEE COUNTY

Table 16

Fiscal Year	Water and Sewer Revenue Bonds				
	Gross	Applicable	Net	Debt Service	
	Revenues	Expenses	Revenues	Principal	Interest
2000	\$ 22,607,437	\$ 19,365,300	\$ 3,242,137	\$ 9,260,000	\$ 3,686,577
2001	24,294,418	21,437,967	2,856,451	9,000,000	3,152,759
2002	28,136,915	24,055,391	4,081,524	7,740,000	3,180,964
2003	29,500,607	26,403,112	3,097,495	10,260,000	4,477,742
2004	31,270,777	28,668,831	2,601,946	7,530,000	5,286,079
2005	33,089,994	31,414,650	1,675,344	7,020,000	4,698,900
2006	33,240,331	31,201,708	2,038,623	8,780,000	5,146,948
2007	39,905,904	34,640,150	5,265,754	9,200,000	5,942,875
2008	41,733,685	35,106,337	6,627,348	8,430,000	5,702,215
2009	48,623,754	35,797,020	12,826,734	9,070,000	6,107,272

Note: Details regarding Water and Waste Services outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest or depreciation

<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
\$12,294,546,948 1,229,454,695	\$13,035,032,411 1,303,503,241	\$13,695,827,367 1,369,582,737	\$14,156,934,349 1,415,693,435	\$13,698,999,172 1,369,899,917	\$12,466,321,796 1,246,632,178	\$10,798,912,285 1,079,891,228
36,946,320 14,617,000	37,166,698 16,484,000	34,099,540 21,795,000	41,390,804 29,742,000	35,730,682 57,592,090	40,120,000 70,441,250	21,135,000 55,550,000
	5,000,000 56,814	5,000,000 445,942	5,000,000 434,515	13,035,000 3,577,506	13,035,000 3,588,685	12,930,000 3,990,785
100,165,000 5,016,814 2,173,708	117,465,000 3,765,617 1,718,859	115,596,420 2,761,480 2,950,407	144,697,048 7,532,542 4,662,036	168,034,033 16,186,229 3,860,052	168,070,641 14,063,032 3,088,767	176,945,058 18,440,726 2,608,758
1,446,897 4,415,000 71,470,000 1,268,708	822,315 3,330,000 74,905,000 863,859	439,072 2,385,000 74,006,420 615,407	349,652 8,750,000 104,302,048 782,036	255,048 12,520,000 122,864,033 670,052	174,531 15,906,283 124,305,641 588,767	80,883 18,440,726 134,315,058 798,758
80,318,237 1,149,136,458 6.53%	101,735,814 1,201,767,427 7.80%	105,202,890 1,264,379,847 7.68%	119,275,209 1,296,418,226 8.54%	161,706,459 1,208,193,458 11.80%	171,432,153 1,075,200,025 13.75%	137,964,902 941,926,326 12.78%

### Special Assessment Bonds

<b>Coverage</b>	<b>Special Assessment</b>	<b>Debt Service</b>	<b>Coverage</b>
		<b>Principal</b>	<b>Interest</b>
0.250424263			
0.235045474			
0.373732942			
0.210174327			
0.203022001			
0.142960858			
0.146379738			
0.347738062			
0.468953239			
0.845127767			

# FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION

## GENESEE COUNTY

Table 17

Function	2001	2002	2003	2004
Animal Shelter	14	14	12	12
Board Office	14	14	15	16
Building & Grounds	28	30	26	26
Circuit Court	34	36	36	40
Controller	18	21	21	17
Cooperative Extension	3	3	3	3
Corporation Counsel	6	6	5	5
County Clerk	38	42	37	38
Court Services	17	16	13	10
District Court	68	68	63	63
Emergency Management	3	3	3	4
Equalization	13	12	11	11
Equity & Diversity	3	3	2	2
Family Court		37	38	33
Friend of the Court	95	105	103	99
GCCARD	95	99	104	105
Genesee Valley Regional Ctr.		34	42	40
GIS				1
Human Resources	10	10	9	9
M.I.S.	22	22	21	22
Parks & Recreation	26	27	28	28
Planning	24	23	22	20
Probate Court	65	28	25	26
Prosecutor	77	81	78	73
Public Health	189	177	167	165
Purchasing	8	8	7	7
Register of Deeds	13	13	11	12
Sheriff	278	279	269	273
Surface Water Management	18	22	22	21
Treasurer	16	18	23	23
Veteran's Info. Center	3	3	3	3
Total	1,198	1,254	1,219	1,207

Source: Government Human Resources Office.



