

**County of Ottawa  
Grand Haven, Michigan**



**2011 Comprehensive Annual  
Financial Report**  
Year Ended December 31, 2011

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

of

**COUNTY OF OTTAWA**

Grand Haven, Michigan

For the Year Ended December 31, 2011

**BOARD OF COMMISSIONERS**

2011

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**ROBERT SPAMAN**

**COUNTY OF OTTAWA**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended December 31, 2011**

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# County of Ottawa

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June 25, 2012

Members of the Board and the Citizens of the County of Ottawa:

The Comprehensive Annual Financial Report of the County of Ottawa, Michigan, for the fiscal year ended December 31, 2011, is submitted herewith. The financial statements included in this report have been audited by Vredeveld Haefner LLC, an independent firm of certified public accountants. The report is prepared for the purpose of disclosing the County's financial condition to its residents, elected officials, and other interested parties.

The financial statements have been prepared in compliance with applicable State statutes and Generally Accepted Accounting Principles (GAAP) as stated in the Governmental Accounting Standards Board statements and interpretations. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data, as presented, is accurate in all material aspects, and that it is presented in such a manner as to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its funds.

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

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County of Ottawa's MD&A can be found immediately following the report of the independent auditors.

## **REPORTING ENTITY AND ITS SERVICES**

Named for the Ottawa Indians who hunted and fished the area's forests and streams, Ottawa County was established in 1837. The County began operation in December of 1837, and the U.S. Census of 1840 listed only 208 people in all of Ottawa County. The estimated 2011 population is 266,300. Ottawa County, encompassing an area of approximately 565 square miles, is located in the southwestern portion of Michigan's lower peninsula having over 30 miles of Lake Michigan shoreline. The County is comprised of six cities, one village, and seventeen townships. Ottawa County is the eighth largest county in Michigan in terms of total population. The County is bordered by the City of Muskegon to the Northwest and the City of Grand Rapids to the East.

The topography of the County is flat to gently rolling, with approximately half of its land area being devoted to agricultural purposes. The County enjoys a healthy mix of tourism, industrial, commercial, and agricultural uses within its confines.

The County's legislative body is an eleven-member Board of Commissioners which is elected from single-member districts, determined by population, on a partisan basis for two-year terms. The Board annually elects from within its ranks a Chairman and Vice-Chairman by majority vote.

The financial reporting entity of Ottawa County includes all the funds and capital assets of the primary government (i.e., Ottawa County, as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The County provides a full range of services that are either mandated by State statute or authorized by the County Board of Commissioners. These services include legislative, judicial, public safety, public works, health, welfare, recreational, capital improvements and general administrative services.

Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, the Ottawa County Building Authority is separated into the appropriate categories of Debt Service, Capital Projects, Capital Assets and Long-term Debt and the Ottawa County, Michigan Insurance Authority is reported as an internal service fund. Discretely presented component units are reported separately in the government wide financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position, results of operations and cash flows from those of the primary government. The Ottawa County Road Commission, the Ottawa County Central Dispatch Authority, the Ottawa County Public Utilities System, and the Ottawa County Drain Commission are reported as discretely presented component units.

## **ECONOMIC CONDITION AND OUTLOOK**

The Great Recession is behind us. According to the National Bureau of Economic Research, the 18 month recession ended in June of 2009. The economic recovery is slow, but sure. A review of current economic data and information shows that we are in a period of improvement across

the country and in the State of Michigan. Likewise, Ottawa County’s economy is exhibiting many positive signs.

**Employment**

*State*

Michigan no longer has the unfortunate distinction of the highest annual average state unemployment rate in the nation. Michigan’s annual average unemployment rate (not seasonally adjusted) has been declining each year since its most recent peak of 13.4 percent in 2009. In a review of the 2011 annual average unemployment rates for the states, the national average unemployment rate was 8.9 percent. Michigan’s rate was 10.3 percent. There were six states with higher rates of unemployment than Michigan. In January of 2012, Michigan’s seasonally adjusted unemployment rate fell again to nine percent, improving its ranking to the 40th state in the nation in terms of employment. Between January 2011 and January 2012, Michigan registered the largest jobless rate decrease (-1.9 percentage points) of all states in the nation.

*Ottawa County*

As a result of the Great Recession, Ottawa County’s annual average unemployment rate also peaked in 2009 at 12.1 percent. Specifically, the annual average employment of 112,900 recorded in 2007 fell to 100,700 in 2009. Since then, total employment in Ottawa County has steadily improved:

Ottawa County’s Total Employment 2007-2012 (Non-Farm, Not Seasonally Adjusted)			
<i>Year</i>	<i>Annual Average total Non-Farm Employment</i>	<i>Change</i>	<i>% Change</i>
2007	112,900		
2008	110,100	(2,800)	(2.5%)
2009	100,700	(9,400)	(8.5%)
2010	103,500	2,800	2.8%
2011	109,400	5,900	5.7%
2012 (January)	111,800	2,400	2.2%

Of the 17 labor market areas which comprise the State of Michigan, Ottawa County’s unemployment rate at the beginning of 2011 (for January) was the second lowest at 7.4 percent. In fact, Ottawa County’s unemployment rate is approaching 6 percent, which is generally considered the point where there is less concern, since that rate reflects normal job changes in the labor force.

The comeback of employment in Ottawa County was noticed at the national level. In December 2011, the Milken Institute, a non-profit think tank based in Santa Monica, California, published a list of the Best-Performing Cities in 2011. The Holland-Grand Haven MSA (Ottawa County) ranked second among 200 large labor market areas in the criteria of One-Year Job Growth Between 2009 and 2010. Likewise, the U. S. Bureau of Labor Statistics reported in

January 2012, that Ottawa County posted the largest percentage increase in employment between June 2010 and June 2011 than any other large county in the nation (ranked first among 322 large counties). The corresponding employment increase in Ottawa County was 4.7 percent which compared to the national average of only 0.9 percent.

Composition of the Ottawa County Workforce

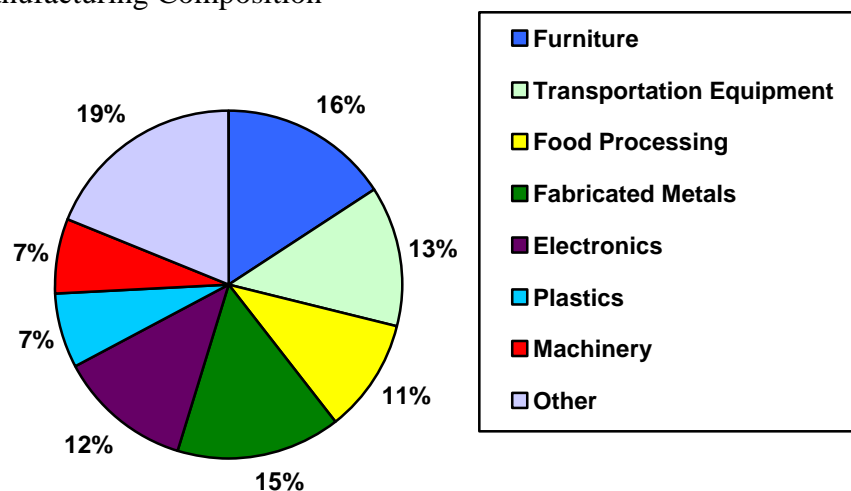
An economic attribute of Ottawa County, which especially distinguishes the County from other counties, is having a large share of its workforce engaged in manufacturing. This characteristic hurt the County during the grip of the Great Recession when the purchases of durable goods slowed to a crawl. That concentration of manufacturing employment is now *helping* the County since growing consumer demand for durable goods is returning. Ottawa County’s manufacturing dominance has again become an asset. It is estimated that about 21 percent of the Holland-Grand Haven MSA (Ottawa County) gross domestic product is exported compared to an 11 percent national average.

Notably, Ottawa County’s share of manufacturing workers as of January 2012 was 29.2 percent of the total non-farm workforce. This compares to State of Michigan and national shares of manufacturing workers of 13.3 and 9.0 percent, respectively. Five years ago (in 2007), Ottawa County’s manufacturing workforce share was larger at 31.3 percent. The State’s share of manufacturing workers at that time was also higher at 14.5 percent of total employment.

In January of 2012, Ottawa County’s non-farm, not seasonally adjusted workforce was 111,800. Of that total, employment in the services sector collectively accounted for 36,900 workers. Manufacturing was the next largest employing sector with 32,600 workers, followed by government (federal, State & local public) employees at 18,400 and the trades, transportation & utilities at 16,400 jobs. The three remaining, smaller sectors were natural resources, mining & construction at 3,400 workers; financial activities also at 3,400; and workers in information technology at 700.

Within manufacturing, employment is rather diversified with seven industry groups collectively constituting about eighty one percent of Ottawa County’s manufacturing base:

Ottawa County Manufacturing Composition



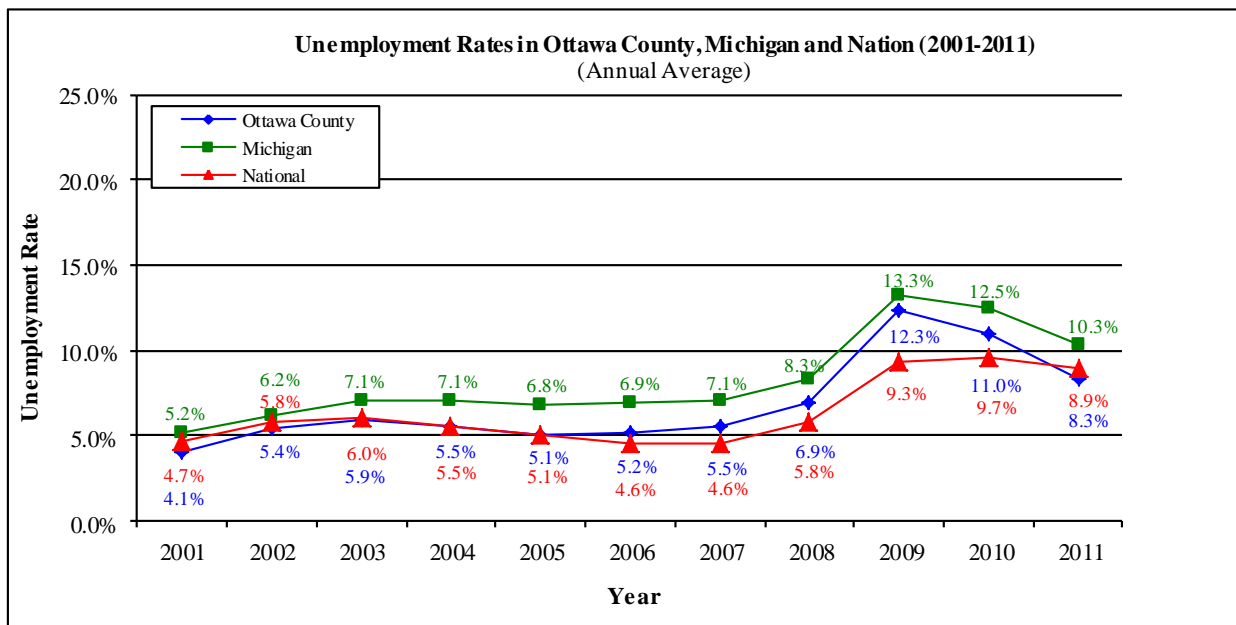


It is important to note that employment in the largest group (furniture) accounts for no more than 16 percent of the total manufacturing employment. The next largest group was fabricated metals with a close 15 percent of the total.

Current Unemployment Statistics

Ottawa County experienced a steady rise in annual average unemployment rates for the last several years with the sharpest increase occurring between 2008 and 2009. Notably, the unemployment rate in Ottawa County declined in 2010, from 12.3 percent to 11.0 percent. This same pattern was true with the State’s unemployment rate which decreased from 13.3 percent in 2009 to 12.5 percent in 2010. In contrast, the national rate continued to increase in 2010, from 9.3 percent to 9.7 percent.

**Annual Unemployment Rates (2001-2011)**



Source: Michigan Labor Market Information (Michigan Department of Energy, Labor and Economic Growth)

Employment Outlook

**State**

According to the most recent economic forecast of the University of Michigan (April 6, 2012), Michigan’s recovery will realize an estimated 54,300 net new jobs in 2012. That growth will be followed by another net increase of 44,400 jobs in 2013. “The dominant job providers are manufacturing, professional and business services (including temporary help), and health services.” Only the government sector is expected to lose jobs over this period.

According to the Michigan House Fiscal Agency’s most recent forecast (January 2012), “after experiencing a decade of annual job losses, Michigan wage and salary employment is forecast to grow by about 63,000 workers in CY 2011.” That total job creation equates to about a 1.6 percent rate of growth. For the next several years, the annual rates of job growth are expected to be 1.1 percent in both 2012 and 2013 and then 1.2 percent in 2014.

### Recent Trends & Projections in the Automotive Industry

Transportation equipment is the third largest industry group in Ottawa County's manufacturing sector, in terms of employment. According to LMC Automotive, approximately 2.1 million light motor vehicle units are expected to be produced in Michigan's assembly plants in 2012. For each of the next three years (2013 to 2015), the forecasts are for approximately 2.4 million units to be produced. In 2011, the total U.S. sales of light motor vehicles were 12.7 million units. The annual sales totals are expected to be 13.6 million units in 2012, followed by 14.4 million units and 14.9 million units in 2013 and 2014, respectively. Michigan auto parts producers which survived the Great Recession are expected to be at full capacity going forward.

### Recent Trends & Projections in the Furniture Industry

In terms of employment, the office furniture industry represents the largest manufacturing group in Ottawa County. In 2007, the total U.S. production of office furniture was approximately \$ 11.4 billion. With the Great Recession, the annual production volumes dropped to a low of \$ 7.8 billion in 2009. Since then, the production has risen each year to \$9.3 billion in 2011. The U.S. office furniture market forecasts for 2012 and 2013 are production totals of \$ 9.2 billion and \$ 9.8 billion, respectively.

### ***Ottawa County***

The good news for Ottawa County is that according to the most recent forecast of the W.E Upjohn Institute (January 10, 2012), total employment in Ottawa County will continue to grow at annual rates of 2.9 and 2.6 percent for 2012 and 2013, respectively. The sector contributing most to this growth is manufacturing (3.0 to 3.4 percent annually) followed closely behind by the services sector (2.9 to 3.0 percent annually). The government sector; however, is expected to experience declines in employment over the next two years with annual job losses of -0.5 and -0.7 percent, respectively.

### **Ottawa County Tax Base**

The above employment forecast does not take into account the specific information associated with several large, recently identified manufacturing expansion projects which will significantly boost the number of manufacturing jobs in Ottawa County (and the local tax base). The Gentex Corporation in Zeeland has recently announced a commitment to construct a new manufacturing complex in Zeeland Township. The North Riley Street Campus will consist of four new manufacturing facilities with a combined space of over 1 million square feet to be built on a 140-acre site. Collectively, these new production/distribution facilities will employ an estimated 3,744 employees. Construction on the first building began in February 2012. Completion of the \$126 million facility (and associated infrastructure) is anticipated in 2016 and will house about 936 of those anticipated total new jobs. It is expected that this will be "a continuous build project" until all four facilities are up and occupied at the end of approximately 12 years. The estimated total project cost (private sector investment) will be approximately \$472 million. The needed public infrastructure (water & sanitary sewer collection & treatment, road, and electrical system) in both Zeeland Township and City to support this long-term major manufacturing expansion project is estimated to be approximately \$15.4 million.

Another just recently identified (but confidential) prospective new major agricultural/industrial development project is targeted for a site in northern Ottawa County. The \$49 million bottling plant includes a new 30,000 square foot building which would likely start construction yet in 2012 and the acquisition of new machinery & equipment. An estimated 133 direct new jobs would be created over the next two years by this new food processor.

Other recently known industrial expansion projects (building additions & renovations and/or internal expansions- acquisitions of new machinery & equipment) that have started construction or will likely start yet this year, include the following:

<b>Company</b>	<b>Community</b>	<b>Preliminary Cost</b>
Alliance Analytical Labs	City of Coopersville	\$440,000
Woodward	City of Zeeland	\$1,650,000
Commercial Mfg	Grand Haven Township	\$2,500,000
Agape Plastics	Tallmadge Township	\$5,700,000
STM Manufacturing	City of Holland	\$1,100,000
DeWys Manufacturing	Wright Township	\$4,000,000
Ventura	City of Zeeland	\$525,000
	Total:	\$15,915,000

In the health services sector, there are two large development projects in the Holland area- one which has just completed construction and the other project will go under construction in the summer of 2012. Spectrum Health has built a \$15.8 million medical facility in Holland Township. The new 58,000 square foot medical center will employ approximately 100 health care workers. In the City of Holland, Holland Hospital recently announced plans for the construction of a \$10 million, 23,000 square foot addition to its east wing of the main hospital for additional patient care services. Last year, Holland Hospital's workforce grew by 59 employees over the previous year.

Another indicator of manufacturing recovery is Public Act 198 industrial facilities tax exemption activity. According to the State Tax Commission, a total of 63 certificates were issued for industrial expansion projects in Ottawa County last year. The combined value of those investments to occur over the next 24 months was \$227.5 million. These expansion projects will result collectively in an estimated 1,009 new jobs. Both the investment and job creation totals in 2011 were the highest annual figures over the past 5 years, as shown below.

<u>Year</u>	<u>Number of Exemptions</u>	<u>Total Exemption Amount</u>	<u>Estimated Job Creation</u>
2007	61	\$172,100,000	835
2008	49	\$206,900,000	842
2009	37	\$178,500,000	656
2010	34	\$82,400,000	357
2011	63	\$227,500,000	1,009

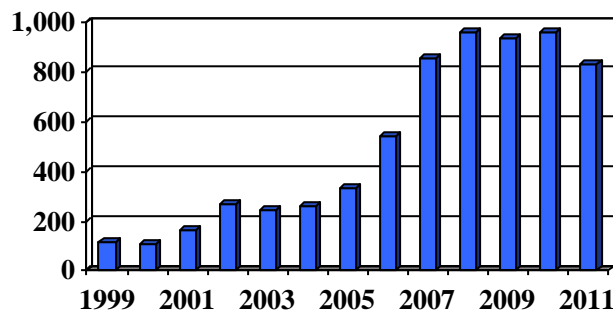
Ottawa County ranked second of 83 counties in Michigan in terms of the number of certificates issued and the sixth county in terms of total investments. This level of expansion activity in

Ottawa County’s manufacturing sector is further proof that the manufacturing sector is back to its pre-Great Recession level.

**Housing**

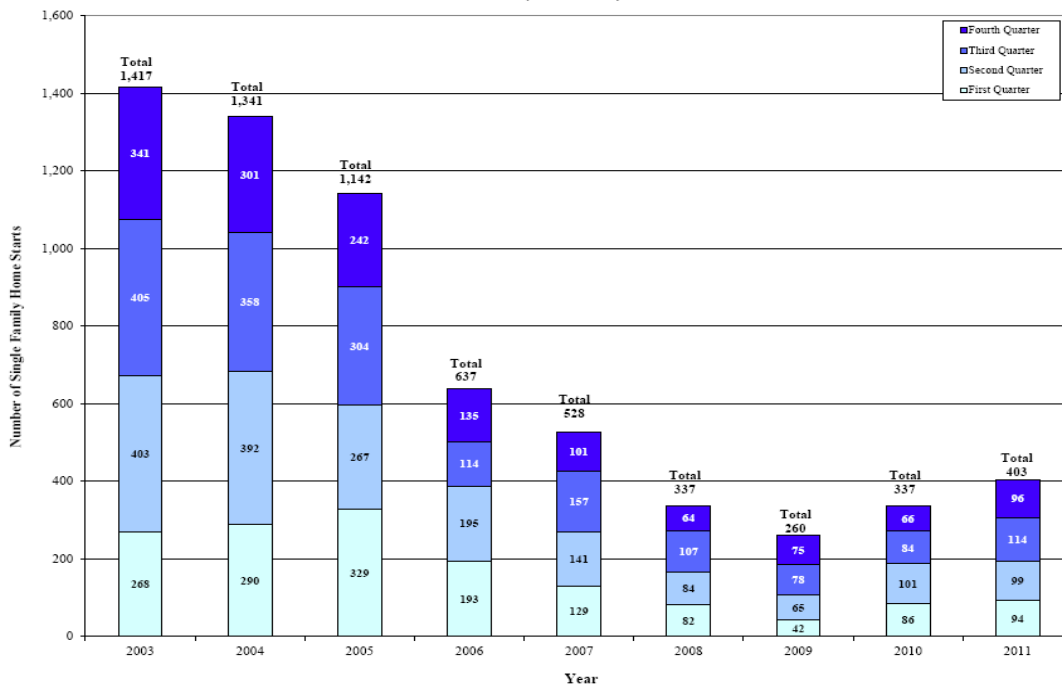
The recession has been marked by record high home foreclosures throughout the country. Michigan has been among the top states with the highest amount of foreclosure activity. In Ottawa County, home foreclosures began rising in 2007 to 850 filings for that year (which was 57 percent higher than the 2006 total of 540). High annual levels of foreclosure filings have been experienced for the last three years: 957 in 2008, 933 in 2009 and 953 in 2010. The good news is that 2011 saw fewer home foreclosures:

**Ottawa County Mortgage Foreclosures**



Though housing starts remain low, the County is starting to see an upward trend:

**Residential Single Family Home Starts in Ottawa County\* (2003-2011)**



\* Home starts in Blenden and Chester Townships are excluded from this chart. Builder Track did not track home starts in these townships on a consistent basis between 2003 and 2011.  
 Source: Builder Track Reports, Lakeshore Area Quarterly Report  
 Prepared by: Planning and Performance Improvement Department (01/10/12)

Nevertheless, with an abundance of housing units in foreclosure over the last few years, there has been a large inventory of vacant residential structures. That inventory has had a negative impact on the construction of new housing. In Ottawa County, during the non-recession years, the annual number of single family home starts consistently exceeded the 1,000 units mark. The number of home starts began falling in 2006 with 637 starts and then continued with yearly declines through 2009 with a bottomed-out figure of 260 starts. In 2010, the number of single family unit starts began to rebound with 337 units. The 2011 total also showed an improving new housing market with 403 starts. It may be another two years before the 1,000 units mark is again reached in Ottawa County.