<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
12	13	13	11	11	7
15	15	15	15	14	14
26	25	24	22	21	14
46	49	49	48	45	46
17	17	17	16	14	11
3	3	1			
6	6	6	5	5	5
37	40	34	36	34	30
6	7	5	5	6	3
63	63	61	58	57	52
4	4	1	3	3	1
10	7	9	8	9	8
3	3	3	2	1	1
32	34	33	34	32	25
101	101	100	95	94	84
94	89	81	95	126	105
41	42	43	41	44	43
3	2	2	2	1	1
8	7	8	8	7	8
20	19	19	18	19	14
29	28	28	27	25	25
19	20	22	22	23	24
24	24	24	23	22	20
68	71	67	70	70	58
158	152	150	144	142	105
6	7	6	5	5	5
11	11	10	8	7	10
264	265	259	259	248	234
19	22	20	17	16	15
19	18	19	17	15	13
3	3	3	3	3	3
1,167	1,167	1,132	1,117	1,119	984

## OPERATING INDICATORS BY FUNCTION

### GENESEE COUNTY

Table 18

Function/Program	2001	2002	2003	2004
Board Office Committee Meeting Log:				
Public Works	20	20	19	20
Finance/Budget	2	10	16	8
Governmental Operations	26	23	25	23
Human Services	21	21	22	23
Community & Economic Development	12	11	13	12
Board of Commissioners	30	31	29	29
Building & Grounds:				
Centrally Generated Work Orders			2,023	2,011
Circuit Court:				
Number of Civil Cases	2,357	2,500	2,204	2,144
Number of Criminal	1,845	1,956	2,092	2,116
Number of Family Cases	13,004	11,076	9,788	10,457
Controllers:				
Number of Checks	47,410	48,757	44,704	42,607
Cooperative Extension:				
4-H Volunteers	8,730	9,972	10,288	10,009
Master Gardener Volunteers	308	319	381	360
Residents Served	22,119	24,673	25,927	29,088
County Clerk General Election Data:				
Registered Voters	148,234	319,909	118,774	335,361
Ballots Cast	22,279	136,498	26,691	214,718
Percent Voting	15.0%	42.7%	22.5%	64.0%
Birth Certificates	6,737	6,819	6,777	6,527
Civil Cases Filed	8,378	8,767	6,836	7,086
Criminal Cases Filed	1,872	1,900	2,022	2,006
Death Certificates	4,142	4,325	4,131	4,229
Divorces	2,943	3,070	2,401	2,489
Marriage Licenses	3,212	2,940	2,924	2,882
District Court:				
Number of Civil Cases	17,182	18,511	19,609	18,406
Number of Criminal/Traffic Cases	52,527	62,160	63,474	58,338
Equalization:				
Number of Parcel Counts	194,462	196,713	205,937	209,709
Friend of the Court:				
Number of Active Cases	52,060	53,565	55,216	54,903
Health:				
Infant Deaths	59	83	74	75

<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
20	20	23	23	20	19
16	30	31	25	32	22
25	27	23	23	25	24
21	25	24	21	22	23
10	14	8	10	12	8
28	39	30	27	28	40
2,048	2,001	2,018	2,251	1,914	2,116
2,144	1,895	1,881	2,134	1,995	1,898
2,067	2,149	2,353	2,184	2,015	1,911
9,993	7,085	9,051	9,877	9,457	9,622
37,585	37,410	42,430	48,050	63,503	47,595
9,236	13,976	443	55	71	116
422	371	309	318	329	308
36,092	49,391	65,716	58,080	48,041	75,265
154,140	338,530	351,082	347,432	163,782	335,069
22,168	165,346	35,656	221,583	22,722	135,010
14.4%	48.8%	10.2%	63.8%	13.9%	40.3%
6,490	6,602	6,432	6,056	5,902	5,696
6,789	6,865	2,304	2,134	2,010	2,325
1,984	2,060	1,836	2,184	2,014	1,910
4,202	4,285	4,020	4,353	4,361	4,407
2,384	2,411	7,536	2,141	2,072	2,205
2,782	2,579	2,532	2,330	2,233	2,227
18,368	20,185	22,913	23,941	22,866	21,718
57,988	62,437	59,427	58,872	56,360	56,141
212,626	207,759	209,079	209,639	209,360	212,566
55,472	55,577	55,530	56,223	55,472	54,920
52	59	50	56	53	34

# OPERATING INDICATORS BY FUNCTION

## GENESEE COUNTY

Table 18 (Continued)

Function/Program	2001	2002	2003	2004
Health:				
Smoking Rates	27.1%	27.1%	26.8%	26.8%
Gonorrhea Cases	1,545	1,794	1,758	1,972
Parks and Recreation:				
Huckleberry RR/Crossroad Village Attendance	167,391	142,859	151,670	146,163
Planning Commission				
Road Reconstruction, Resurfacing & Restoration				
Lane Miles	67.6	16.7	112.2	41.8
Cost	13,835,102	3,708,092	30,373,829	13,888,596
Streets				
Miles	1.5	1.9	1.5	1.3
Cost	881,320	465,883	376,310	402,663
Sidewalks				
Feet	3,500	4,000	2,500	600
Cost	134,036	278,780	125,469	31,324
Probate Court:				
Number of Probate Cases	3,772	3,140	3,128	2,746
Prosecutors:				
Felony Warrants (more than 1 year)	3,031	3,025	3,271	3,246
Misdemeanor Warrants (more than 1 year)	11	31	28	14
Misdemeanor Warrants (less than 1 year)	1,122	1,130	1,531	1,489
Purchasing:				
Number of Purchase Orders	2,371	2,219	2,156	1,905
Register of Deeds:				
Annual Recorded Documents	125,955	148,827	166,713	130,944
Sheriff Department:				
Number of Inmates Booked	11,623	11,891	11,957	12,209
Traffic Accidents	1,394	1,493	1,202	1,213
Traffic Violations	4,373	3,047	3,783	2,807
OUIL Arrests	217	155	125	125
Driving With License Suspended Arrests	633	538	578	408
Felony Arrests	392	291	300	359
Misdemeanor Arrests	2,669	813	1,158	997
Treasurers:				
Number of Cash Receipts	58,764	58,818	58,222	65,621
Veterans Information Services:				
Veteran Services	27,895	17,881	26,323	25,466
Veterans Burial Services	100	140	116	110
Soldiers Relief Commission Services	415	334	344	215
Veterans Trust Applications	335	190	144	87

Source: Various county departments.

<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
25.2%	25.2%	25.6%	25.6%	24.6%	25.0%
1,664	1,682	1,594	1,313	1,157	709
143,007	152,113	159,715	134,853	139,289	143,460
63.3	67.7	146.5	55.0	65	69
37,824,377	40,162,522	70,114,676	58,161,496	19,544,927	10,080,375
1.6	2.2	3.2	2.5	2	3
515,474	154,840	356,523	270,000	203,783	198,304
3,200	4,600	2,500	800	1,500	3,500
128,596	214,995	138,449	61,396	152,711	114,946
2,605	3,267	3,037	2,817	3,205	3,134
3,101	3,407	3,467	3,408	3,040	2,860
25	34				
1,292	1,250	1,141	1,187	1,108	1,029
1,733	1,628	1,228	1,398	1,082	909
123,414	111,178	99,573	85,915	81,874	86,670
12,032	12,454	12,580	12,133	11,460	10,436
1,231	919	1,495	1,345	259	1,120
2,155	2,356	3,372	3,868	1,804	3,356
72	76	140	97	154	163
318	372	604	422	474	1,374
403	391	286	271	242	387
967	604	1,250	589	703	1,415
53,196	49,473	55,202	57,872	58,376	72,702
25,265	27,763	27,707	29,239	29,875	31,286
134	103	112	141	141	209
190	148	161	140	246	270
61	48	46	91	85	95