The construction of new multiple family unit starts in Ottawa County also was negatively impacted over the past few years. For the last 3 years combined (2009-2010), there were a total of 47 starts which compared to 311 in 2008 alone. However, the growth in student enrollment at Grand Valley State University in Allendale Township has fueled the market for multiple unit residential development.

Another negative impact of this recession has been a reduction in existing property values. Several local units of government in Ottawa County continued experiencing decreases in taxable property values based on the 2011 and 2012 Equalization reports. The County overall experienced decreases in taxable value of 2.15 percent and 0.96 percent, respectively. In 2011, more (18 of 23) local units of government reported decreases in taxable property values than increases. The range of changes in taxable value was (5.68%) to +1.56%. These reduced taxable values (in the absence of any millage rate increases) result in substantially less tax revenues for local, county and State taxing authorities. This will likely impact the ability of governments to provide continued levels of municipal programs and services which may lead to reductions in public sector employment.

**Income**

The return of manufacturing jobs has also had a positive impact on wages, reversing the slides in median household incomes that occurred in the nation, State of Michigan and Ottawa County between 2008 and 2009. In each of those years, the median household income for Ottawa County exceeded the averages of both the U.S. and Michigan. In 2010, Ottawa County’s median household income of \$ 53,454 again exceeded the national average of \$ 50,046 and greatly exceeded the State average of \$ 45,354.

Median Household Incomes, 2007- 2010

<u>Year</u>	<u>Ottawa County</u>	<u>Michigan</u>	<u>United States</u>
2010	\$ 53,454	\$ 45,354	\$ 50,046
2009	52,107	45,254	50,221
2008	56,208	49,788	50,303
2007	55,088	49,370	50,233

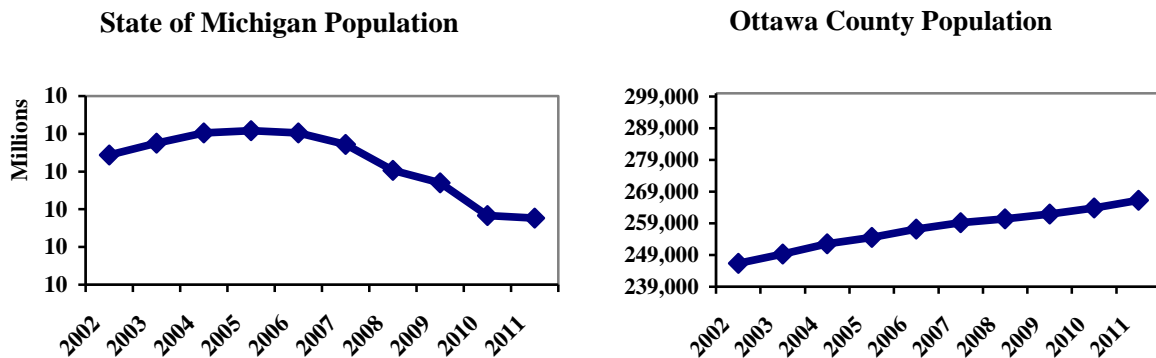
**Population**

Along with the growth in jobs within Ottawa County, the total population of Ottawa County has continued to increase year after year during the last decade. Michigan was the only state in the

nation to experience a net loss (-0.6 percent) in total population between 2000 and 2010. In contrast, Ottawa County’s total population grew by 10.7 percent over that ten-year period. “Ottawa County is still the fastest growing county over 200,000 in population and the County has the distinction of being the sole County among Michigan’s 83 counties to grow at a double-digit rate for each of the past 5 decades.”

The Census Bureau reported Ottawa County’s 2010 population to be 263,801 residents. Ottawa County ranked the eighth largest county in the State of Michigan in terms of total population. Over the last 5 years, including the Great Recession years from 2007 to 2009, Ottawa County’s total population increased by 7,839 residents or by approximately 3.0 percent. The latest population projections for Ottawa County forecast population totals of 290,236 and 316,671 for the years 2015 and 2020, respectively.

The graphs below show the different population trends between Ottawa County and the State of Michigan.



The road ahead for Michigan’s economy will continue to be challenging. However, both State and Ottawa County officials are committed to strengthening the economy through diversification and the development of new sectors (like advanced energy storage) beyond the traditional automotive manufacturing. Major steps have been taken to achieve this goal, and Ottawa County continues to look for ways to make itself an attractive venue for business development. The entrepreneurial spirit, favorable local business climate and extensive business support network are all embedded in the fabric of Ottawa County. The County is confident that the quality and work ethic of its workforce, the many amenities associated with living in Ottawa County as well as the new initiatives being pursued will result in the expansion of existing businesses and attraction of new investments and job opportunities.

Long Term Financial Planning/ Financial Policies

In addition to the local economy, the actions the County Board takes also affect the financial outlook for the County. The County has compiled information on both the discretionary and mandated services the County provides. From the information, the Board to establishes priorities and funding mechanisms which allow the County to respond to local and regional economic trauma, changes in service requirements, changes in State and Federal priorities and funding as they affect the County's residents. Currently, County services have been categorized as mandatory, discretionary but necessary, or discretionary. Beginning in 2008, the County Board has ranked the discretionary items to establish the priorities twice per year. In January of 2010, the Board also ranked a listing of all County functions. The study of mandatory services

will continue in order to determine minimum service levels for these services. The above strategies as well as other operating budget and fiscal policies guided the 2011 budget and, by extension, the financial results for 2011.

As a part of its budget process, the County projects financial results for five years for the General Fund. Beginning with the 2005 budget cycle, the projections showed that expenditures would continue to outpace revenues, eating up the County's fund balance rather quickly. It became clear that some of the negative revenue trends were not just temporary setbacks, but were permanent operating deficits. The Ottawa County Operating Budget Policy requires that the operating budget be supported by ongoing, recurring operating revenues, rather than through bonds or one-time dollars. This protects the County from fluctuating service levels and avoids crisis when one-time revenues are reduced or removed.

In addition, the County's fund balance policy directs the County to establish an unassigned fund balance in the General Fund to pay expenditures caused by unforeseen emergencies, for cash short-falls caused by revenue declines and to eliminate any short-term borrowing. The unassigned fund balance shall be maintained at an amount which represents a minimum of 10% and up to 15% of the General Fund (fund 1010 only) actual expenditures for the most recently completed audit but not more than the equivalent of three months of operations of the planned budget year. This policy results in a target unassigned fund balance range of \$5.9 million to \$8.9 million. In accordance with the General Fund Budget Surplus Policy, the excess assigned fund balance will be used to enhance County financing tools (specifically, the Stabilization fund and the Solid Waste Cleanup (landfill) commitments), provide additional funds for the 2013 budget, and provide future funding for building projects.

Unfortunately, the economic downturn and the sharp decline in housing values have necessitated additional response in order to maintain long-term financial stability. There are several negative pressures converging on the County all at once. Property tax makes up 60 percent of the General Fund revenue budget, so the decline in housing prices has a major impact. As the State works through its budget woes, funding to local units – including the County – is falling. Not only does the County have to deal with its own tax base decline, but also the shortfall of the State which gets passed on to the municipalities throughout the State. At the same time, demand for County services typically increases in a bad economy. In short, the County has less resources and more demand.

One key policy is that the County will strive to fully fund the County's financing tools. The financing tools are a set of funds established (in some cases) as far back as 20 years ago. These funds address a variety of ongoing costs by providing alternate funding sources. Costs addressed by the financing tools include debt service, landfill clean-up, equipment replacement, and capital improvements. The County estimates that over the next five years, the financing tools will be covering an average of \$6.6 million in costs each year.

With financial forecasting, the creation of long-term financing tools, and strict adherence to budget and fiscal policies, the County has positively impacted all future financial decisions and the County's financial stability. These tools have permitted the County to maintain low property tax rates, lower costs to departments, and provide services needed by County citizens. Maintaining these practices will be critical in addressing the new financial challenges before us.

## **MAJOR INITIATIVES**

The Ottawa County Board of Commissioners initiated and/or completed a number of major initiatives in 2011 designed to enhance Ottawa County residents' quality of life and increase the effectiveness of County government. The following identifies the major initiative areas and the specific initiatives started, continued, or completed in each area.

### **Board/Administration**

#### **HEALTH INSURANCE**

The County moved from self-funded to fully-funded insurance plans effective January 1, 2011. The changes resulted in a significant overall savings to the County and employees, while retaining quality health care choices with three different plan options. The average annual County cost for health coverage dropped from an estimate without plan changes of \$14,684 per employee to \$9,302. Additionally, a health management/wellness program is being deployed to help further contain the cost of health insurance and improve the health of employees.

#### **DEFINED BENEFIT/DEFINED CONTRIBUTION ANALYSIS**

Ottawa County has historically had a defined benefit pension plan with the Michigan Employees Retirement System (MERS) that provides employees with a monthly stipend based on final average compensation and years of service. Employers bear the investment risk and cost for an employee's retirement, making this system costly to an employer, especially in a bad market. A study was completed to identify both the short and long-term cost ramifications of changing retirement plans for new employees, estimating the change if made for all employee classifications could save \$30 million over 30 years. On December 27, 2011, the County Board approved a series of resolutions to move new County employees in a majority of job classifications from a defined benefit pension to a defined contribution pension effective January 1, 2012.

#### **ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT (EECBG)**

As a result of the American Recovery and Reinvestment Act of 2009, Ottawa County became a recipient of \$2,052,800 in funding for energy efficiency and conservation programs. Funding is expected to be utilized over a period of three years, with approximately \$1 million expended in 2010. Approximately \$350,000 was spent on County facilities to improve efficiencies that will be measured to demonstrate annual operating savings. In addition, approximately \$225,000 was shared with local units of government within Ottawa County to improve efficiency in their facilities. An additional \$18,000 was shared with qualifying businesses within Ottawa County to achieve efficiencies in their facilities.

#### **PERFORMANCE DASHBOARDS**

The Planning and Performance Improvement Department created two web-based Performance Dashboards in an effort to provide greater transparency to the public. The first Dashboard is comprised of highly-visual, interactive charts and graphs of several key performance indicators for the County and the State of Michigan. These indicators include, but are not limited to, economic strength, public safety, and quality of life. The second Dashboard displays statistics pertaining strictly to Ottawa County. These data are provided in a snapshot format (see image at right) that is modeled after a Local Government Dashboard template developed by Governor Snyder's Office.





# Ottawa County LOCAL GOVERNMENT DASHBOARD

## Fiscal Responsibility

Measure	Prior	Current	Progress
Annual general fund expenditures per capita	\$252	\$224	+
Fund balance as a percent of annual general fund expenditures	25.3%	30.4%	+
Unfunded other post employment benefits (OPEB) liability as a percent of annual general fund revenue	61%	50%	+
Debt burden per capita	\$96	\$87	+
Percentage of road funding provided by the general fund	0%	0%	○
Ratio of pensioners to employees	0.41	0.44	-
Number of services delivered via cooperative venture	40	58	+

## Economic Strength

Measure	Prior	Current	Progress
Percent of community with access to high speed broadband	55.0%	99.2%	+
Percent of community age 25+ with Bachelor Degree or higher	28.2%	30.5%	+
Average age of critical infrastructure	TBD	TBD	TBD

## Public Safety

Measure	Prior	Current	Progress
Violent crimes per thousand	1.62	1.55	+
Property crimes per thousand	18.8	18.0	+
Traffic injuries and fatalities	1,593	1,636	-

## Quality of Life

Measure	Prior	Current	Progress
Miles of sidewalks and non-motorized trails per mile of local roads	0.13	TBD	TBD
Percent of general fund budget committed to arts, culture and recreation	0%	0%	○
Acres of park per thousand residents	21.81	22.93	+
Percent of community with curbside recycling	< 20%	98.9%	+

### PROGRESS KEY:

Performance Improved	Performance Declined	Performance Maintained

## Criminal Justice

### NCSC COURTOOLS

The Circuit and Probate Courts continued the implementation of performance measures through the use of the CourTools developed by the National Center for State Courts (NCSC). The National Center developed CourTools by integrating the major performance areas defined by the Trial Court Performance Standards with relevant concepts from other successful public- and private-sector performance measurement systems. This balanced set of court performance measures provides the judiciary with tools to demonstrate effective stewardship of public resources. Being responsive and accountable is critical to maintaining the independence courts need to deliver fair and equal justice to the public.

### COLLECTIONS/REIMBURSEMENTS

- Within Juvenile Services, collections and reimbursement efforts during 2011 led to increased bed rentals fees within the Juvenile Detention Center by over \$200,000 due to the valuable services offered within the Lighthouse program; and a significant increase in overall collections due to revision of reimbursement and intake procedures.

- In the Trial division, the addition of a second Felony Collections Clerk lead to an increase in Payment Installment Orders and assisted in monitoring more than 50% additional cases where financial obligations are owed.
- In the Trial division, over \$400,000 was collected in victim restitution during 2011; these monies are collected on behalf of and distributed to victims of crime within the Ottawa County community.

## **Economic Development and Land Use Planning**

### **URBAN SMART GROWTH DEMONSTRATION PROJECT**

In November, 2011, officials in Hudsonville approved a new highly-visual, user-friendly Downtown Zoning Ordinance. The Ordinance establishes a precedent for the use of visual illustrations in community planning documents. The intuitive planning document contains over 600 images that clearly convey a community's zoning standards with respect to architecture, setbacks, and parking, as well as signage, landscaping, and lighting. The Downtown Zoning Ordinance is the recipient of a 2011 Achievement Award from the National Association of Counties.

## **Technology**

### **SERVER INFRASTRUCTURE UPGRADES**

The OnBase (electronic content management) servers were replaced with a combination of virtual and physical servers. Additional virtual servers were created to support upgrades to the Avatar System and its test environment, as well as production and test environments for the MICA system. Demand for server storage continues to grow at a steady rate. Over the past year, the County's server storage has increased by 20%.

### **IMPLEMENTATION OF A NEW FINANCIAL AND HUMAN RESOURCES SOFTWARE**

Ottawa County continued with the process to select a new Enterprise Resource Planning (ERP) software vendor. An ERP is a financial and human resource software system. Munis Systems, a division of Tyler Technologies located in Maine, was selected. The County's current system utilizes technology that is over 20 years old. The new ERP system is windows based with web capabilities. Implementation of the new ERP system began in December, 2011, with plans to go-live with the financials on October 1, 2012. The human resource/payroll modules are planned to go-live on January 1, 2013 for the first payroll of the year. Additional auxiliary modules will be implemented in early 2013.

### **NETWORK INFRASTRUCTURE UPGRADES**

With the completion of the 2010/11 network upgrades, the IT Department has completed one of the main network design goals – all switches/routers at the County's major facilities connect to the network backbone at gigabit speeds. Also, as part of the phone system upgrade, all of the County's network backbone hardware was upgraded. The Phone system infrastructure replacement is complete. The phone system infrastructure has been consolidated from five separate main switches to a single switch with Geographical Redundant failover. Wireless access improvements including managed wireless access at several County facilities were also completed.

## OFFICE 2010 TRANSITION

New desktop systems are being deployed with Windows 7 and Microsoft Office 2010. This is the first change in desktop standards in eight years. Human Resources worked closely with the User Services division of Information Technology to coordinate a smooth transition from Office 2003 to Office 2010. This major undertaking required significant development of new reference and instructional materials and a significant increase in the amount of training made available to employees. This collaboration will continue well into 2012 as the rest of the county upgrades to this new software and higher level classes are developed and added to the schedule.

## ONLINE TRAINING

The online area of Human Resources training and development program continued to expand in 2011. New online training programs were developed in the areas of Bloodborne Pathogens, Radar, Firearms, Professional Development Plans, and other department specific topics. This option was utilized to complete required training in Bloodborne Pathogens for 825 employees, Radar training for 53 employees, LEIN training for 138 employees, Harassment training for 338 employees, and Firearms training for 95 employees.

## COUNTY CLERK'S OFFICE

Major Initiatives from the County Clerk's Office include:

- *Electronic Death Records System* – All Ottawa County funeral homes now use the electronic death registry system to submit death records by electronic means. The Clerk's Office now submits death records to the State electronically
- *Business registration reminders & CCW appointment cards sent out on postcards* – This change has resulted in cost savings from the use of less paper and postage
- *TrueFiling* – Implemented the electronic filing process in Circuit Court records which allows certain case filings to be submitted electronically by attorneys. This process cuts down on paper, allows timely submission by attorneys, electronic service and more.
- *TrueCertify* – Certified copies of court records, primarily vital records (except birth records) and some election records, can now be sent electronically. This allows for quicker service to the customer as well as cost and time savings.

## Quality of Life

### RECREATION – PARK ACQUISITION AND IMPROVEMENT PROJECTS

- *Marne Bog Acquisition and Extension of the Musketawa Trail* – Ottawa County Parks acquired a 43 acre property in Wright Township to accomplish two objectives: 1) add land and provide access to the Marne Bog Natural Area, a special natural community which had been targeted for purchase for many years, and 2) provide an alternate route for the Musketawa Trail Extension around the Triick Farm, a feedlot operation that may have been negatively impacted by the planned route for the state trail. The trail extension will connect the existing Musketawa Trail, a 26 mile recreational trail in Muskegon and Ottawa Counties, to regional trails in Kent County.

- Holland Harbor Fishing Access* – A new waterfront walkway and fishing docks located along the channel between Lake Macatawa and Lake Michigan were completed and dedicated at the Historic Ottawa Beach Parks. The \$580,000 project was funded in part by a \$500,000 grant from the Great Lakes Fishery Trust. The project includes two fishing docks, a boardwalk linking to Holland State Park with fishing platforms, an interpretive plaza with signage focused on marine/fishing subject matter, a parking area for approximately ten cars, shoreline stabilization and benches.



- Grand River Ravines* – Ottawa County Parks acquired 100 acres in Georgetown Township with 1,100 feet on the Grand River. This special property had been an acquisition target for over a decade. It includes deep wooded ravines that ranked among



the County’s highest quality natural lands in a 1988 survey by the Michigan Natural Features Inventory. Total cost of the property was \$1,688,750 and a Michigan Natural Resources Trust Fund Grant contributed nearly \$600,000 toward the purchase. The adjacent 68 acre Fillmore at the Bend Open Space properties will be combined with the newly acquired 100 acres to form a

new 168 acre county park called Grand River Ravines. Preliminary plans call for hiking trails as well as a paved pathway for biking, roller-blading and other non-motorized uses. Fishing access and docks are proposed along the waterfront as is a canoe/kayak landing.

- Grand River Open Space Expanded* – A 122 acre property in Tallmadge Township was acquired to expand the Grand River Open Space property within the Grand River Greenway. The purchase price of \$475,000 was offset by \$220,000 in funding through Ducks Unlimited and the U.S. Fish and Wildlife Service. The property will be combined with the existing 111 acre Grand River Open Space land to form a 233 acre county open space to be managed primarily for habitat preservation. Hiking trails will be provided as will opportunities for hunting, fishing and wildlife viewing

## **Health and Welfare**

### **MICHIGAN WORKS!/COMMUNITY ACTION AGENCY**

Major Initiatives from the Michigan Works! and Community Action Agency (CAA) include:

- Held major job fairs and events for LG Chem and Johnson Controls for Advanced Energy Storage. Extensive staff time and logistical coordination was involved to help the companies hire 200 to 300 employees
- Conducted a major job fair for Continental Dairy in Coopersville. All 47 job openings were filled, with over 1,000 job applications received. Ottawa County Michigan Works! was the sole point of contact for applicants for the positions
- Initiated Career Navigation component which has allowed us to take resources (facility, staff and technology) previously devoted to basic Unemployment Insurance registration and assistance with the Michigan Talent Bank and use them to provide more immediate and deeper engagement of jobseekers in areas of career exploration, personal development and job search management. After this was presented at the State conference, two other MI Works Agencies made benchmarking visits to Ottawa County to learn how they might use this approach to increase utilization of resources and improve customer service
- Received renewal of federal Department of Justice 2<sup>nd</sup> Chance Prisoner Re-Entry grant for \$750,000. This is a demonstration grant to work with returning citizens and their families, especially those with children

### **BEACH WATER MONITORING**

In 2011, Ottawa County was awarded multiple grants to increase the bathing beach program within the County. Over \$179,000 was awarded through the Great Lakes Restoration Initiative and the Clean Michigan Initiative-Clean Water Fund. Activities funded by these grants include increased monitoring at Grand Haven State Park and Grand Haven City beach. The increased visits and samples taken at these beaches allow for the creation of a predictive model for beach quality. Working closely with the United States Geological Survey, computer models will be created from the data collected to allow us to better predict days of impaired water quality in the future.