## CAPITAL ASSET STATISTICS BY FUNCTION

### GENESEE COUNTY

Table 19

Function/Program	2001	2002	2003	2004
Buildings & Grounds:				
Administration Bldg.	1	1	1	1
Animal Control	1	1	1	1
Clinics	3	3	4	3
Courts	7	6	7	6
Courthouse	1	1	1	1
Dollar Store	1	1	1	1
Drain Commission	1	1	1	1
Galliver Bldg.	1	1	1	1
GCCARD Bldg.	3	3	3	3
Haley	1	1	1	1
Jail	1	1	1	1
Juv. Detention Ctr.			1	1
MacAvinchey Bldg.	1	1		
Motor Pool	1	1	1	1
MSU Extension	1	1	1	1
Parking Structures	2	2	2	2
Drains:				
Number of Drains	1,133	1,144	1,153	1,162
MIS:				
Computers	810	820	825	840
Parks & Recreation:				
Acreage	10,939	10,939	10,939	10,939
Beaches	4	4	4	4
Bicycle Path	5	5	5	5
Boat Launches	2	2	2	3
Campgrounds	2	2	2	1
Disc Golf Course			1	1
For-Mar Nature Preserve & Arboretum	1	1	1	1
Genesee Belle Paddle Wheel Boat	1	1	1	1
Huckleberry Railroad	1	1	1	1
Picnic Areas	5	5	5	5
Play Areas		1	2	3
Snowmobile Areas	4	4	4	4
Spray Park			1	1
Stepping Stone Falls	1	1	1	1

<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
1	1	1	1	1	1
1	1	1	1	1	1
3	3	3	3	3	3
6	6	6	6	6	6
1	1	1	1	1	1
1	1	1			
1	1	1	1	1	1
1	1	1	1	1	1
3	3	3	3	3	3
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
2	2	2	2	2	2
1,171	1,177	1,183	1,187	1,126	1,195
850	855	850	875	890	890
10,939	10,939	10,939	10,939	10,939	10,939
4	4	3	3	3	3
5	6	6	7	7	7
3	3	4	4	4	4
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
5	5	5	5	5	5
3	5	5	7	7	7
4	5	5	5	5	5
1	1	1	1	1	1
1	1	1	1	1	1

## CAPITAL ASSET STATISTICS BY FUNCTION

### GENESEE COUNTY

Table 19 (Continued)

Function/Program	2001	2002	2003	2004
Sheriff:				
Housing Cells	355	355	355	355
Isolation Rooms	6	6	6	6
Safety Cells	6	6	6	6
Medical Cells	9	9	9	9
Patrol Vehicles	21	21	21	21
Boats	9	9	9	9
Paramedic Vehicles	9	9	9	9
Motorcycles				
Jet Skis				



<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
355	355	355	355	355	355
6	6	6	6	6	6
6	6	6	6	6	6
9	9	6	9	9	7
50	50	18	18	10	22
5	5	4	3	3	5
15	15	15	15	15	15
8	8	8	8	6	8
		4	2	2	2



## **Committees of the Board of Commissioners**

The Committee system, which goes back to the 61 member Board of Supervisors, is still currently maintained. Each of the nine Commissioners of the present Board of Commissioners is a member of each committee. Following are the major committees including a short description of each committee's goals and objectives.

### **Community & Economic Development Committee**

Develop information, alternatives, and recommendations regarding Community Development funds and other economic development initiatives.

### **Finance and Finance/Budget Committee**

Develop plans for financing of County activities so sufficient monies may be raised to pay current fixed operating expenses and all approved extraordinary expenses.

### **Human Services Committee**

Represent the Board of Commissioners in community and human relations and the associated financing of these activities.

### **Governmental Operations Committee**

To review County department requests for purchases, employees, and policy statements and the associated financing of these activities.

### **Public Works Committee**

Recommend needed improvements, repairs, or upkeep to buildings, grounds, and equipment and the associated financing of these activities.

There are various standing subcommittees on which four Commissioners serve and are assisted by County staff. Some of these subcommittees are Budget/Finance, Audit, Insurance and Management Information Systems.



## **Genesee County, Michigan**

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