These grants have also allowed for investigation at Dunton Park on Lake Macatawa. A service using dogs specially trained to signal at human sewage was utilized to investigate possible sources of contamination. Through a partnership with Hope College, samples are now being analyzed for human DNA markers to quantify the possible contamination. This data will then be used to identify areas of concern and implement improvements.

## **CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting (Certificate of Achievement) to Ottawa County for its comprehensive annual financial report for the fiscal year ended December 31, 2010. The County has received this prestigious award for twenty eight consecutive years.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR), whose contents conform to program standards. Such reports must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

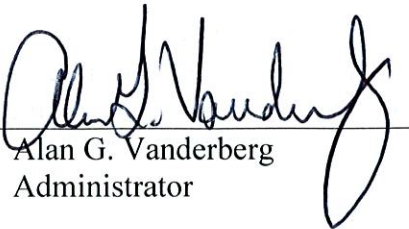
A Certificate of Achievement is granted for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for a certificate.



## ACKNOWLEDGMENT

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Fiscal Services Department. We would like to express our gratitude to all members of the Ottawa County Board of Commissioners for their interest and support in planning and conducting financial operations of the County of Ottawa in a responsible and progressive manner.

Sincerely,



Alan G. Vanderberg  
Administrator



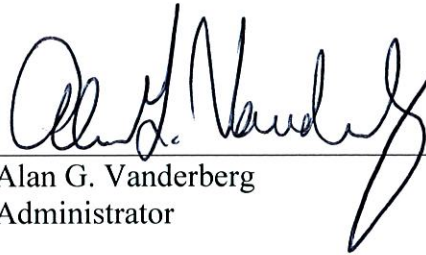
Robert Spaman  
Fiscal Services Director

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

Responsibility for the integrity of the financial data presented rests with the County. We believe the data to be accurate in all material aspects. These financial statements are prepared in accordance with Generally Accepted Accounting Principles applicable to county government and State statutes.

The County maintains a system of internal controls to provide reasonable assurance that the books and records reflect authorized transactions of the County.

Vredeveld Haefner, independent certified public accountants, have audited the accompanying financial statements, and the supplemental financial information has been subjected to the auditing procedures applied in their audit. Vredeveld Haefner's report is included in the financial section of this report.



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Alan G. Vanderberg  
Administrator



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Robert Spaman  
Fiscal Services Director



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Ottawa  
Michigan

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2010

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



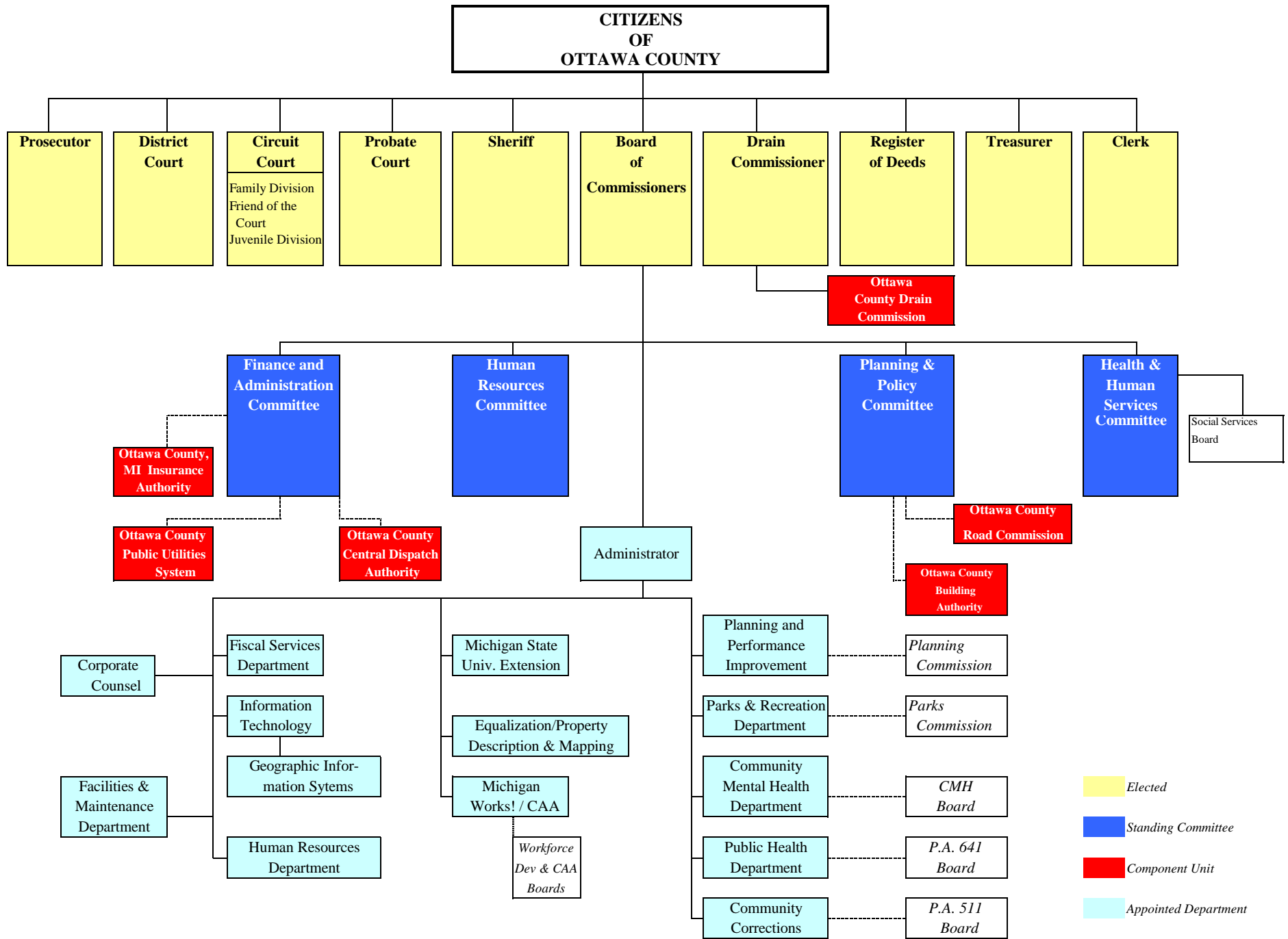
*Linda C. Danison*

President

*Jeffrey R. Enos*

Executive Director

2011 ORGANIZATIONAL CHART



- Elected
- Standing Committee
- Component Unit
- Appointed Department



*Vredeveld Haefner LLC*

CPA's and Consultants

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**(616) 446-7474**

**Peter S. Haefner, CPA**

**(616) 460-9388**

INDEPENDENT AUDITORS' REPORT

June 15, 2012

County of Ottawa  
Board of County Commissioners  
West Olive, 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 the County of Ottawa, Michigan, as of and for the year ended December 31, 2011, which collectively comprise the County of Ottawa's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County of Ottawa's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Mental Health Special Revenue fund which is a major fund, or the Protected Self-Funded Insurance - Mental Health Internal Service fund. These represent 3.7 percent, 2.6 percent, and 26.1 percent, respectively, of the assets, net assets, and revenues of the governmental activities. 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 Mental Health funds, is based 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. 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, 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 the County of Ottawa, Michigan as of December 31, 2011, 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.

In accordance with *Government Auditing Standards*, we have also issued, under separate cover, our report dated June 15, 2012, on our consideration of the County of Ottawa'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 considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 28 through 42 and the information on pages 114 through 120 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Ottawa's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied by us and the other auditors in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the report of other auditors, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Urodeveld Haefner LLC*

## Management's Discussion and Analysis

As management of the *County of Ottawa*, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2011. 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 on pages 4 -22 of this report.

### Financial Highlights

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$218,759,805 (*net assets*). Of this amount, \$88,496,835 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$6,231,180.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$53,819,773, an increase of \$3,909,097 in comparison with the prior year. 74.5 percent of the ending fund balances, \$40,113,783, are subject to the underlying limitations applicable to the particular special revenue, debt service and capital project funds. 25.5 percent of this total amount, \$13,705,990, is available for spending at the government's discretion only (General Fund unassigned fund balance)
- The General Fund had a net increase in fund balance of \$6,974,708 for 2011. At the end of the year, total fund balance for the General Fund was \$45,765,784, or approximately 83.2 percent of total General Fund expenditures (including transfers).
- The County's total bonded debt (including component units) increased by \$2,866,767 during the current fiscal year. Ottawa County Public Utilities, component unit, issued \$13,775,000 of debt for the construction of water/sewer systems.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components:

1) government-wide financial statements, 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 the County's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the 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 the 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.

Both of the government-wide financial statements distinguish functions of Ottawa County that are principally supported by taxes and intergovernmental revenues (*governmental 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 the County include legislative, judicial, general government, public safety, public works, health and welfare, community and economic development, and culture and recreation. The business-type activities include the administration of the delinquent property tax collection system.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also four legally separate entities: Ottawa County Road Commission, Ottawa County Central Dispatch Authority (911), Ottawa County Public Utilities, and the Ottawa County Office of the Drain Commissioner. Financial information for the *component units* is reported separately from the financial information presented for the primary government itself. The Ottawa County Building Authority and the Ottawa County, Michigan Insurance Authority, although also legally separate, function for all practical purposes as departments of the County, and therefore have been included as an integral part of the primary government.

**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. The 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 the 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 the government-wide financial statements which facilitates comparison between *governmental funds* and *governmental activities*.

The County maintains 39 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, Parks and Recreation, Health, and the Mental Health, funds, each of which is considered to be a major fund. Data from the other 35 governmental funds

are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report. In addition, the County has implemented Governmental Accounting Standards Board Statement No. 54 with the 2011 Comprehensive Annual Financial Report. This standard requires that funds not having a specific revenue source restricted or committed for specific purposes be combined with the General Fund. However, the County prefers to segregate the activity of certain funds that no longer qualify to be Special Revenue funds as separate funds. Accordingly, consolidating schedules for the General Fund are also included as supplementary information elsewhere in this report.

The County adopts an annual appropriated budget for its general, special revenue, debt service, capital projects and permanent funds. Budgetary comparison statements or schedules have been provided herein to demonstrate compliance with those budgets.

***Proprietary funds.*** The County maintains two types of proprietary funds. Enterprise funds report the same functions as business-type activities in the government-wide financial statements. The County uses an enterprise fund to account for the Delinquent Tax Revolving Fund (5160).

The County maintains *internal service funds* to account for and allocate costs internally among the County's various functions. The County uses 10 internal service funds to account for the following functions: information technology services, duplicating, telecommunications, equipment pool, employee insurances, and protected self-funded liability, unemployment and worker's compensation insurances. Because these services predominantly benefit governmental functions, they have been included within *governmental activities* in the government-wide financial statements.

***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 statements because the resources of those funds are *not* available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**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.

**Required supplementary information.** The required supplementary information includes major fund budget to actual schedules and provides multi year trend information on the funding progress of the County's defined benefit pension plan and other post employment benefits.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *supplementary information*. This is limited to combining statements and schedules and statistical information.

## **Government-wide Financial Analysis**

### Statement of Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County of Ottawa, assets exceeded liabilities by \$218,759,805 at the close of the most recent fiscal year.

## County of Ottawa's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$117,170,758	\$114,161,172	\$24,032,783	\$24,278,351	\$141,203,541	\$138,439,523
Capital assets	132,817,460	132,510,243			132,817,460	132,510,243
Total assets	<u>249,988,218</u>	<u>246,671,415</u>	<u>24,032,783</u>	<u>24,278,351</u>	<u>274,021,001</u>	<u>270,949,766</u>
Long-term liabilities						
outstanding	23,878,484	24,498,994			23,878,484	24,498,994
Other liabilities	31,373,406	33,915,592	9,306	6,555	31,382,712	33,922,147
Total liabilities	<u>55,251,890</u>	<u>58,414,586</u>	<u>9,306</u>	<u>6,555</u>	<u>55,261,196</u>	<u>58,421,141</u>
Net assets:						
Invested in capital assets, net						
of related debt	112,014,491	109,387,852			112,014,491	109,387,852
Restricted	17,801,312	19,421,942	447,167	222,198	18,248,479	19,644,140
Unrestricted	64,920,525	59,447,035	23,576,310	24,049,598	88,496,835	83,496,633
<b>Total net assets</b>	<b><u>\$194,736,328</u></b>	<b><u>\$188,256,829</u></b>	<b><u>\$24,023,477</u></b>	<b><u>\$24,271,796</u></b>	<b><u>\$218,759,805</u></b>	<b><u>\$212,528,625</u></b>

The County's net assets increased by over \$6.2 million in 2011. A large portion of the County's net assets (40 percent) is unrestricted. *Unrestricted net assets* may be used to meet the government's ongoing obligations to citizens and creditors.

Capital assets, representing 51 percent of total net assets, includes land, buildings, vehicles and equipment less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt should be provided from other sources, since the capital assets themselves cannot readily be used to liquidate these liabilities. Capital assets increased slightly in 2011 due to land purchases by Parks and Recreation. However, depreciation reduced the value of existing capital assets.

In addition to the net assets invested in capital assets, net of debt, certain other restrictions on the use of net assets apply due primarily to legal guidelines. These restricted net assets total \$18,248,479. The 2011 balance is lower due to the planned use of accumulated Parks and Recreation tax levies as well as the planned depletion of the Revenue Sharing Reserve fund.



## Statement of Activities

### County of Ottawa's Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
<b>Revenues</b>						
Program revenue:						
Charges for services	\$23,692,255	\$23,233,289	\$2,307,223	\$2,113,782	\$25,999,478	\$25,347,071
Operating grants and contributions	61,739,527	59,187,333			61,739,527	59,187,333
Capital grants and contributions	1,653,505	898,053			1,653,505	898,053
General revenues:						
Property taxes	41,220,281	42,348,687			41,220,281	42,348,687
Grants and contributions not						
Restricted to specific programs	6,003,393	51,346			6,003,393	51,346
Investment earnings	1,362,564	3,206,795	159,838	200,078	1,522,402	3,406,873
Other	701,587	502,476			701,587	502,476
<b>Total revenues</b>	<b>136,373,112</b>	<b>129,427,979</b>	<b>2,467,061</b>	<b>2,313,860</b>	<b>138,840,173</b>	<b>131,741,839</b>
<b>Expenses:</b>						
Legislative	428,578	476,002			428,578	476,002
Judicial	14,502,573	13,855,839			14,502,573	13,855,839
General government	15,447,894	16,425,170			15,447,894	16,425,170
Public safety	28,476,232	28,915,634			28,476,232	28,915,634
Public works	2,446,691	1,625,519			2,446,691	1,625,519
Health and welfare	63,874,693	63,386,274			63,874,693	63,386,274
Community and economic						
development	621,591	572,601			621,591	572,601
Culture and recreation	3,218,940	2,979,627			3,218,940	2,979,627
Interest on long-term debt	1,039,869	1,120,937			1,039,869	1,120,937
Business-type activities			2,565,380	2,619,364	2,565,380	2,619,364
<b>Total expenses</b>	<b>130,057,061</b>	<b>129,357,603</b>	<b>2,565,380</b>	<b>2,619,364</b>	<b>132,622,441</b>	<b>131,976,967</b>
Increase in net assets before transfers						
to other funds	6,316,051	70,376	(98,319)	(305,504)	6,217,732	(235,128)
Transfers	163,448	189,008	(150,000)	(150,000)	13,448	39,008
Increase (decrease) in net assets	6,479,499	259,384	(248,319)	(455,504)	6,231,180	(196,120)
Net assets, beginning of year	188,256,829	187,997,445	24,271,796	24,727,300	212,528,625	212,724,745
<b>Net assets, end of year</b>	<b>\$194,736,328</b>	<b>\$188,256,829</b>	<b>\$24,023,477</b>	<b>\$24,271,796</b>	<b>\$218,759,805</b>	<b>\$212,528,625</b>

The preceding table shows that the primary government's net assets increased by \$6.2 million during 2011. Activity affecting net assets is as follows:

Category	Effect on Net Assets
Additional State Revenue Sharing Dollars due to Different fiscal years of the State & County	\$2,047,000
Increase in Net Assets of Internal Service Funds	1,388,223
Medicaid Cost Settlement for Prior Years	1,172,000
Unanticipated personnel vacancies	847,000
Unused Contingency	612,000
Energy Efficiency and Conservation Block Grant	396,000
Capital Asset purchases less depreciation (Governmental Funds only)	384,780
Change in net assets of the Delinquent Tax Revolving Fund	(248,000)
Increase in Landfill liability	(1,161,000)

There are several contributors to the increase in the net assets. In the General Fund, the budget for State Revenue Sharing was based on a State estimate which did not reflect the County's fiscal year of December 31. Net assets of the Ottawa County, Michigan Insurance Authority, an internal service fund, increased due primarily to lower claim activity. In addition, several prior years of Medicaid cost settlement data were resolved at the federal level, and amounts the County had set aside as liabilities were no longer needed.

The General Fund and the Health fund had significant personnel vacancies during 2011 which were not anticipated. The amount budgeted for contingency was not needed in 2011. The County received a grant to cover capital outlays under the Energy Efficiency and Conservation Block Grant. Capital equipment is recorded with assets on government-wide statements.

Governmental funds are budgeted on a modified accrual basis which means depreciation is not budgeted in the funds and capital expenditures are budgeted. On the government-wide statement, capital asset amounts are recorded as assets and depreciation expense is added. The difference between the capital assets added in governmental funds and depreciation incurred in governmental funds is \$385,000.

In the financial statements, the net assets of the Delinquent Tax Revolving Fund (5160) decreased by only \$248,000. However, this is misleading because the building and equipment rental expenses and the transfers out from this fund include \$2.6 million in payments (including \$650,000 in interest) to the Ottawa County Building Authority Debt Service Fund (5690-5695) pursuant to lease agreements between the County and the Building Authority. These payments from the Delinquent Tax Revolving Fund are used to make principal and interest payments on multiple bond issues. This resulted in negative cash flow in the fund of approximately \$1,488,000.

Projections for costs of monitoring and maintenance of a former landfill have increased due to more intensive groundwater restoration activity and requirements by the State of Michigan. As a result, the landfill liability has increased significantly.

#### **Revenues:**

Revenues increased by 5.4% in 2011. The majority of the variance is in program grants and contributions and program capital grants.

### Program operating grants and contributions:

Program grant revenue increased \$2.7 million in the Mental Health fund due to increases in Medicaid rates and the number Medicaid clients served. As mentioned earlier, Public Health received \$1.17 million in Medicaid Cost Settlement dollars. Overall, Public Health's program grants and contributions revenue increased \$691,000. However, Workforce Investment Act, Community Action Agency and Weatherization funds report \$205,000 less in total operating grants as their American Recovery and Reinvestment Act (ARRA) funds are nearly fully expended. Similarly, the Child Care Fund reports \$328,000 less in operating grants because 2010 included \$119,000 in ARRA funds. In addition, reimbursements from other counties for detention beds (program charges for services) increased, resulting in less State revenue.

### Program capital grants and contributions

These revenues vary depending on the number /and scope of capital improvement projects. In 2010, the Parks and Recreation department received \$774,000 more in capital grants. Larger capital grants in 2011 include \$534,000 for Grand River Ravines and \$482,000 for the Holland Harbor fishing access project.

### Property taxes

Taxes decreased by \$652,000 or 2.57% which is consistent with the decrease in taxable value of 2.15%. The percentage decrease of actual revenue is larger than the percentage decrease in taxable value because the levy for E-911 and Parks was based on the 2010 taxable value which was 4.05% lower than the previous year.

### Grants and Contributions Not Restricted to Specific Programs

The large increase in the revenue represents the resumption of State revenue sharing payment (\$5.9 million). In October of 2004, the State of Michigan had suspended State Revenue Sharing payments to counties. To assist counties in preventing the loss of key services, the county property tax levy was gradually moved up from December to July over three years. Beginning with the December 2004 tax collection (and continuing for the next two years), one-third of the levy was placed into the Revenue Sharing Reserve Fund (RSRF) that the County managed and withdrew an amount equal to what would have received in a year plus an annual increase equal to CPI (Consumer Price Index). The County depleted this fund in 2011, so State revenue sharing payments have resumed. The 2011 payment is larger than can be expected in future years because the County's year end is December 31; the State's fiscal year end is September 30.

### Investment Earnings

The decrease in investment earnings can be attributed to the Ottawa County, Michigan Insurance Authority. In 2010, the Authority recorded a significant gain (\$1.8 million) in the fair value of investments. Market volatility continues to affect gains; in 2011, the Authority recorded a modest gain of \$61,000.

### **Expenses:**

Expenses as a whole increased \$645,000 or less than 1%. One of the largest factors in lowering expenses was the change in employee insurance costs. In 2010, the County self-funded health, dental and vision claims, but a request for proposal was issued for these insurances during 2010. The results prompted the County to purchase insurance for employees effective January 1, 2011 at a savings of \$2.3 million (all funds).

## Judicial

The totals on page 32 include indirect expense allocation. For the County, indirect cost allocations for a given year are based on actual activity of two years prior, in this case, 2009. During 2009, the County opened a new facility in Grand Haven to replace the old, fully depreciation facility. The indirect cost charge increased significantly to reflect the depreciation charges on the new, larger facility. In total, indirect expense allocation to judicial functions increased \$595,000 in 2011.

## General government

As discussed under judicial expenses, indirect expense allocations are included in the amounts on page 32. For general government, this results in a decrease in expenses totaling \$629,000, most of which relates to the new Grand Haven facility. In addition, 2010 was an election year which would include extra costs for ballot printing and other election expenses. The decrease in 2011 election expenses is \$185,000.

## Public safety

Public safety expenses fell \$439,000 or 1.5%. Specifically, grant expenses fell \$519,000 in 2011 (due to the grant ending) consisting of : ARRA grants (\$111,000), a reduction in the Homeland Security grant (\$118,000) and an additional \$290,000 in various other grants. However, costs for jail inmate medical expenses, which had been recorded under health and welfare functions, were moved to the jail (\$781,000). The remainder of the decrease can be attributed to lower employee health insurance costs.

## Public works

These expenses can vary significantly by year. In 2011, the long term liability for the landfill increased by \$1.2 million. Projections have increased due to more intensive groundwater restoration activity and requirements by the State of Michigan.

## Health and Welfare

Health and welfare expenses increased \$488,000, or less than 1%. Mental Health expenses, not including the decrease in employee health insurance increased by \$2.6 million. The total savings in employee health insurance totaled \$648,000 in Health and welfare expenses. As mentioned under public safety, health related expenditures for jail inmates was moved to the jail budget (\$781,000). Health fund expenses (net of the decrease in employee health insurance) decreased due to a higher number of vacancies due to retirements and lower ARRA funded vaccines (\$322,000). Substance abuse treatment expenses fell because other funding sources were captured by the applicable agencies (\$106,000). Last, there was a larger reduction in health and welfare expenses due to the allocation of the internal services funds activity (\$253,000).

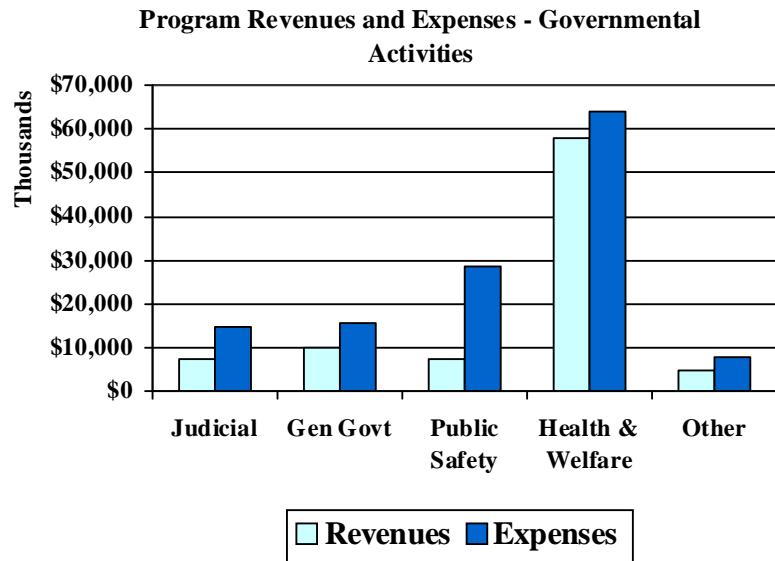
## Culture and Recreation

Expenses for Culture and Recreation increased \$239,000 or 8.0%. The County paid \$200,000 towards improvements on the Fred Meijer Kenowa Train (a regional trail not owned by the County).

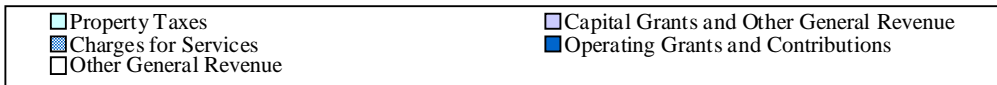
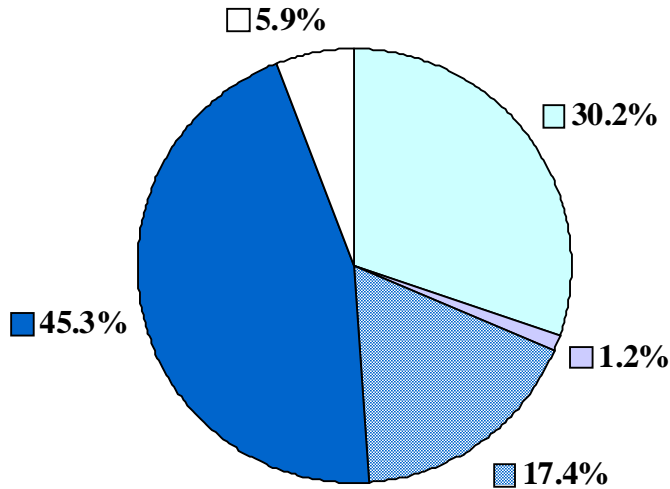
Interest on long-term debt

Interest on long-term debt decreased 2.1%. Interest payments decline over time with principal payments.

The graph below summarizes revenues and expenses by category.



**Revenues by Source - Governmental Activities**

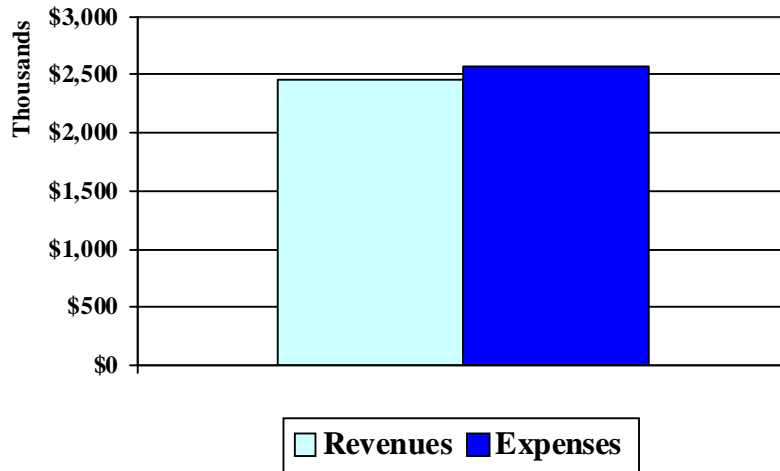


**Business-type Activities**

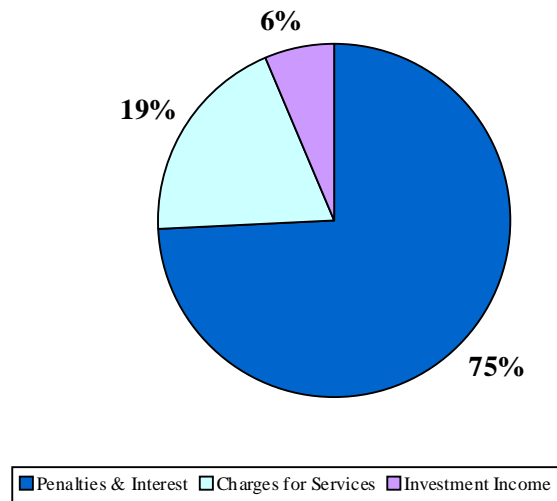
Business-type activities decreased the County’s net assets by \$248,319 which was expected. The revenues for the business-type activities are penalties and interest on delinquent taxes, proceeds from tax sales, and investment income. Since the amount of delinquencies is decreasing, the

penalties and interest earned is also decreasing. The majority of the expenses represent rent payments to the Ottawa County Building Authority (blended component unit). These payments cover principal and interest payments on several bond issues.

**Program Revenues and Expenses - Business-type Activities**



**Revenue by Source - Business-type Activities**



**Financial Analysis of the Government’s Funds**

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

*Governmental funds.* The focus of the County’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County’s financing requirements. In particular, *unassigned 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, the County’s governmental funds reported combined ending

fund balances of \$53,819,773, an increase of \$3.9 million in comparison with the prior year. The main reason for the increase is additional State revenue sharing receipts and Medicaid cost settlement determinations. Approximately 81% percent of this total amount (\$43.8 million) constitutes *spendable, non-restricted fund balance*. The remainder of fund balance is considered *non spendable* or *restricted* to indicate that it is not available for new spending because it is 1) not in a spendable form such as inventory or loans (\$1,218,357), 2) unavailable as it provides a long-term advance to component units and other funds (\$325,000) or 3) unavailable due to legal restrictions (\$8,481,345). Of the \$43.8 million, \$24.2 million has been committed by the Board of Commissioners for specific projects/spending, and \$5.9 million has been assigned by the County Administrator for specific projects/spending. The remaining \$13.7 million in unassigned fund balance which is available for spending at the County's discretion.

The General Fund (1010) is the chief operating fund of the County. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$13,705,990, while total fund balance was \$45,765,784. As a measure of the General Fund's liquidity, it may be useful to compare spendable, non-restricted fund balance to total fund expenditures and transfers. Spendable, non-restricted fund balance represents 25 percent of total General Fund expenditures.

The fund balance of the County's General Fund increased by \$6,974,708 during 2011. As discussed earlier, the budget for State Revenue Sharing was based on a State estimate which did not reflect the County's fiscal year of December 31 (\$2,047,000). Likewise, expenditures came in significantly lower than anticipated. Prior years of Medicaid cost settlement data were resolved at the federal level, and amounts the County had set aside as liabilities were no longer needed. As a result, the operating transfer to the Health fund decreased by \$995,000.

Like most governments, the County's resources are becoming more scarce. As a result, the County Board is increasingly conservative in regards to funding new initiatives and expansions, allowing the County to essentially maintain its service levels without interruption. One example of this conservatism is that of the \$660,483 budgeted for contingencies, only \$48,703 was used in 2011. Personnel expenditures were \$464,000 lower than anticipated because there were more vacancies than planned in the budget process. Health insurance costs were also lower as discussed earlier (\$354,000). Expenditures in the Child Care fund, mostly for institutional care, came in lower than anticipated, resulting in an operating transfer \$396,000 less than originally planned. Equipment, including small equipment and equipment rented to departments through the equipment pool as well as the County share of drain assessments, were either not needed in 2011 or delayed (\$667,000).

The Parks and Recreation fund (2081) has a total fund balance of \$3.54 million, which is a decrease of \$1.8 million. The Parks and Recreation department is undergoing a period of growth and development with the help of a .33 property tax millage approved for park acquisition and development. Accordingly, the fund balance of the fund will vary from year to year with land acquisitions and capital improvement projects. In 2011, the department made \$4.3 million in land purchases and capital improvements to County parks, some of these were partially grant funded.

The fund balance of the Health fund (2210) remained steady since the unused operating transfer is now returned to the General Fund. The fund balance of the Mental Health fund (2220) showed a small increase.

## General Fund Budgetary Highlights

The original revenue and expenditure budgets (including transfers in/out) for the General Fund (1010) were \$59,705,171 and \$60,662,854 respectively. The amended revenue budget was \$62,122,824, and the amended expenditure budget was \$55,560,569.

The revenue budget increased overall by \$2.4 million or four percent during the year. Most of this increase is in intergovernmental revenue. The budget for State revenue sharing was increased by \$2 million during the year to reflect the higher receipts, but this revised estimate proved to be too high. State revenue sharing came in \$141,000 under budget. Operating transfers in increased \$673,000 to reflect Board commitments for conversion costs associated with changing from a defined benefit pension plan to a defined contribution plan for new hires. The tax revenue budget was increased to reflect the better than anticipated change in taxable value (\$300,000), but interest income projections changed during the year to continued market volatility (\$312,000). As of December 31, however, market values came in a little higher than projected under the revised budget (\$123,000). Rental income also came in lower due to lower than anticipated utility costs (upon which rental revenue is based).

The budget for General Fund expenditures decreased \$5.1 million in total, and expenditures as a whole were \$567,000 under budget. The budget for general government expenditures was reduced by \$327,000. Most of the changes in budget occurred due to staffing changes and vacancies (\$291,000). Total general government expenditures were under budget by \$403,000. Construction of a new communications tower progressed more slowly than anticipated (\$175,000). As discussed under rental income, several building and grounds departments came in with lower costs due mainly to the mild winter (\$70,000). The remaining budget and actual variances are spread across several general government programs.

Public safety budgets were reduced by \$697,000. Several contracts with various municipalities that had been in the General Fund were moved to the Sheriff's Contracts fund (non major fund 2610) for consistency (\$386,000). In addition, budgets for operational supplies in all General Fund public safety departments and health services cost at the jail were reduced (\$207,000). Both of these costs are difficult to project. Most of the budget to actual variance of \$224,000 can be attributed to a Homeland Security small equipment grant under which the County was a subrecipient (\$195,000). The reduction to jail health services did not reflect bills for 2011 negotiated in early 2012 (\$109,000).

Public works budgets were under budget due to the delay of improvements to the landfill pollution remediation efforts. Other governmental functions, as mentioned previously, decreased due to lower than anticipated use of contingency, and the budget was adjusted for that before year end. The operating transfers out budget was decreased by \$3.4 million. During September of 2011, the Board voted to commit funds for the DB/DC Conversion initiative. This involved reducing the transfers to certain funds to provide money for the commitment. Specifically, the following funds had their budgeted transfer from the General Fund reduced for the DB/DC initiative:

Health (2210) - \$872,000  
Prosecuting Attorney Grants (2601) - \$25,000  
Community Corrections (2850) - \$101,000  
Department of Human Services (2901) - \$73,750  
Child Care - Circuit Court (2920) - \$750,000

In addition, in order to reflect the receipt of Medicaid cost settlement money (discussed earlier) and staff vacancies, the budget for the transfer to the Health fund was further reduced by an additional \$995,773. The budgeted transfer to the Friend of the Court fund (2160) was reduced by \$114,000



based on revised State revenue estimates. The budgeted transfer to the Child Care – Circuit Court fund (2920) was further reduced by \$396,000 due to lower than anticipated expenditures and higher collections for housing fees. The remaining budget and actual variances are spread across several accounts.

### Capital Asset and Debt Administration

**Capital assets.** The County’s (primary government) investment in capital assets as of December 31, 2011, amounted to \$132,817,460 (net of accumulated depreciation). This investment in capital assets includes land and land improvements, buildings and improvements, machinery and equipment, and park facilities. The County’s total investment in capital assets for the current fiscal year remained essentially steady as additions approximated depreciation.

Major capital asset events during the current fiscal year included the following:

- In connection with the Energy Efficiency and Conservation Block Grant, County heating, ventilation, and air conditioning systems were replaced at several County facilities (\$433,000).
- Approximately \$4.3 million was spent on various land acquisition and park improvement projects for the Park system. Of this amount, approximately \$3 million was spent on land purchases. There were three specific land purchases totaling \$2.7 million. The remainder of the \$4.3 million was for smaller land purchases and capital improvements at various park properties.
- The County replaced 18 vehicles, mostly in Public Safety.
- The County sold its Coopersville facility for \$341,000. The book value of the facility was \$351,000.

#### County of Ottawa’s Governmental Activities Capital Assets (net of depreciation)

	2010			2011		
	Primary Government	Component Units	Total	Primary Government	Component Units	Total
Land	\$45,909,750	\$1,367,182	\$47,276,932	\$48,954,789	\$1,367,182	\$50,321,971
Construction in progress					641,196	641,196
Land improvements	10,257,735		10,257,735	10,756,621		10,756,621
Buildings and improvements	70,959,491	11,558,346	82,517,837	67,700,163	11,307,136	79,007,299
Machinery and equipment	5,383,267	4,131,127	9,514,394	5,405,887	3,436,618	8,842,505
Infrastructure		184,817,475	184,817,475		185,623,454	185,623,454
<b>Total</b>	<b>\$132,510,243</b>	<b>\$201,874,130</b>	<b>\$334,384,373</b>	<b>\$132,817,460</b>	<b>\$202,375,586</b>	<b>\$335,193,046</b>

Additional information on the County’s capital assets can be found in note III.C on pages 84-87 of this report.

**Long-term debt.** At the end of the current fiscal year, the County had total general obligation bonds outstanding of \$142,386,933. Of this amount, \$142,323,501 of the bonds are backed by the

County's full faith and credit.

**County of Ottawa's Outstanding Debt**  
General Obligation Bonds

	2010			2011		
	Primary Government	Component Units	Total	Primary Government	Component Units	Total
General obligation bonds	\$15,430,000	\$104,373,700	\$119,803,700	\$14,750,000	\$102,066,933	\$116,816,933
General obligation bonds - Refunding	7,645,000	17,805,000	25,450,000	6,215,000	19,355,000	25,570,000
<b>Total</b>	<b>\$23,075,000</b>	<b>\$122,178,700</b>	<b>\$145,253,700</b>	<b>\$20,965,000</b>	<b>\$121,421,933</b>	<b>\$142,386,933</b>

The County's total general obligation bonded debt decreased by \$2.9 million (2.0 percent). Debt from prior issues was reduced by \$16.6 million as planned. Ottawa County Public Utilities (component unit) issued \$6.5 million in new debt and \$7.3 million in refunding debt during 2011.

The Ottawa County Drain Commissioner has various notes payable for which the benefiting drainage district has pledged its full faith and credit. During 2011, the Drain Commissioner issued \$589,000 in long term notes payable and \$900,000 in short term notes payable. The Drain Commissioner also reduced existing notes by \$717,000.

The County has a "AAA" rating from Fitch on general obligation limited tax bonds. Moody's bond rating is "Aaa" for general obligation unlimited and limited tax bonds. Standard and Poor's bond rating is "AA" for general obligation unlimited and limited tax bonds.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current (2011) debt limitation for the County is \$1,049,170,980, which is significantly in excess of the County's outstanding general obligation debt. Additional information on the County's long-term debt can be found in note III.F on pages 92-96 of this report.

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

The following factors were considered in preparing the County's budget for the 2011 fiscal year:

- The County's tax base has noticed some improvement as the rate of decrease is lessening. The change in taxable value went from 1.21% in 2009, (4.05%) in 2010, (2.15%) in 2011 and is projected to be (.96%) for 2012. The County anticipates taxable value to essentially stay steady in 2013 (-.50% to 0%).
- On the positive side, the County's operating levy is 3.6 mills which is the same rate as last year. More impressive, the County's millage rate is one of the lowest county millages in the State of Michigan. In fact, the County does not levy its maximum authorized levy to alleviate taxpayer burden. The County still has a cushion of .665 mills which provides an additional \$6.3 million the County may access with a vote of the Board of Commissioners.
- The unemployment rate for the County was 8.3% for 2011 which is lower than 2010 (11.2%). The preliminary rate for April of 2012 is 6.1%. Clearly, the County is headed in

the right direction. Industry initiatives discussed in the transmittal letter have improved the employment outlook for the County.

- Between 2000 and 2010 Ottawa County had an annual average population growth rate of 1.04%, higher than the state or the nation.
- Inflationary trends in the region compare favorably to national indices.

Highlights of the 2012 budget are as follows:

- Reduction in the tax levy of 16% over the maximum allowable levy
- The budget reflects a net decrease of 6.05 full time equivalents.
- Includes \$2.1 million in new equipment
- Includes contingency of \$470,454
- The budget does include a fund balance use for operations. However, the County will continue to meet its financial goal of maintaining a General Fund (fund 1010 only) unassigned fund balance that is at least 10% of the prior year's audited expenditures.

### **Requests for Information**

This financial report is designed to provide a general overview of the 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: Fiscal Services Director, 12220 Fillmore Street, Room 331, West Olive, Michigan, 49460.

**County of Ottawa  
Statement of Net Assets  
December 31, 2011**

	Primary Government			Component Units			
	Governmental Activities	Business-type Activities	Total	Ottawa County Road Commission	Ottawa County Central Dispatch Authority	Ottawa County Public Utilities System	Ottawa County Office of the Drain Commissioner
<b>ASSETS</b>							
Current assets:							
Cash and pooled investments	\$70,426,838	\$14,733,296	\$85,160,134	\$3,694,431	\$7,053,604	\$14,592,378	\$1,519,376
Investments	24,986,246		24,986,246				
Receivables (net of allowance for estimated uncollectibles):							
Taxes	7,605,275	7,639,876	15,245,151				
Accrued interest and penalties on delinquent taxes		1,413,112	1,413,112				
Accounts	1,753,421	5,481	1,758,902	96,645		3,764,022	
Accrued interest on investments	316,286		316,286	2,092			
Internal balances	(125,814)	159,838	34,024				
Advances to component units	325,000		325,000				
Due from other governments: due within one year	7,322,183		7,322,183	5,866,239	191,991		2,883,673
Due from primary government					7,463		
Due from component units		81,180	81,180				
Inventory of supplies	392,868		392,868	1,181,533			
Prepaid items	610,876		610,876	317,044	307,633		
Total current assets	<u>113,613,179</u>	<u>24,032,783</u>	<u>137,645,962</u>	<u>11,157,984</u>	<u>7,560,691</u>	<u>18,356,400</u>	<u>4,403,049</u>
Noncurrent assets:							
Net pension asset	1,737,385		1,737,385				
Net other post employment benefits asset	466,571		466,571				
Due from other governments: due after one year	658,034		658,034			108,490,337	995,412
Unamortized bond issuance and deferred refunding costs	695,589		695,589			1,909,176	
Capital assets not being depreciated	48,954,789		48,954,789	2,008,378			
Capital assets being depreciated, net	83,862,671		83,862,671	169,498,658	5,633,172		25,235,378
Total noncurrent assets	<u>136,375,039</u>		<u>136,375,039</u>	<u>171,507,036</u>	<u>5,633,172</u>	<u>110,399,513</u>	<u>26,230,790</u>
Total assets	<u>249,988,218</u>	<u>24,032,783</u>	<u>274,021,001</u>	<u>182,665,020</u>	<u>13,193,863</u>	<u>128,755,913</u>	<u>30,633,839</u>
<b>LIABILITIES</b>							
Current liabilities							
Accounts payable	15,354,278	3,766	15,358,044	2,128,823	167,664	3,601,167	249,728
Interest payable	158,299		158,299			1,255,467	38,800
Due to primary government						81,180	
Due to component units	115,800		115,800	27,427		289,212	
Due to other governments	2,928,909	5,540	2,934,449		5,613		
Notes payable							900,000
Current portion of long-term debt	5,009,585		5,009,585	349,549		5,808,000	731,067
Advances from primary government						150,000	175,000
Advances from other governments	332,351		332,351	482,059			
Unearned revenue	7,474,184		7,474,184			14,643	
Total current liabilities	<u>31,373,406</u>	<u>9,306</u>	<u>31,382,712</u>	<u>2,987,858</u>	<u>173,277</u>	<u>11,199,669</u>	<u>2,094,595</u>
Noncurrent liabilities:							
Unamortized bond premiums	430,059		430,059			1,965,411	
Noncurrent portion of long-term obligations	23,448,425		23,448,425	1,876,487	72,982	115,075,501	1,395,265
Total noncurrent liabilities	<u>23,878,484</u>		<u>23,878,484</u>	<u>1,876,487</u>	<u>72,982</u>	<u>117,040,912</u>	<u>1,395,265</u>
Total liabilities	<u>55,251,890</u>	<u>9,306</u>	<u>55,261,196</u>	<u>4,864,345</u>	<u>246,259</u>	<u>128,240,581</u>	<u>3,489,860</u>
<b>NET ASSETS</b>							
Invested in capital assets, net of related debt	112,014,491		112,014,491	171,487,038	5,633,172		22,209,046
Restricted for:							
Debt Service							697,570
Capital projects	7,029,301		7,029,301	3,300,040			730,732
State of Michigan public act restrictions	8,693,789	447,167	9,140,956				
Infrastructure maintenance						475,100	55,136
Managed care self-insurance pool	2,072,452		2,072,452				
Cemetery trust:							
Nonexpendable	5,770		5,770				
Unrestricted	<u>64,920,525</u>	<u>23,576,310</u>	<u>88,496,835</u>	<u>3,013,597</u>	<u>7,314,432</u>	<u>40,232</u>	<u>3,451,495</u>
Total net assets	<u>\$194,736,328</u>	<u>\$24,023,477</u>	<u>\$218,759,805</u>	<u>\$177,800,675</u>	<u>\$12,947,604</u>	<u>\$515,332</u>	<u>\$27,143,979</u>

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

**County of Ottawa  
Statement of Activities  
For the Year Ended December 31, 2011**

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues		Net (Expense) Revenue	
			Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
<b>Primary government</b>						
Governmental activities:						
Legislative	\$426,703	\$1,875			(\$428,578)	
Judicial	12,433,953	2,068,620	\$4,321,400	\$2,853,792	(7,327,381)	
General government	23,573,818	(8,125,924)	7,212,417	2,237,024	\$432,988	(5,565,465)
Public safety	27,281,424	1,194,808	6,012,143	1,146,381	(21,317,708)	
Public works	2,414,584	32,107	389,376	157,569	(1,899,746)	
Health and welfare	61,561,526	2,313,167	2,882,631	55,314,761	(5,677,301)	
Community and economic development	619,500	2,091	22,095		(599,496)	
Culture and recreation	3,211,200	7,740	470,163	30,000	1,220,517	(1,498,260)
Interest on long-term debt	1,039,869		2,382,030		1,342,161	
Total governmental activities	<u>132,562,577</u>	<u>(2,505,516)</u>	<u>23,692,255</u>	<u>61,739,527</u>	<u>1,653,505</u>	<u>(42,971,774)</u>
Business-type activities:						
Delinquent tax collection	107,141	2,458,239	2,307,223		(258,157)	
Total primary government	<u>\$132,669,718</u>	<u>(\$47,277)</u>	<u>\$25,999,478</u>	<u>\$61,739,527</u>	<u>\$1,653,505</u>	<u>(\$43,229,931)</u>
<b>Component units</b>						
Ottawa County Road Commission	\$26,568,343		\$7,764,526	\$15,925,553	\$2,568,925	(\$309,339)
Ottawa County Central Dispatch Authority	4,674,781		44,531	4,961,469		331,219
Ottawa County Public Utilities	22,393,818		22,382,595			(11,223)
Ottawa County Office of the Drain Commissioner	1,955,407				2,775,530	820,123
Total component units	<u>\$55,592,349</u>		<u>\$30,191,652</u>	<u>\$20,887,022</u>	<u>\$5,344,455</u>	<u>\$830,780</u>

*(Continued on next page)*

**County of Ottawa  
Statement of Activities (Concluded)  
For the Year Ended December 31, 2011**

	<u>Primary Government</u>			<u>Component Units</u>			
	Governmental Activities	Business- type Activities	Total	Ottawa County Road Commission	Ottawa County Central Dispatch Authority	Ottawa County Public Utilities	Ottawa County Office of the Drain Commissioner
<b>Primary Government:</b>							
Changes in net assets:							
Net (expense) revenue	(\$42,971,774)	(\$258,157)	(\$43,229,931)	(\$309,339)	\$331,219	(\$11,223)	\$820,123
General Revenues:							
Property taxes, levied for general purposes	33,965,503		33,965,503				
Property taxes, levied for park development	3,035,087		3,035,087				
Property taxes, levied for E-911 Central Dispatch	4,219,691		4,219,691				
Grants and contributions not restricted to specific programs	6,003,393		6,003,393				
Investment earnings	1,362,564	159,838	1,522,402	36,266	13,572	290	18,025
Miscellaneous	701,587		701,587	207,948		15,270	
Transfers - internal activities	163,448	(150,000)	13,448				
Total general revenues and transfers	<u>49,451,273</u>	<u>9,838</u>	<u>49,461,111</u>	<u>244,214</u>	<u>13,572</u>	<u>15,560</u>	<u>18,025</u>
Change in net assets	6,479,499	(248,319)	6,231,180	(65,125)	344,791	4,337	838,148
Net assets - beginning of year	<u>188,256,829</u>	<u>24,271,796</u>	<u>212,528,625</u>	<u>177,865,800</u>	<u>12,602,813</u>	<u>510,995</u>	<u>26,305,831</u>
Net assets - end of year	<u>\$194,736,328</u>	<u>\$24,023,477</u>	<u>\$218,759,805</u>	<u>\$177,800,675</u>	<u>\$12,947,604</u>	<u>\$515,332</u>	<u>\$27,143,979</u>

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

(Concluded)

**County of Ottawa  
Balance Sheet  
Governmental Funds  
December 31, 2011  
(with comparative totals for December 31, 2010)**

	General	Parks and Recreation	Health	Mental Health	Other Governmental Funds	Total Governmental Funds	
						2011	2010
<b>ASSETS</b>							
Cash and pooled investments	\$43,602,295	\$3,345,433	\$683,994	\$6,464,387	\$2,091,401	\$56,187,510	\$51,738,269
Investments					5,770	5,770	6,418
Receivables (net of allowance for estimated uncollectibles):							
Taxes	4,765,152	2,840,123				7,605,275	7,314,368
Accounts	945,520	486,029	250,963	340,684	377,079	2,400,275	2,507,988
Accrued interest on investments	203,865					203,865	258,684
Due from other funds	13,311	58,535		34,024	5,431	111,301	285,963
Interfund receivable	1,178,225					1,178,225	1,418,950
Advances to component units	325,000					325,000	325,000
Due from other governmental units	2,845,572		316,461	148,867	4,011,283	7,322,183	7,624,533
Inventory of supplies	7,575	11,484	267,082	45,284	12,842	344,267	236,221
Prepaid expenditures	72,492	9,486	5,132	120,718	2,458	210,286	515,589
Total assets	<u>\$53,959,007</u>	<u>\$6,751,090</u>	<u>\$1,523,632</u>	<u>\$7,153,964</u>	<u>\$6,506,264</u>	<u>\$75,893,957</u>	<u>\$72,231,983</u>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable	\$1,441,059	\$205,497	\$298,730	\$3,527,169	\$2,097,535	\$7,569,990	\$6,614,005
Due to other governmental units			93,945	2,624,445	15,461	2,733,851	3,558,825
Due to other funds	346,399			499,193		845,592	615,470
Due to component units	115,800					115,800	105,462
Interfund payable					826,795	826,795	1,134,482
Advances from other governmental units					332,351	332,351	423,964
Deferred revenue	6,289,965	3,003,720	178,383		177,737	9,649,805	9,869,099
Total liabilities	<u>8,193,223</u>	<u>3,209,217</u>	<u>571,058</u>	<u>6,650,807</u>	<u>3,449,879</u>	<u>22,074,184</u>	<u>22,321,307</u>
Fund balances:							
Non spendable	1,063,101	20,970	272,214	166,002	21,070	1,543,357	1,446,772
Restricted	3,895,553	3,520,903		337,155	727,734	8,481,345	10,275,309
Committed	24,208,298				1,500	24,209,798	21,237,492
Assigned	2,892,842		680,360		2,306,081	5,879,283	6,354,796
Unassigned	13,705,990					13,705,990	10,596,307
Total fund balances, as restated	<u>45,765,784</u>	<u>3,541,873</u>	<u>952,574</u>	<u>503,157</u>	<u>3,056,385</u>	<u>53,819,773</u>	<u>49,910,676</u>
Total liabilities and fund balances	<u>\$53,959,007</u>	<u>\$6,751,090</u>	<u>\$1,523,632</u>	<u>\$7,153,964</u>	<u>\$6,506,264</u>	<u>\$75,893,957</u>	<u>\$72,231,983</u>

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

**County of Ottawa**  
**Reconciliation of Fund Balances on the Balance Sheet**  
**for Governmental Funds to Net Assets**  
**of Governmental Activities on the Statement of Net Assets**  
**December 31, 2011**

Fund balances - total governmental funds	\$53,819,773
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.	
Add: capital assets used in the operation of governmental funds	174,685,745
Subtract: accumulated depreciation	(43,855,364)
The net pension asset, a long-term asset, is not recorded in the funds.	1,737,385
The net other post employment benefits asset, a long-term asset, is not recorded in the funds.	466,571
Internal service funds are used by management to charge the costs of certain activities, such as insurance and other centralized costs, to individual funds on a cost reimbursement basis. The assets and liabilities of internal service funds are included in governmental activities in the statement of net assets.	
Add: net assets of governmental activities accounted for in internal service funds	34,045,916
Certain revenue that was earned and accrued in the current period but not received after 60 days is not recognized in the fund statement but recognized under full accrual.	2,187,081
Certain liabilities, such as bonds payable, are not due and payable in the current period, and therefore are not reported in the funds.	
Subtract: bonds payable	(20,965,000)
Subtract: landfill reclamation	(4,474,805)
Subtract: capital lease payable	(11,999)
Subtract: compensated absences	(2,914,706)
Subtract: land contracts	(91,500)
Subtract: accrued interest payable	(158,299)
Amortization of bond issue costs and premiums are not recorded in the governmental funds, but are netted against long-term liabilities on the Statement of Net Assets	
Subtract: unamortized bond premium	(430,059)
Add: unamortized bond issuance costs	695,589
Net assets of governmental activities	\$194,736,328

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



**County of Ottawa**  
**Statement of Revenue, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended December 31, 2011**  
**(with comparative totals for the year ended December 31, 2010)**

	General	Parks and Recreation	Health	Mental Health	Other Governmental Funds	Total Governmental Funds	
						2011	2010
<b>Revenues</b>							
Taxes	\$38,175,450	\$3,035,087			\$9,743	\$41,220,280	\$42,348,687
Intergovernmental revenues	10,238,891	564,477	\$5,133,021	\$34,136,858	23,428,787	73,502,034	64,864,135
Charges for services	6,782,723	370,485	627,960	409,069	1,226,136	9,416,373	9,182,235
Fines and forfeits	1,094,561					1,094,561	1,059,777
Interest on investments	467,242	58,535		34,024	5,496	565,297	686,816
Licenses and permits	370,595		552,669			923,264	682,162
Rental income	3,252,068	63,692		78,927	2,382,030	5,776,717	5,888,783
Other	483,168	722,026	199,754	453,444	1,201,231	3,059,623	1,872,377
<b>Total revenue</b>	<b>60,864,698</b>	<b>4,814,302</b>	<b>6,513,404</b>	<b>35,112,322</b>	<b>28,253,423</b>	<b>135,558,149</b>	<b>126,584,972</b>
<b>Expenditures</b>							
Current operations:							
Legislative	424,362					424,362	486,009
Judicial	10,234,420				4,329,767	14,564,187	14,069,261
General government	11,045,977				1,314,619	12,360,596	13,909,255
Public safety	23,764,694				5,203,037	28,967,731	29,041,847
Public works	647,325				483,963	1,131,288	1,323,796
Health and welfare	717,305		8,727,173	35,278,264	19,693,484	64,416,226	63,539,157
Community and economic development	618,453				1,000	619,453	579,516
Culture and recreation		6,799,039				6,799,039	3,834,249
Other governmental functions	176,388					176,388	225,829
Debt service					3,144,730	3,144,730	3,150,198
Capital projects							180,621
<b>Total expenditures</b>	<b>47,628,924</b>	<b>6,799,039</b>	<b>8,727,173</b>	<b>35,278,264</b>	<b>34,170,600</b>	<b>132,604,000</b>	<b>130,339,738</b>
Revenues over (under) expenditures	13,235,774	(1,984,737)	(2,213,769)	(165,942)	(5,917,177)	2,954,149	(3,754,766)
<b>Other financing sources (uses)</b>							
Transfers from other funds	1,103,882	46,500	2,213,769	563,108	5,089,626	9,016,885	15,888,171
Transfers to other funds	(7,364,948)				(788,489)	(8,153,437)	(15,435,158)
Capital leases							35,995
Land contract issued		91,500				91,500	
<b>Total other financing sources (uses)</b>	<b>(6,261,066)</b>	<b>138,000</b>	<b>2,213,769</b>	<b>563,108</b>	<b>4,301,137</b>	<b>954,948</b>	<b>489,008</b>
Net change in fund balances	6,974,708	(1,846,737)		397,166	(1,616,040)	3,909,097	(3,265,758)
Fund balance, beginning of year, as restated	38,791,076	5,388,610	952,574	105,991	4,672,425	49,910,676	53,176,434
Fund balance, end of year	\$45,765,784	\$3,541,873	\$952,574	\$503,157	\$3,056,385	\$53,819,773	\$49,910,676

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

**County of Ottawa**  
**Reconciliation of the Statement of Revenue, Expenditures**  
**and Changes in Fund Balances**  
**of Governmental Funds to the Statement of Activities**  
**For the Year Ended December 31, 2011**

Net change in fund balances - total governmental funds \$3,909,097

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Add: capital outlay	5,485,160
Subtract: depreciation expense	(4,736,776)
Subtract: net book value of disposed capital assets in governmental funds	(363,606)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Subtract: land contract issuance	(91,500)
Add: principal payments on long-term liabilities	2,145,392
Subtract: increase in landfill reclamation liability	(1,161,000)
Subtract: increase in compensated absences liability	(61,880)

Accrued interest expense on bonds and the amortization of bond issuance costs, premiums, and deferred losses are not recorded by governmental funds, but are reported as interest and fiscal charges for government-wide financial statements.

Add: decrease in accrued interest payable	14,012
Subtract: amortization of bond issue costs and deferred refunding loss	(75,392)
Add: amortization of premiums on bonds	56,241

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund statements, but rather are deferred to the following fiscal year

Subtract: net change in Health Department revenues	(7,169)
Add: net change in receivable for Community Corrections programs	14,851
Add: net change in receivables for the Survey and Remonumentation expedited program	10,014

Changes in the net pension and other post employment benefits assets are not recorded in the fund statements

Subtract: decrease in the net pension asset	(42,925)
Subtract: decrease in the net other post employment benefits asset	(3,243)

Internal service funds are used by management to charge the costs of certain activities, such as insurance and other centralized costs, to individual funds. The net revenue (expense) of internal service funds is reported with governmental activities.

Add: net increase in net assets from the governmental activities accounted for in internal service funds	1,388,223
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Change in net assets of governmental activities	\$6,479,499
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*The accompanying notes are an integral part of the financial statements.*

**County of Ottawa  
Statement of Net Assets  
Proprietary Funds  
December 31, 2011**

	<b>Business-type Activities- Enterprise Funds</b>	<b>Governmental Activities- Internal Service Funds</b>
	<b>Delinquent Tax Revolving Fund</b>	<b>Service Funds</b>
<b><u>ASSETS</u></b>		
Current assets:		
Cash and pooled investments	\$14,733,296	\$14,239,328
Investments		24,980,476
Receivables:		
Delinquent taxes receivable	7,639,876	
Accrued interest and penalties on delinquent taxes	1,413,112	
Accounts	5,481	11,180
Accrued interest on investments		112,421
Due from other funds	159,838	5,208,900
Due from component units	81,180	
Inventory of supplies		48,601
Prepaid expenses		400,590
Total current assets	24,032,783	45,001,496
Noncurrent assets:		
Capital assets:		
Office furniture and equipment		4,373,350
Copy machines		159,844
Telephone equipment		2,716,760
Vehicles		4,460,114
Less accumulated depreciation		(9,722,989)
Net capital assets		1,987,079
Total assets	24,032,783	46,988,575
<b><u>LIABILITIES</u></b>		
Current liabilities:		
Accounts payable	3,766	7,784,288
Interfund payable		351,430
Due to other funds		4,600,423
Due to other governmental units	5,540	195,058
Unearned revenue		11,460
Total current liabilities	9,306	12,942,659
<b><u>NET ASSETS</u></b>		
Investment in capital assets, net of related debt		1,987,079
Restricted for managed care risk exposure		2,072,452
Restricted for land foreclosure	447,167	
Unrestricted	23,576,310	29,986,385
Total net assets	\$24,023,477	\$34,045,916

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

**County of Ottawa**  
**Statement of Revenue, Expenses and**  
**Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the Year Ended December 31, 2011**

	<b>Business-type Activities- Enterprise Funds Delinquent Tax Revolving Fund</b>	<b>Governmental Activities- Internal Service Funds</b>
Operating revenues:		
Charges for services	\$479,577	\$16,775,359
Penalties and interest in delinquent taxes	1,827,646	
Other revenue		48,603
Total operating revenues	2,307,223	16,823,962
Operating expenses:		
Personnel services	4,631	2,110,306
Contractual services	84,957	11,106,627
Supplies	17,553	151,746
Depreciation		891,641
Building and equipment rental	2,458,239	51,174
Claims and legal		964,991
Miscellaneous		304,742
Total operating expenses	2,565,380	15,581,227
Operating income (loss)	(258,157)	1,242,735
Nonoperating revenues (expenses):		
Interest on investments	159,838	736,174
Net change in the fair value of investments		61,093
Gain on retirement of capital assets		48,221
Total nonoperating revenues	159,838	845,488
Income (loss) before transfers	(98,319)	2,088,223
Transfers in (out):		
Ottawa County Building Authority - Debt Service	(150,000)	(300,000)
General Fund		(400,000)
Total transfers	(150,000)	(700,000)
Change in net assets	(248,319)	1,388,223
Total net assets, beginning of year	24,271,796	32,657,693
Total net assets, end of year	\$24,023,477	\$34,045,916

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

**County of Ottawa  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2011**

	<u>Business-type Activities- Enterprise Funds Delinquent Tax Revolving Fund</u>	<u>Governmental Activities Internal Service Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from interfund services provided		\$16,461,628
Cash receipts from customers	\$10,682,853	
Cash received from penalties and interest on delinquent taxes	2,051,513	
Cash payments to suppliers for goods and services	(2,559,413)	(11,430,192)
Cash payments for self-funded insurance claims		(2,382,918)
Cash payments to employees for services	(4,631)	(2,110,229)
Purchase of delinquent tax rolls	<u>(11,708,426)</u>	
Net cash provided by (used for) operating activities	<u>(1,538,104)</u>	<u>538,289</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Transfers in from other funds		66,962
Transfers out to other funds	<u>(150,000)</u>	<u>(700,000)</u>
Net cash used for noncapital financing activities	<u>(150,000)</u>	<u>(633,038)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition of capital assets		(795,246)
Proceeds from sale of equipment		29,389
Net cash used for capital and related financing activities		<u>(765,857)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of investments		(15,329,576)
Interest on investments	200,078	667,960
Proceeds from sale of investments		<u>14,368,416</u>
Net cash provided by investing activities	<u>200,078</u>	<u>(293,200)</u>
Net decrease in cash and pooled investments	(1,488,026)	(1,153,806)
Cash and pooled investments, beginning of year	<u>16,221,322</u>	<u>15,393,134</u>
Cash and pooled investments, end of year	<u><u>\$14,733,296</u></u>	<u><u>\$14,239,328</u></u>

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

*(Continued on next page)*

**County of Ottawa  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2011**

	<u>Business-type Activities- Enterprise Funds Delinquent Tax Revolving Fund</u>	<u>Governmental Activities Internal Service Funds</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	(\$258,157)	\$1,242,735
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation		891,641
Change in assets and liabilities not affecting cash provided by (used for) operating activities:		
(Increase) decrease in receivables	(1,282,698)	642,165
(Increase) decrease in due from other funds		(499,193)
(Increase) decrease in inventory		2,050
(Increase) decrease in prepaid expenses		172,792
Increase (decrease) in unpaid claims liability		(672,567)
Increase (decrease) in unearned revenue		(45,833)
Increase (decrease) in accounts payable	1,282	(1,374,682)
Increase (decrease) in due to other funds		160,278
Increase (decrease) in due to other governmental units	1,469	18,903
Net cash provided by (used for) operating activities	<u>(\$1,538,104)</u>	<u>\$538,289</u>
		<i>(Concluded)</i>

Noncash investing activities:

The change in fair value of investments for the internal service funds was \$61,093.

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

**COUNTY OF OTTAWA**

**FIDUCIARY FUNDS**

**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**

**December 31, 2011**

**(with comparative totals for December 31, 2010)**

	<u>Other Post Employment Benefit Plan</u>		<u>Agency Funds</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>				
Cash and pooled investments			\$4,258,371	\$4,112,499
Certificates of Deposit		\$175,000		
U.S. Government securities	\$15,693	31,083		
U.S. Government agencies	423,024	284,498		
Corporate Bonds	624,338	261,241		
Mutual funds				
Money Market Mutual Funds	235,629	97,471		
Domestic Equity	1,954,110	1,701,563		
International Equity	273,849	328,457		
Receivables:				
Accounts			532,726	80,159
Due from other governmental units			345,029	22,614
Total assets	<u>3,526,643</u>	<u>2,879,313</u>	<u>\$5,136,126</u>	<u>\$4,215,272</u>
<b>LIABILITIES</b>				
Liabilities:				
Claims payable	\$119,330	\$117,656		
Due to other governmental units:				
Due to State of Michigan			\$991,257	\$1,153,633
Fines and fees due to local libraries			434,476	520,058
Agency deposits			3,710,393	2,541,581
Total liabilities	<u>\$119,330</u>	<u>\$117,656</u>	<u>\$5,136,126</u>	<u>\$4,215,272</u>
<b>Net Assets held in trust for other post employee benefits</b>	<u><u>\$3,407,313</u></u>	<u><u>\$2,761,657</u></u>		

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

**County of Ottawa**  
**Statement of Changes in Plan Net Assets**  
**Fiduciary Funds**  
**For the Year Ended December 31, 2011**

	Other Post Employment Benefit Plan	
	2011	2010
Additions		
Contributions:		
Employer	\$866,087	\$820,291
Plan member	344,607	445,247
Investment income (loss)	(65,989)	323,453
Total Additions	<u>1,144,705</u>	<u>1,588,991</u>
Deductions		
Administrative expense	63,029	83,000
Premiums	434,385	
Claims	1,635	634,938
Total Deductions	<u>499,049</u>	<u>717,938</u>
Total Net increase	645,656	871,053
<b>Net Assets held in trust for other post employee benefits</b>		
Beginning of year	<u>2,761,657</u>	<u>1,890,604</u>
End of Year	<u><u>\$3,407,313</u></u>	<u><u>\$2,761,657</u></u>

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



# COUNTY OF OTTAWA, MICHIGAN

## Notes to the Financial Statements

For the Year Ended December 31, 2011

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### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Ottawa, Michigan (the "County") was incorporated in 1837 and covers an area of approximately 565 square miles with the County seat located in the City of Grand Haven. The County operates under an elected Board of Commissioners (11 members) and provides services to its estimated 266,300 residents in many areas including law enforcement, administration of justice, community enrichment and development and human services.

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

#### A. Reporting entity

The accompanying financial statements present the County (the primary government) and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the County's operations, so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the County.

#### Blended Component Units

**The Building Authority** is governed by a three-member board appointed by the Ottawa County Board of Commissioners. Its sole purpose is to finance and construct the County's public buildings. It is reported in the appropriate fund categories of Debt Service and Capital Projects and has a December 31 year-end. A separate report is not prepared for the Building Authority.

**The Ottawa County, Michigan Insurance Authority** is a separate legal entity organized for the purpose of providing insurance coverage and risk management and related services to public entities in the County of Ottawa, Michigan pursuant to State of Michigan Act No. 36 of the Public Acts of 1988. The governing board consists of one appointed and four elected officials of the County and one appointed official from each other participating public entity. The County and the Building Authority are currently the only participating entities. The Insurance Authority is reported in an internal service fund and has a December 31 year-end.

Complete financial statements for the Insurance Authority can be obtained from:

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**A. Reporting entity (continued)**

Fiscal Services Director  
Ottawa County  
12220 Fillmore Street, Room 331  
West Olive, MI 49460

**Discretely Presented Component Units**

**The Ottawa County Road Commission** was established pursuant to the County Road Law (MCL 224.1). The governing board is appointed by the Ottawa County Board of Commissioners. The Road Commission deposits receipts with and has investments through the County. It may not issue debt or levy a tax without the approval of the County Board of Commissioners. If approval is granted, Road Commission taxes are levied under the taxing authority of the County, as approved by the County electors, and would be included as part of the County's total tax levy. The Road Commission has a September 30 year-end.

**The Ottawa County Public Utilities System's** governing board is appointed by the Ottawa County Board of Commissioners. The Public Utilities System deposits receipts with and invests through the County. It is fiscally dependent upon the County because the County Board must approve debt issuances of Public Act 342 bonds. The Ottawa County Public Utilities System has a December 31 year-end.

Complete financial statements for the Road Commission and the Public Utilities System can be obtained from:

Finance Director  
Ottawa County Road Commission  
P.O. Box 73932  
Grand Haven, MI 49417

**The Ottawa County Central Dispatch Authority** is governed by an eight-member board with two members appointed by the County's Board of Commissioners. It is financially accountable to the County as a result of fiscal dependency. It cannot levy taxes or issue bonded debt without approval of the County. The services provided cover all County residents and the County levies a property tax of up to one-half mill to finance the operations of the Dispatch Authority. The Dispatch Authority has a December 31 year-end.

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**A. Reporting entity (continued)**

Complete financial statements for the Dispatch Authority can be obtained from:

Director  
Ottawa County Central Dispatch Authority  
12101 Stanton Street  
West Olive, MI 49460

**Ottawa County Office of the Drain Commissioner** drainage districts established pursuant to the Drain Code of 1956 are separate legal entities, with the power to contract, to sue and be sued, to hold, manage and dispose of real and personal property, etc. The Office of the Drain Commissioner is considered to be a component unit of the County because the County has the ability to significantly influence operations and has accountability for fiscal matters. Specifically, the County Board of Commissioners formally approves the Drain Commissioner's budget (as submitted) and all financial management functions are performed by the County. The statutory drainage board of Chapter 20 drainage districts consists of the Drain Commissioner, the Chair of the County Board of Commissioners and one other member of the Board of Commissioners. The statutory drainage board of Chapter 6 and 21 drainage districts consists of the State Director of Agriculture and the Drain Commissioner of each county involved in the project. The Drain Commissioner has sole responsibility to administer the drainage districts established pursuant to Chapter 4 and 8 of the Drain Code. The drainage board or Drain Commissioner, on behalf of the drainage district, may issue debt and levy special assessments authorized by the Drain Code without the prior approval of the County Board of Commissioners. The full faith and credit of the County may be given for the debt of the drainage district.

Complete financial statements for the Office of the Drain Commissioner can be obtained from:

Fiscal Services Director  
Ottawa County  
12220 Fillmore Street, Room 331  
West Olive, MI 49460

**The Ottawa County Land Bank Authority** was established pursuant to the Michigan Land Bank Fast Track Act, 2003 P.A. 258, 124.751 and the intergovernmental agreement by and between the Michigan Land Bank Fast Track Authority and the Treasurer of the County of Ottawa. The governing board consists of the Treasurer of the County of Ottawa and eight additional members appointed by the Ottawa County Board of Commissioners. The Authority has the power to contract, to sue and be sued, to hold, manage and dispose of property, etc. Although funding for the Authority is designed to come from the eventual sale of properties, the County Board has enabled the Authority to borrow up to \$50,000 from the County's Delinquent Tax Revolving fund as needed,

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**A. Reporting entity (continued)**

interest free. The Land Bank Authority has a December 31 year-end. As of December 31, 2011, no financial activity has been made by the Authority.

**The Economic Development Corporation of the County of Ottawa (EDC)** was established pursuant to the Economic Development Corporations Act (Act 338, Public Acts of 1974, as amended) and is a separate legal entity. The EDC's governing board is appointed by the Ottawa County Board of Commissioners. The County was required to hold a public hearing and approve the bonds issued in 2011 in compliance with the Internal Revenue Code. Neither the EDC nor the County is obligated in any way for the payment of these bonds. The EDC has a June 30 year-end, but no financial activity occurred during 2011.

**B. Funds with Other Year Ends**

The financial statements of the Friend of the Court, 9/30 Judicial Grants, Health, Mental Health, Transportation System, Prosecuting Attorney Grants, Sheriff 9/30 Grant Programs, Sheriff Contracts, Sheriff Road Patrol, Workforce Investment Act - 9/30 Grant Programs, Grant Programs - Pass Thru, Emergency Feeding, Federal Emergency Management Agency, Community Corrections, Community Action Agency, Department of Human Services, Child Care – Circuit Court, Child Care - Social Services funds and Veterans Trust-9/30 (included with Governmental Funds and reflecting total assets and revenues of 16.88% and 44.83%, respectively, of the Governmental Fund totals) and the Protected Self-Funded Insurance-Mental Health Fund (included with Internal Service Funds and reflecting total assets and revenues of 4.61% and 2.97%, respectively, of the related fund type totals) have been included in the accompanying 2011 financial statements using their fiscal year ended September 30, 2011.

The financial statements of the Workforce Investment Act – Administrative Cost Pool, Workforce Investment Act - Youth, Workforce Investment Act – Adult, and Workforce Investment Act - 6/30 Grant Programs funds (included with Governmental Funds and reflecting total assets and revenues of .81% and 3.09%, respectively, of the Governmental Fund totals) have been included in the accompanying 2011 financial statements using their fiscal year ended June 30, 2011.

The financial statements of the Weatherization and the Workforce Investment Act-3/31 Grant Programs funds (included with Governmental Funds and reflecting assets and revenues of .24% and 1.33%, respectively, of the Governmental Fund totals) have been included in the accompanying 2011 financial statements using their fiscal year ended March 31, 2011. The remaining funds have been included in the accompanying financial statements using their fiscal year ended December 31, 2011.

# COUNTY OF OTTAWA, MICHIGAN

## Notes to the Financial Statements

For the Year Ended December 31, 2011

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### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### C. Government-wide and fund financial statements

Interfund balances, due to/from account balances, indirect expense allocations, as well as transfers, do not agree across all funds due to the different year ends reported in these financial statements.

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) 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. However, exceptions to this general rule are charges between enterprise functions and other various functions of the government and interfund balances remaining due to the different year ends reported in the funds. Elimination of these charges would distort costs and program revenues for the various functions concerned. *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. *Indirect expenses* are charged based upon a County-wide cost allocation plan which allocates costs based upon the number of full time equivalents, number of transactions, and other pertinent information. *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, and fiduciary funds, even though the latter 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.

#### D. 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 statements. The fiduciary fund financial statements are reported using the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. After March 1 of the following year, the Delinquent Tax Revolving Fund pays the County for any real

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2011

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Measurement focus, basis of accounting, and financial statement presentation (continued)**

outstanding taxes as of that date. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property tax 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, landfill closure costs and compensated absences are recorded only when payment is due.

Intergovernmental revenue, charges for services, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. The County considers these to be available if received within 180 days of year end. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. With the implementation of GASB statement # 54, Fund Balance Reporting and Governmental Fund Type Definitions, certain funds which had been Special Revenue funds have been combined with the General Fund on the consolidating statements. These funds include:

*Solid Waste Clean-Up Fund (2271)* - This Fund was established to account for monies received from settlement of a claim. The monies are mainly used for the clean-up of the Southwest Ottawa Landfill.

*Infrastructure Fund (2444)* - This fund was established by the County Board to provide financial assistance to local units of government for water, sewer, road and bridge projects that are especially unique, non-routine, and out-of-the ordinary.

*Public Improvement Fund (2450)* - This fund is used for earmarked revenues set aside for public improvements. Funding is provided from General Fund appropriations and building rentals.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2011

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement focus, basis of accounting, and financial statement presentation (continued)

*DB/DC Conversion Fund (2970)* - The fund was established by the County Board to set aside funds needed for startup costs associated with moving new hires to a defined contribution retirement system.

*Compensated Absences Fund (2980)* - This Fund is used to account for future payments of accumulated sick pay of County employees under the sick days/short and long-term disability plan. This fund is also used to accrue vacation pay.

*Stabilization Fund (2570)* – This fund was established to assure the continued solid financial condition of the County in case of emergency.

*Parks and Recreation Fund (2081)* – This fund was established for the development, maintenance, and operation of Ottawa County parks. Funding is provided by State grants and user charges. A millage of .33 mills to support this fund was re-approved by the County electorate during 2006 for ten years and expires in 2016.

*Health Fund (2210)* – This fund is used to account for monies received from Federal, State, and local grants and County appropriations. These monies are utilized in providing a variety of health-related services to County residents.

*Mental Health Fund (2220)* – This fund is used to account for monies to provide mental health services within the County. Monies are provided by Federal, State, and County appropriations, contributions, and charges for services.

The County reports the following major proprietary fund:

*Delinquent Tax Revolving Fund (5160)* – This Enterprise Fund is used to pay each local governmental unit, including the County General Fund, the respective amount of delinquent taxes not collected as of March 1 of each year. Financing is provided by subsequent collection of delinquent property taxes by the County Treasurer.

Additionally, the County reports the following fund types:

*Special Revenue Funds* are used to account for revenue from specific revenue sources (other than fiduciary or major capital projects) and related expenditures which are restricted for specific purposes by administrative action or law. The *Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds. The *Capital Projects Fund* accounts for construction projects of the Building Authority.

# COUNTY OF OTTAWA, MICHIGAN

## Notes to the Financial Statements

For the Year Ended December 31, 2011

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### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### D. Measurement focus, basis of accounting, and financial statement presentation (continued)

The *Permanent Fund* is used to record the activity of the Cemetery Trust which provides funds for perpetual care of cemetery lots.

*Internal Service Funds* account for data processing, equipment purchases, and insurance coverage provided to County departments on a cost reimbursement basis.

The *OPEB Trust Fund* is used to account for the activity of the County's other post employment benefits program.

*Agency Funds* are used to account for assets held on behalf of outside parties, including other governments. The majority of the balances in the Agency funds represent payments collected on behalf of the State of Michigan and other governmental agencies.

Private-sector standards of accounting and financial reporting 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 or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Delinquent Tax Revolving enterprise fund are interest and penalties on delinquent taxes. The principal operating revenues of the County's internal service funds are charges to County departments for equipment amortization and insurance coverage. Operating expenses for the enterprise fund include costs associated with the collection of delinquent taxes and rent payments for certain County facilities designed to pay the debt obligations of the related bond issue. Operating expenses for the internal service funds include the cost of services (including premiums and claims), administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### E. Assets, liabilities, and net assets or equity

##### 1. Cash and pooled investments

For purposes of the statement of cash flows, the County considers all assets held in the cash and investment pool to be cash equivalents because the investments are not identifiable to specific



**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, liabilities, and net assets or equity (continued)**

**1. Cash and pooled investments (continued)**

funds and the assets can be withdrawn at anytime, similar to a demand deposit account. The investments of the County investment pool consist primarily of U.S. treasuries, U.S government agency securities, commercial paper, certificates of deposit, local government investment pools, and mutual funds.

Investments of the Insurance Authority and Other Post Employment Benefit Plan trust consist of U.S. government and U.S. government agency securities and corporate securities. All investments are recorded at fair value.

**2. Receivables, payables and due from other governments**

During the course of operations, numerous transactions occur between individual funds and/or between the primary government and component units for goods provided or services rendered. These receivables and payables are classified as "due from other funds/component units" or "due to other funds/component units" on the balance sheet. Short-term interfund loans are classified as "interfund receivables/payables".

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Property taxes for general County operations are levied as of July 1 (lien date) on property values assessed as of the same date. Property taxes for Parks and the Ottawa County Central Dispatch Authority are levied December 1 (lien date) on property values assessed as of the same date. The taxes levied December 1 are due on February 14 of the following year and taxes levied July 1 are due on September 14 after which the applicable property is subject to penalties and interest.

Other accounts receivable is shown net of the allowance for estimated uncollectibles. For the Mental Health receivables, an allowance of \$138,939 has been established. For the jail and inmate housing receivable and various other receivables an allowance of \$746,791 has been established.

Due from other governments due after one year consist of the long-term portion of loans made to local units. During 2011, no new loans were issued. However, during 2006, the County provided \$500,000 to Coopersville Township for infrastructure projects out of the County's Infrastructure Revolving Loan Fund Program. This loan will be repaid over 10 years, at 3% interest, with the Township's obligated funds for major roads.

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, liabilities, and net assets or equity (continued)**

**2. *Receivables, payables and due from other governments(continued)***

During 2005, the County provided \$950,000 to Tallmadge Township for infrastructure projects out of the County's Infrastructure Revolving Loan Fund Program. This loan will be repaid over 10 years, at 3% interest, with the Township's Water and Sewer Fund dollars.

These loans are recorded in the Infrastructure fund which is consolidated with the General Fund for financial reporting purposes. As of December 31, 2011, the gross amount of these outstanding loans reported in governmental funds was \$658,034. No allowance has been established for these loans.

**3. *Advances to other funds***

Noncurrent portions of long-term interfund loans receivable in governmental funds are reported as advances and are offset by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

**4. *Inventories and prepaids***

Inventories are valued at cost on the first-in / first-out (FIFO) method. Inventories are recorded as expenditures when consumed rather than when purchased. Payments made to vendors for services that will benefit periods beyond a fund's fiscal year-end are recorded as prepaid in both government-wide and fund financial statements.

**5. *Restricted Net Assets***

Under Act 30, Public Acts of 1978, the use of the fund balance of the Stabilization Fund (consolidated with the General Fund) in the amount of \$8,269,673 is restricted to 1) cover a deficit, 2) prevent a reduction in the level of public services or number of employees in the current or next fiscal year, or 3) cover expenses arising from a natural disaster.

The fund balance of the Parks and Recreation Fund (Special Revenue Fund 2081) is comprised mainly of unused revenue from a specially designated tax levy. Hence, the entire \$3,541,873 is restricted. In addition, Under Act 136, Public Acts of 1956 (Sections 141.261-141.263, Compiled Laws of 1979), the fund balance of the Public Improvement Fund (Special Revenue Fund 2450) in the amount of \$3,487,428 is restricted for statutory Public Improvement.

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, liabilities, and net assets or equity (continued)**

**5. *Restricted Net Assets (continued)***

The fund balance of the ROD Technology Fund (Special Revenue Fund 2560) in the amount of \$424,116 is restricted for technology upgrades under Act 698, Public Acts of 2002.

The use of the \$5,770 in fund balance of the Cemetery Trust is restricted to the perpetual care of certain cemetery lots.

The net assets of the Protected Self-Funded Insurance – Mental Health (Internal Service Fund 6782) are restricted for mental health programs (\$2,072,542).

It is the County's policy to spend restricted resources first if it meets the criteria of the restricted net asset and use unrestricted resources when the restricted funds are depleted.

The discretely presented component units also have certain restrictions on net assets. Specifically, the Ottawa County Road Commission has restricted \$3,300,040, for primary and local road construction and maintenance. The Drain Commissioner has restricted \$697,570 for debt service, \$730,732 for capital projects, and \$55,136 for general drain maintenance. Last, Ottawa County Public Utilities has restricted \$475,100 for operations and maintenance.

**6. *Capital assets***

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities column in the government-wide financial statements. For the County, infrastructure exists in the Road Commission and the Drain Commission component units. The capitalization threshold ranges from \$1,000 - \$25,000. Capital assets are defined by the primary government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exists. Donated capital assets are valued at their estimated fair market value on the date received. The amount reported for infrastructure includes assets acquired or constructed since 1980. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

No interest expense has been incurred or capitalized on capital assets reported in proprietary funds. Depreciation of the capital assets (including infrastructure) of the primary government, as

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2011

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, liabilities, and net assets or equity (continued)**

**6. Capital assets (continued)**

well as the component units, is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Land improvements	25
Buildings	25 - 50
Office furniture and equipment	3 - 20
Vehicles	3 - 10
Infrastructure	30

**7. Self-insurance claims incurred but not reported**

At December 31, 2011 the County has several Internal Service funds which account for various uninsured risks. The County is self-insured up to certain limits, which vary by type of risk, and purchases reinsurance to cover claims in excess of those limits. The County records estimates of self-insurance claims incurred but not reported as of December 31 based on historical trend information, claims reported subsequent to year end, actuarial valuations and/or professional judgment. Such estimates are included in accounts payable.

**8. Compensated absences**

Substantially all County employees are granted vacation and sick leave in varying amounts based on length of service. Vacation pay is fully vested when earned and accrued in the government-wide financial statements. Employees are granted varying amounts of sick days annually and may accumulate up to a maximum of 12 to 15 days. Unused sick leave accumulated under the current plan is forfeited upon termination or retirement. Therefore, no liability for unpaid accumulated sick leave is recorded. All employees except judges and elected officials are covered under short and long-term disability benefits if an illness lasts longer than 10 working days or six months, respectively.

Employees who accumulated sick days under the County's prior sick leave policy before moving into the current plan have been allowed to bank up to 120 hours of their sick days accumulated under the prior plan in a holding account at the pay rate in effect when they entered the current plan. Employees' accounts earn interest annually at the average rate earned by the County Treasurer. Employees with at least ten years of continuous service are paid for accumulated sick days in full upon death or retirement and at the rate of 50% of accumulated benefits upon termination for reasons other than death or retirement.

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, liabilities, and net assets or equity (continued)**

**8. *Compensated absences (continued)***

A liability for this amount is accrued and reported in the government-wide financial statements. The County estimates that the maximum liability for unpaid and unused sick leave would be approximately \$356,204 at December 31, 2011 if all employees who accumulated sick leave under the prior plan retired. Only the portion of this liability that has matured is recognized as a current liability. An actuarial estimate of the amount payable to employees upon retirement at December 31, 2011 is \$354,425 and is funded in General Fund with corresponding committed and assigned fund balance. On the government-wide statements, however, the liability for compensated absences is included in the non-current portion of long-term obligations.

The County has fully funded its vacation pay liability. The vacation pay expenditure/expense was recorded in each fund, and this amount was transferred and recorded in the General Fund with corresponding committed and assigned fund balance. An adjustment was made at December 31, 2011 to reflect the change in the accumulated balance to \$2,560,281.

Under the Road Commission's personnel policy and contracts negotiated with employee groups, individual employees have a vested right to receive payments for unused vacation and sick leave under formulas and conditions specified in the policy and contracts. Accumulated leave of the general fund is recorded on the statement of net assets and not on the general fund balance sheet because it is not expected to be liquidated with expendable available financial resources.

The Central Dispatch Authority's personnel policy and employment agreements provide employees a vested right to receive payments for unused vacation leave under formulas and conditions specified in the policy and agreements. Accumulated leave of the general fund is recorded on the statement of net assets and not on the general fund balance sheet because it is not expected to be liquidated with expendable available financial resources.

**9. *Deferred compensation plan***

The County, the Road Commission and the Central Dispatch Authority offer to their employees several different deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans are available to County and Dispatch Authority employees with various options and employer contribution requirements depending on which bargaining unit the employee is a member. All plans permit employees to defer a portion of their salary until future years. Participation in the plans is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The County employee contributions for 2011 were \$2,102,514 and the County match was \$311,620.

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, liabilities, and net assets or equity (continued)**

**9. *Deferred compensation plan (continued)***

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held in trust for the exclusive benefit of participants and their beneficiaries. Investments are managed by the plans' trustees, under one of several investment options, or combination thereof. The choice of the investment option(s) is made by the participants or the investment manager at the option of the employee. As the assets of the trust are managed by the plans trustees, the plan assets are not recorded in the financial statements of the County.

**10. *Employee Retirement Plans***

The County, the Road Commission and the Dispatch Authority have contributory pension plans covering substantially all of their employees. The plans are funded through annual contributions to the Michigan Municipal Employees' Retirement System in amounts sufficient to fund the normal cost of the plans and to amortize prior service cost.

**11. *Long-term obligations***

In the government-wide financial statements and proprietary fund types in the fund financial statements, the 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 assets. For new bond issuances after the implementation of GASB Statement No. 34, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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 on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**12. *Fund equity***

The County is implementing the provisions of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, in the 2011 financial statements. GASB 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, liabilities, and net assets or equity (continued)**

**12. Fund equity (continued)**

government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. While the classifications of fund balance in the County's various governmental funds were revised, the implementation of this standard had no effect on total fund balance. In the fund financial statements, governmental funds report fund balance in five categories:

1. Non spendable fund balance cannot be spent because it is either a) not in spendable form or b) legally or contractually required to be maintained intact
2. Restricted fund balance can only be spent for specific purposes due to a) externally imposed by grantors, creditors, contributors, of laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation
3. Committed fund balance can only be spent for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision –making authority
4. Assigned fund balance is constrained by the government's intent to be used for specific purposes but has not been formally committed by Board action or restricted in any way.
5. Unassigned fund balance is the residual classification for the General Fund. Except for funds with negative fund balance, only the General Fund has assigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the County's policy to consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the County's policy that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts.

In addition, it is the County's policy to maintain a fund balance in the General Fund of not less than 10% and not more than 15% of the most recently audited General Fund expenditures and transfers out for cash flow and flexibility purposes. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund. Details on the County's fund balance amounts follow:

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, liabilities, and net assets or equity (continued)**

**12. Fund equity (continued)**

	General Fund	Parks and Recreation Fund	Health Fund	Mental Health Fund	Other Governmental Funds
<b>Nonspendable:</b>					
Inventory and prepaid expenditures	\$80,067	\$20,970	\$272,214	\$166,002	\$15,300
Perpetual cemetery care-corpus portion					5,770
Long-term advances to other funds and component units	325,000				
Infrastructure loans	658,034				
<b>Total Nonspendable</b>	<b>\$1,063,101</b>	<b>\$20,970</b>	<b>\$272,214</b>	<b>\$166,002</b>	<b>\$21,070</b>
<b>Restricted:</b>					
Jail booking fees	\$294,842				
Marriage counseling	17,649				
Donations	65,892				\$10,087
Grant restrictions	29,742				
Parks & recreation Levy		\$3,520,903			
Mental health				\$337,155	
Public improvement - State restrictions	3,487,428				
Homestead property tax - State restrictions					61,353
Register of deeds technology - State restrictions					424,116
Michigan Works!/Community Action Agency - program income					232,178
<b>Total Restricted</b>	<b>\$3,895,553</b>	<b>\$3,520,903</b>		<b>\$337,155</b>	<b>\$727,734</b>
<b>Committed:</b>					
Aerial survey	\$867,274				
Voting machines	121,453				
Substance abuse	799,480				
Veterans' affairs	54,050				
Building improvements	1,563,433				
Red pine timber sales	254,723				
Mental health programs	581,275				
Technology improvements	120,471				
Stabilization	8,269,673				
Solid waste clean-up	2,710,567				
Infrastructure	1,327,683				
DB/DC conversion	4,623,510				
Farmland preservation					\$1,000
Brownfield redevelopment					500
Compensated absences	2,914,706				
<b>Total Committed</b>	<b>\$24,208,298</b>				<b>\$1,500</b>



**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, liabilities, and net assets or equity (continued)**

**12. Fund equity (continued)**

	General Fund	Parks and Recreation Fund	Health Fund	Mental Health Fund	Other Governmental Funds
<b>Assigned:</b>					
Law library	\$34,986				
Succeeding year's budget budget deficit	1,226,580				
Water quality forum	1,174				
Strategic planning fees	500				
Hope College bond issue reimbursemt-admin fees	18,500				
Planning commission	185,758				
Other post employment benefits	793,595				
ERP project	97,070				
Circuit Court strategic planning	3,462				
Local police academy	1,524				
Compensated absences	529,693				
Public health			\$680,360		
Landfill tipping fees					\$1,005,617
Community corrections					106,307
Dept of Human Services					21,010
Sheriff 9/30 grant programs					1,079
Child Care - Circuit Court					1,172,068
<b>Total Assigned</b>	<b>\$2,892,842</b>		<b>\$680,360</b>		<b>\$2,306,081</b>

**13. Comparative data/reclassifications**

Presentation of comparative total data for the prior year have been presented when available in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

# COUNTY OF OTTAWA, MICHIGAN

## Notes to the Financial Statements

For the Year Ended December 31, 2011

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### II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

#### A. Budgetary information

The General, Special Revenue, Debt Service, Capital Projects, and Permanent Funds are under formal budgetary control.

Formal budgetary integration is employed as a management control device during the year for governmental funds. Formal budgetary integration is not employed for other funds; however, informational summaries are prepared and presented to the Board for consideration for proprietary fund types. The County adopts its budget in accordance with Public Act 621, the Uniform Budgeting and Accounting Act, which mandates an annual budget process and an annual appropriation act to implement the budget. Budgets, as presented for these funds in the accompanying financial statements, were prepared on the modified accrual basis of accounting. The County does not use encumbrances in its accounting system.

The Fiscal Services Director presents the budget requests for the succeeding fiscal year to the County Administrator in August. The Administrator, Fiscal Services Director, and Budget/Audit Manager meet with all department heads during August to review and discuss the requested revenue and expenditures levels. The Fiscal Services Director presents initial budget information to the Board of Commissioners at a work session following the second Board Meeting in August. A proposed budget with balancing options, if required, is presented at the Board of Commissioners Work Session following the first board meeting in September. The preliminary budgets for all funds are presented to the Finance Committee in September and the Board of Commissioners Work Session following the second board meeting in September. A public hearing and formal budget presentation is held at the first Board Meeting in October to provide any county resident with an opportunity to discuss the budget with the Board prior to approval. The budget, and an appropriation ordinance implementing it, is approved by the Finance Committee and forwarded to the Board for approval at the second Board Meeting in October. A separate budget report is then made available to the public.

Budgets for the current year are continually reviewed for any required revisions of original estimates. Proposed increases or reductions in appropriations are presented to the Finance Committee and the Board for their action. The Board amends the general appropriation act as soon as it becomes apparent this action is necessary. The budgetary information as presented herein has been amended by official actions of the Finance Committee and/or County Board of Commissioners.

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**A. Budgetary information (continued)**

Transfers of any unexpended budget balance, or any portion thereof, to any other appropriation account may not be made without approval by the Finance Committee with certain exceptions. The Board has delegated authority to the Administrator and Fiscal Services Director to approve budget transfers within a fund if the amount to be transferred does not exceed \$50,000.

Budgetary control over expenditures is maintained on a line item basis by department, which is the legal level of control. A separate budgetary report is prepared which demonstrates compliance at the legal level of control and is available to the public in the County Clerk's office. Expenditures may not legally exceed budgeted amounts and certain Special Revenue Funds expenditures must be in accordance with the respective agreements with Federal and State grantor agencies. All budget appropriations lapse at the end of each fiscal year unless specific Board action is taken.

**B. Excess of expenditures over appropriations**

Certain funds experienced overages where expenditures exceeded budget amounts. These expenditures were permitted either because the County was assured of reimbursement from an outside party (grants) or because the funds had sufficient fund balance to cover the overage. In the General Fund, public safety expenditures were over budget due to an equipment grant for which the County received the equipment directly. Since the payment from the granting agency and payment to the vendor did not flow through the County's financial system at the time of receipt, a budget adjustment was not made before year end. Year-end medical treatment in the jail also contributed to public safety expenditures overage. Also in the General Fund, community and economic development expenditures were over budget due to adjustments in the vacation accrual in the Planning and Performance Improvement Department.

Service contracts for park projects exceeded projections in 2011 in the Parks and Recreation fund (2081). Park projects are difficult to budget. Other services and charges were over budget in the Mental Health fund (2220) as the Medicaid Service Fund was insured at the maximum level at year end. Commodities donated from the State were recorded after year end in the Emergency Feeding fund (2800), so no budget was established for the activity. Matching donated revenue was also recorded. The Department of Human Services Fund (2901) had children's assessment and utility payments which were recorded after year end, therefore not budgeted. In the Cemetery Trust fund (1500), payments to cemeteries were underestimated.

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

**III. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

Deposit and investment balances at year end are as follows:

	<b>Primary Government</b>	<b>Component Units</b>	<b>Total</b>
Cash on hand	\$17,028	\$260	\$17,288
Carrying amount of checking and savings accounts	14,363,057	18,284,128	32,647,185
Carrying amount of certificates of deposit	26,796,949	980,000	27,776,949
Carrying amount of investments	48,247,241	7,595,401	55,842,642
Carrying amount of investments - Ottawa County Other Post Employment Benefit Plan	3,526,643		3,526,643
Carrying amount of investments - Ottawa County Insurance Authority	24,980,476		24,980,476
<b>Total</b>	<b>\$117,931,394</b>	<b>\$26,859,789</b>	<b>\$144,791,183</b>
<b>Statement of net assets</b>			
Cash and pooled investments	\$85,160,134	\$26,859,789	\$112,019,923
Investments	24,986,246		24,986,246
<b>Statement of fiduciary assets and liabilities</b>			
Cash and pooled investments	4,258,371		4,258,371
Investments	3,526,643		3,526,643
<b>Total</b>	<b>\$117,931,394</b>	<b>\$26,859,789</b>	<b>\$144,791,183</b>

The County's investments, as well as the investments of Ottawa County Public Utilities handled by the County, are stated at fair value which is determined as follows: (a) securities are priced by FTI, an on-line pricing service, as of the end of each business day and (b) investments that do not have established market values are reported at estimated fair value.

Michigan statutes authorize the County to invest in bonds, other direct obligations and repurchase agreements of the United States, certificates of deposit, savings accounts, deposit accounts or receipts of a bank which is a member of the FDIC, commercial paper, bankers' acceptances of United States banks, obligations of the State of Michigan and its political subdivisions, external investment pools, and certain mutual funds. The County's investment policy, last amended in November of 2010, allows for all of these types of investments.

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

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

The Ottawa County Other Post Employment Benefit Plan can utilize all investment options allowed for the County as well as equity, corporate securities, and foreign investment. The Ottawa County Insurance Authority investment policy allows for all of the investment types authorized for the County as well as investment grade fixed income securities, common stock of U.S. companies, and foreign investment.

Investments are stated at fair value which is determined as follows: (a) securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates and (b) investments that do not have established market values are reported at estimated fair value.

The majority of the County departments participate in the internal investment pool. However, the following programs/organizations also maintain separate cash and/or investments:

Ottawa County Insurance Authority  
Ottawa County Road Commission  
Ottawa County Public Utilities System  
Ottawa County Central Dispatch Authority  
Ottawa County Building Authority  
Ottawa County Drain Commission Munn Drain Debt Service and Capital Projects  
Ottawa County Drain Commission Nunica Drain Debt Service  
Ottawa County Other Post Employment Benefit Plan

The County chooses to disclose its investments by Weighted Average Maturity. As of December 31, 2011, the County had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (years)</u>
Money Market Fund (MMF)	\$8,479,137	N/A
Commercial Paper	1,987,301	0.7260
Municipal Bonds	5,156,054	4.4393
Agency - FFCB	7,543,840	4.7108
Agency - FNMA	6,244,814	3.4693
Agency - FHLMC	4,489,445	4.2610
Treasury Note	14,346,650	1.1923
	<u>\$48,247,241</u>	
Portfolio Weighted Average Maturity (excluding MMF)		2.9639

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

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

Cash and investments held by the County for these component units consist of the following at year end:

	Ottawa County Public Utilities System	Ottawa County Office of the Drain Commissioner	Ottawa County Road Commission
Checking/Deposit	\$2,935,651		\$2,714,431
Savings	9,275,251	\$135,451	
Certificates of Deposit			980,000
Money market	81,101		
Ottawa County Investment Pool			
Investments	2,300,375	1,383,925	
	<u>\$14,592,378</u>	<u>\$1,519,376</u>	<u>\$3,694,431</u>

The County chooses to disclose the investments of the Ottawa County Public Utilities System by specifically identifying each. As of 12/31/11, the investments of the System held by the County are as follows:

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>	<u>Rate</u>	<u>Rating</u>	<u>Source</u>
Money Market Fund	N/A	\$81,101	Unrated	N/A	N/A
FNMA 31398ABX9	5/18/2012	559,843	4.88%	AAA	Moody's
FHLB 3133XWKU2	6/8/2012	607,020	1.38%	AAA	Moody's
FHLB 313370BJ6	1/30/2012	1,133,512	0.65%	AAA	Moody's
		<u>\$2,300,375</u>			

The amount invested by the County's investment pool for Public Utilities and the Office of the Drain Commissioner consist of money market mutual funds and certificates of deposit which are unrated.

The Ottawa County Central Dispatch Authority, also a discretely presented component unit, includes \$3,223,344 in checking/deposit accounts, \$260 in petty cash and \$3,830,000 in investments. The Authority chooses to disclose its investments by specifically identifying them:

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

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

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>	<u>Rate</u>	<u>Rating</u>	<u>Source</u>
<b>Municipal Bonds:</b>					
Oakland County Michigan Economic					
Development Bonds	12/1/2025	\$210,000	0.22%	A-2	S&P
Michigan State Hospital Fin					
Authority	9/1/2027	120,000	0.22%	A-2	S&P
Michigan State Strategic Fund	3/1/2029	500,000	0.31%	unrated	
Michigan Fin Authority	12/1/2032	650,000	0.24%	A-2	S&P
Michigan Fin Authority	12/1/2032	500,000	0.24%	unrated	
Michigan Fin Authority	12/1/2032	1,350,000	0.24%	A-2	S&P
Kent Hospital Fin Authority	10/1/2041	500,000	0.22%	A-2	S&P
		<u>\$3,830,000</u>			

In addition, as of December 31, 2011 the County's Other Post Employment Benefit Plan held the following investments:

	<u>Fair Value</u>	<u>Investment Maturities (fair value by years)</u>			
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>Over 10</u>
U.S. Treasuries	\$15,693		\$15,693		
U.S. Agencies:					
Bonds	423,024		170,422	\$252,602	
Corporate bonds	624,338	\$283,233	120,477	170,442	\$50,186
	<u>1,063,055</u>	<u>\$283,233</u>	<u>\$306,592</u>	<u>\$423,044</u>	<u>\$50,186</u>
<b>Mutual Funds:</b>					
Money Market	235,629				
Domestic Equity	1,954,110				
International Equity	273,849				
<b>Total investments held by the OPEB Plan</b>	<u>\$3,526,643</u>				

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

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

As of December 31, 2011, the Ottawa County Insurance Authority had the following investments and maturities in debt securities (none of which are callable):

	<u>Cost</u>	<u>Fair Value</u>	<u>Investment Maturities (fair value by years)</u>			
			<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>Over 10</u>
Money market funds	\$596,618	\$596,618				
U.S. treasuries	2,907,862	2,924,001	\$714,246	\$1,683,431	\$234,249	\$292,075
U.S. agencies:						
Mortgage-backed	48,672	48,157				\$48,157
Other U.S. government agencies	1,044,494	1,098,686	15,027		41,343	1,042,316
Corporate bonds	3,917,891	4,030,551	90,548	1,469,962	2,470,041	
	<u>8,515,537</u>	<u>8,698,013</u>	<u>\$819,821</u>	<u>\$3,153,393</u>	<u>\$2,745,633</u>	<u>\$1,382,548</u>
<b>Equities</b>						
Common stock	5,590,285	6,681,979				
<b>Mutual Funds:</b>						
Domestic equity	2,326,105	2,631,796				
International equity	2,310,338	2,204,059				
<b>Total investments held by the Authority</b>	<u>\$18,742,265</u>	<u>\$20,215,847</u>				

In 1998, to comply with Michigan Insurance Bureau regulations, the Ottawa County Insurance Authority transferred certain investments – i.e., U.S. Treasury Notes – to the Michigan Department of Treasury as security for the benefit of the Authority’s policyholders. As these investments mature, they are replaced with comparable investments to maintain a face value balance of \$5.0 million. Such investments held by the State Treasurer as of December 31, 2011 and 2010, are as summarized:



**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

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

<u>Description</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Face Value</u>	<u>Fair Value</u>	
				<u>2011</u>	<u>2010</u>
U.S. Treasury Notes	03/31/11	4.875%	\$ 1,400,000		\$1,437,625
U.S. Treasury Notes	07/31/11	4.875%	1,675,000		1,720,016
U.S. Treasury Notes	08/15/16	4.875%	485,000	\$575,220	552,900
U.S. Treasury Notes	02/28/13	2.750%	1,100,000	1,132,571	1,149,844
U.S. Treasury Notes	02/15/12	4.875%	340,000	341,924	357,053
U.S. Treasury Notes	10/31/15	1.250%	435,000	446,149	
U.S. Treasury Notes	08/31/17	1.875%	435,000	455,288	
U.S. Treasury Notes	05/31/18	2.375%	440,000	471,830	
U.S. Treasury Notes	08/15/20	2.625%	445,000	479,941	
U.S. Treasury Notes	02/15/19	2.750%	440,000	481,901	
U.S. Treasury Notes	09/30/16	3.000%	435,000	479,553	
U.S. Treasury Notes	05/15/21	3.125%	445,000	496,870	
				\$5,361,247	\$5,217,438

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of bank failure, the County’s deposits may not be returned to the County. It is County policy to review and verify a bank’s creditworthiness through a system of ratio analysis and from information provided by several third party sources. The County policy also places maximum limits on percent of portfolio, per issuer and duration. The County places concentration limits on banks based on bank size and creditworthiness analysis. As of December 31, 2011, \$44,059,217 of the County’s bank balance (including certificates of deposit) of \$49,110,329 was uninsured and uncollateralized. Deposits of the Ottawa County Road Commission, the Ottawa County Public Utilities and the portion of the Ottawa County Drain commission that are pooled with the County’s (primary government) deposits cannot be separately identified for federal depository insurance purposes.

The Ottawa County Other Post Employment Benefit Plan had no deposits outstanding at year end. The Ottawa County Insurance Authority’s cash in the amount of \$1,265 at December 31, 2011 was FDIC insured. For the Ottawa County Drain Commission, the \$135,451 in deposits at December 31, 2011 cannot be separately identified from the primary government for federal depository insurance purposes. For the Ottawa County Central Dispatch Authority, \$2,759,697 of the \$3,259,697 bank balance at December 31, 2011 was exposed to custodial credit risk.

## COUNTY OF OTTAWA, MICHIGAN

### Notes to the Financial Statements

For the Year Ended December 31, 2011

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#### III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

##### A. Deposits and Investments (*continued*)

*Custodial Credit Risk – Investments.* For an investment, 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's investment policy requires that investment securities be held in third-party safekeeping by an institution designated as primary agent. The policy further states that safekeeping agent follows the procedure of delivery vs. payment. As of December 31, 2011, the County's \$42,068,479 in treasury investments and commercial paper were (including Ottawa County Public Utilities, discretely presented component unit) held in third-party safekeeping in the County's name. The Ottawa County Central Dispatch Authority's (discretely presented component unit) \$3,830,000 in municipal bonds were held in third-party safekeeping in the Authority's name. Ottawa County Central Dispatch Authority does not have a policy for investment custodial credit risk, nor does the State require one.

The County also invests in money market funds that have their securities safe kept with a third party selected by the fund manager. However, the fund's securities are held in trust for the participants of the fund and are not available to the fund manager if the fund manager should happen to fail. The County believes this arrangement satisfies the County's investment policy's safekeeping requirement. The short-term investments in money market funds by the Ottawa County Public Utilities system in the amount of \$81,101 at December 31, 2011, are unrated and not subject to custodial risk categorization because they do not consist of specifically identifiable securities.

Of the balance of investments for the Ottawa County Other Post Employment Benefit Plan, the County has a custodial credit risk of \$1,063,055 because the related securities are uninsured, unregistered and held by the County's investment manager which is also the counterparty for these particular securities. With regard to the OPEB trust's mutual fund investments the County's custodial credit risk exposure cannot be determined because the mutual funds do not consist of specifically identifiable securities.

The Ottawa County Insurance Authority's short-term investments in money market funds amounting to \$598,618 at December 31, 2011 are not subject to custodial risk categorization. At December 31, 2011, the Authority did not have any custodial credit risk on its investments.

*Credit Risk.* State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations with a maximum maturity of 270 days. The County's investment policy further limits its investment choices by limiting the maturity to A-1 270 days. The three money market bank investment pools used by the County are rated Aaa by Moody's, Fitch Ratings or Standard & Poor's. The County's investment policy is silent on the use of rated vs. unrated money market funds. In addition, there is no rating level requirement for those money market funds that are rated.

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

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

The investments of the Other Post Employment Benefits Plan in exchange traded fixed income funds (\$70,598) and fixed income mutual funds (\$105,196) are unrated. U.S. Government Agency Securities and U.S. and Foreign corporate bonds were rated by Standard & Poors as follows:

S&P Rating	Fair Value
AAA	\$438,717
AA+ to AA-	73,137
A+ to A-	202,504
BBB+ to BBB-	172,903
	<u><u>\$887,261</u></u>

As of December 31, 2011, the Insurance Authority's investments in U.S. Treasuries and Agencies were rated AAA by Moody's. The Authority's investments in corporate bonds were rated by Moody's as follows:

Rating	Fair Value
AAA	\$722,732
AA3	286,338
AA2	372,476
AA1	11,681
A3	477,548
A2	497,147
A1	262,854
BAA3	208,868
BAA2	577,382
BAA1	525,662
BA1	12,713
Unrated	75,150
	<u><u>\$4,030,551</u></u>

*Concentration of Credit Risk.* The County's investment policy specifies a plan to diversify and set concentration limits to further manage credit risk. The policy sets maximum percentages of the pooled portfolio by investment type with additional maximums by issuer. A minimum of 15% is to be invested in U.S. Treasuries. The policy sets a maximum of 50% in U.S. agencies with a maximum of 20% in any

# COUNTY OF OTTAWA, MICHIGAN

## Notes to the Financial Statements

For the Year Ended December 31, 2011

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### III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

#### A. Deposits and Investments (*continued*)

one issuer. Certificates of deposit have a 50% maximum with concentration limits set at 5% of the issuer's net worth.

At 12/31/2011, the County's investment portfolio was comprised of the following: Treasury Notes (16.0%), FFCB (8.4%), FHLMC (5.0%), FNMA (7.0%), and Municipal Bonds (5.8%). All investments are in compliance with County's investment policy at December 31, 2011.

The County's investment policy for the Other Post Employment Benefit Plan provides for no more than 50% fixed income securities, 70% equities, 20% international securities, 15% commodities and 50% cash and equivalents. Investments at year end comply with policy.

*Interest Rate Risk.* The County does have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The policy sets the maximum maturity by specific type of security and by specific issuer with the maximum of 10 years. The average maturity of the portfolio as a whole may not exceed three years.

*Foreign Currency Risk.* The County's investment policy is silent regarding foreign currency risk. The Ottawa County Other Post Employment Benefit Plan and the Ottawa County, Michigan Insurance Authority have mutual funds with a fair value of \$2,477,908 containing international equities involving numerous currencies. Management believes the County's exposure to foreign currency risk from these equities is immaterial.

#### B. Deferred/Unearned Revenue

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 or for resources that have been received, but not yet earned. The governmental activities column of the statement of net assets reports unearned revenue for resources that have been received, but not yet earned as well as property taxes which have been levied as of year end for use in the next fiscal year.

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital assets**

Capital asset activity for the year ended December 31, 2011 was as follows:

**Primary Government:**

<b>Governmental activities:</b>	<u>Beginning of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>End of Year</u>
Capital assets, not being depreciated:				
Land	\$45,909,750	\$3,045,040	(\$1)	\$48,954,789
Construction in progress				
Total capital assets, not being depreciated	<u>45,909,750</u>	<u>3,045,040</u>	<u>(1)</u>	<u>48,954,789</u>
Capital assets, being depreciated:				
Land improvements	17,466,771	1,293,537	(5,657)	18,754,651
Buildings	93,041,110	117,458	(663,479)	92,495,089
Machinery and equipment	24,830,317	1,824,373	(463,406)	26,191,284
Total assets, being depreciated	<u>135,338,198</u>	<u>3,235,368</u>	<u>(1,132,542)</u>	<u>137,441,024</u>
Less accumulated depreciation for:				
Land improvements	(7,209,036)	(794,651)	5,657	(7,998,030)
Buildings	(22,081,619)	(3,013,181)	299,874	(24,794,926)
Machinery and equipment	(19,447,050)	(1,820,585)	482,238	(20,785,397)
Total accumulated depreciation	<u>(48,737,705)</u>	<u>(5,628,417)</u>	<u>787,769</u>	<u>(53,578,353)</u>
Net capital assets, being depreciated	<u>86,600,493</u>	<u>(2,393,049)</u>	<u>(344,773)</u>	<u>83,862,671</u>
Net governmental activities capital assets	<u>\$132,510,243</u>	<u>\$651,991</u>	<u>(\$344,774)</u>	<u>\$132,817,460</u>

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital assets (continued)**

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

Governmental activities:

Judicial	\$3,853
General government	3,146,454
Public safety	288,023
Public works	153,696
Health and Welfare	427,936
Culture and recreation	716,814
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the net assets	891,641
Total depreciation expense - governmental activities	<u><u>\$5,628,417</u></u>

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital assets (continued)**

**Discretely Presented Component Units**

Activity for the capital assets of the component units for the various years ended were as follows:

	Beginning of Year	Additions	Deductions	End of Year
Capital assets, not being depreciated:				
Land and improvements	\$1,367,182			\$1,367,182
Construction in progress		\$641,196		641,196
Total capital assets, not being depreciated	<u>1,367,182</u>	<u>641,196</u>		<u>2,008,378</u>
Capital assets, being depreciated:				
Buildings	15,178,768			15,178,768
Machinery and equipment	27,410,920	880,470	(\$314,428)	27,976,962
Infrastructure	297,104,768	10,890,986		307,995,754
Total assets, being depreciated	<u>339,694,456</u>	<u>11,771,456</u>	<u>(314,428)</u>	<u>351,151,484</u>
Less accumulated depreciation for:				
Buildings	(3,620,422)	(251,210)		(3,871,632)
Machinery and equipment	(23,279,793)	(1,563,946)	303,395	(24,540,344)
Infrastructure	(112,287,293)	(10,085,007)		(122,372,300)
Total accumulated depreciation	<u>(139,187,508)</u>	<u>(11,900,163)</u>	<u>303,395</u>	<u>(150,784,276)</u>
Net capital assets, being depreciated	<u>200,506,948</u>	<u>(128,707)</u>	<u>(11,033)</u>	<u>200,367,208</u>
Net component unit capital assets	<u>\$201,874,130</u>	<u>\$512,489</u>	<u>(\$11,033)</u>	<u>\$202,375,586</u>

**Commitments**

At December 31, 2011, the County has \$1.2 million in information technology commitments, \$424,000 in phone and voicemail commitments, and \$1.4 million for various park improvement projects. In addition, under the terms of various Federal and State grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such grants could lead to reimbursement to the grantor agencies. However, the County's management does not believe such disallowances, if any, will be material to the financial position of the County.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2011

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital assets (continued)

Commitments (continued)

The Ottawa County Public Utilities discrete component unit has commitments for plant and infrastructure improvement projects totaling approximately \$4.5 million. These commitments are being funded from bond proceeds. The Ottawa County Drain Commission discrete component unit has commitments for construction totaling approximately \$225,000.

D. Interfund receivables, payables, and transfers

The composition of interfund balances as of December 31, 2011, is as follows:

Amounts Due to and from Other Funds

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Primary Government:		
Major Governmental Funds:		
General Fund	\$13,311	\$346,399
Parks and Recreation	58,535	
Mental Health	34,024	499,193
Major Enterprise Fund:		
Delinquent Tax Revolving	159,838	
Non-major Governmental Funds	5,431	
Internal Service Funds	5,208,900	4,600,423
	<u>5,480,039</u>	<u>5,446,015</u>
September 30 due from paid before December 31 year end		34,024
	<u><u>\$5,480,039</u></u>	<u><u>\$5,480,039</u></u>



**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Interfund receivables, payables, and transfers (continued)**

Interfund balances primarily reflect the interest on investments that was allocated from the General Fund. However, included in the Internal Service Funds is \$4,587,112 which represents funds from the Worker's Compensation program that are invested by the Ottawa County Insurance Authority. There are no plans to pay off this liability within the next year.

Due to and from Primary Government and Component Units

	Due from Component Units	Due to Primary Government
Major Enterprise Fund:		
Delinquent Tax Revolving	\$81,180	
Ottawa County Public Utilities System		\$81,180
Total	\$81,180	\$81,180
	Due from Primary Government	Due to Component Units
Major Governmental Fund:		
General Fund		\$115,800
Ottawa County Central Dispatch Authority	\$7,463	
	7,463	115,800
December 31, 2011 due to established after September 30, 2011 year end	108,337	
Total	\$115,800	\$115,800

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Interfund receivables, payables, and transfers (continued)**

Due to and from Other Component Units

	Due from Other Component Units	Due to Other Component Units
Ottawa County Public Utilities		\$289,212
Ottawa County Road Commission		27,427
		316,639
December 31 due to established after September 30 year end	\$289,212	
September 30 due to paid before December 31 year end	27,427	
	\$316,639	\$316,639

In addition, certain funds that are a part of the County's pooled cash report negative cash balances at year end. Accordingly, an interfund payable is established in the amount of the negative cash balance, and a corresponding interfund receivable is established in the General Fund.

Interfund Receivables and Payables

	Interfund Receivable	Interfund Payable
Major Funds:		
General Fund	\$1,178,225	
Non-major Governmental Funds		\$826,795
Internal Service Funds		351,430
Total	\$1,178,225	\$1,178,225

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Interfund receivables, payables, and transfers (continued)**

Long-Term Advances to and from Primary Government and Component Units

	Advances to Component Units	Advances from Primary Government
Primary Government:		
Major Governmental Funds:		
General Fund	\$325,000	
Component Units:		
Ottawa County Public Utilities		\$150,000
Ottawa County Drain Commissioner		175,000
<b>Total</b>	<b>\$325,000</b>	<b>\$325,000</b>

Interfund transfers within the Primary Government

	Transfer In:							
	General fund	Parks and Recreation	Health	Mental Health	Nonmajor Governmental funds	9/30/11		
						transfer (out) / in made after 12/31/10 year end		
Transfer out:								
Major Funds:								
General fund		\$46,500	\$2,213,769	\$563,108	\$4,555,019	(\$13,448)	\$7,364,948	
Nonmajor governmental								
funds	703,882				84,607		788,489	
Delinquent Tax								
Revolving					150,000		150,000	
Internal Service								
funds	400,000				300,000		700,000	
	<b>\$1,103,882</b>	<b>\$46,500</b>	<b>\$2,213,769</b>	<b>\$563,108</b>	<b>\$5,089,626</b>	<b>(\$13,448)</b>	<b>\$9,003,437</b>	

Transfers are used to: (1) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Interfund receivables, payables, and transfers (continued)**

(2) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them.

**E. Leases**

Operating Leases

The County is committed under various leases for building and office space. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the year ended December 31, 2011 amounted to \$351,925. Future minimum lease payments for these leases are as follows:

<u>Year Ending</u>	<u>Amount</u>
2012	\$268,756
2013	177,325
2014	136,279
2015	90,306
2016	0
	<u><u>\$672,666</u></u>

In addition, the County is a lessor under various operating lease agreements for office space and marinas. The original cost of these assets was \$16,748,013 and the accumulated depreciation totals \$6,360,532 leaving a carrying value of \$10,387,481.

Lease revenue for the year ending December 31, 2011 was \$1,344,845. Future lease revenues for these leases are as follows:

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Leases (continued)**

Operating Leases (continued)

<u>Year Ending</u>	<u>Amount</u>
2012	\$759,978
2013	736,783
2014	653,842
2015	0
	<u><u>\$2,150,603</u></u>

**F. Long-term debt**

The County issues general obligation bonds to provide funds for the construction of water and sewage disposal systems, drains and buildings and to refund previously issued bonds. General obligations have been issued only for governmental activities and component units. The bonds are being repaid generally from funds received from local municipalities in the County, from drain assessments levied, and from lease revenues received by the Building Authority. Under the terms of the bond agreements with local municipalities, the local municipalities have pledged their full faith and credit to pay the County, each year, amounts sufficient to make principal and interest payments on the bonds.

In addition, the County has pledged its full faith and credit for payment on the bonds. The County has not established a reserve or sinking fund to cover defaults by property owners or local units. These bonds generally are issued as 20-year serial bonds with varying amounts of principal maturing each year.

The original issue amount of the primary government's bonds is \$26,755,000. The original issue amount of the Office of the Drain Commissioner's and Ottawa County Public Utilities' bonds are \$581,500 and \$147,748,000 respectively.

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-term debt (continued)**

General obligation bonds currently outstanding are as follows:

Purpose	Interest Rate	Primary Government	Component Units		Total Ottawa County
			Ottawa County Public Utilities System	Ottawa County Office of the Drain Commissioner	
Governmental activities	2.125 - 7.25%	\$14,750,000	\$101,528,501	\$538,432	\$116,816,933
Governmental activities - refunding	2 - 7.6%	6,215,000	19,355,000		25,570,000
		<u>\$20,965,000</u>	<u>\$120,883,501</u>	<u>\$538,432</u>	<u>\$142,386,933</u>

The annual debt service requirements (to maturity) for the bonds outstanding at year-end follow. Interest is payable on all bond obligations semi-annually. Principal payments are made annually.

Year Ending December 31	Governmental Activities		Component Units	
	Primary Government Principal	Interest	Principal	Interest
2012	\$1,635,000	\$949,794	\$5,838,767	\$5,371,542
2013	1,690,000	887,519	5,975,766	5,147,589
2014	1,775,000	807,019	5,911,766	4,947,544
2015	1,860,000	722,419	5,408,767	4,753,018
2016	1,950,000	629,419	5,628,767	4,554,275
2017-2021	5,975,000	2,046,508	26,130,365	19,554,589
2022-2026	5,350,000	850,365	24,225,767	14,120,566
2027-2031	730,000	32,850	25,736,968	7,917,531
2032-2036			11,730,000	2,233,587
2038-2041			4,835,000	438,500
	<u>\$20,965,000</u>	<u>\$6,925,893</u>	<u>\$121,421,933</u>	<u>\$69,038,741</u>

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-term debt (continued)**

*Parks and Recreation Land Contracts.* The Parks and Recreation department has engaged in a land contract for the purpose of acquiring land for park development. The initial issuance amount was \$91,500. There is no interest per the terms of the contract. The land contract will be paid in full in 2012.

*Capital Leases.* During 2010, the County (Primary Government) signed a three year capital lease for delinquent tax software. The agreement provides financing of \$34,195 for this project. As of 12/31/11, capital assets of \$21,087 are included in the Statement of Net Assets. The final payment on the lease in the amount of \$11,999 will be made in 2012.

*Changes in Long-Term Liabilities.* Long-term liability activity for the year ended December 31, 2011 was as follows:

Primary Government

	Beginning of Year	Additions	Reductions	End of Year	Due within One Year
Governmental activities:					
General obligation bonds	\$23,075,000		\$2,110,000	\$20,965,000	\$1,635,000
Landfill reclamation	3,313,805	\$1,161,000		4,474,805	710,805
Compensated absences	2,852,826	258,633	196,753	2,914,706	2,560,281
Land Contract		91,500		91,500	91,500
Capital lease	47,391		35,392	11,999	11,999
Total	<u>\$29,289,022</u>	<u>\$1,511,133</u>	<u>\$2,342,145</u>	<u>\$28,458,010</u>	<u>\$5,009,585</u>

The reporting entity's legal debt margin at December 31, 2011 is \$907,380,872.

Compensated absences are generally liquidated by the Compensated Absences Special Revenue fund. The landfill reclamation liability is liquidated by the Solid Waste Clean-up Special Revenue Fund and the capital lease liability is liquidated by the Homestead Property Tax Special Revenue fund.

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-term debt (continued)**

Discretely Presented Component Units

	Beginning of Year	Additions	Reductions	End of Year	Due within One Year
Governmental activities:					
General obligation bonds	\$122,178,700	\$13,775,000	\$14,531,767	\$121,421,933	\$5,838,767
Notes payable	1,194,400	589,000	195,500	1,587,900	700,300
Claims payable	13,459	52,391	4,833	61,017	
Compensated absences	887,960	1,042,466	373,256	1,557,170	329,551
Other Post Employment Benefits	476,758	184,075		660,833	
Capital Leases/Installment Purchases	306,971		286,973	19,998	19,998
<b>Total</b>	<b>\$125,058,248</b>	<b>\$15,642,932</b>	<b>\$15,392,329</b>	<b>\$125,308,851</b>	<b>\$6,888,616</b>

*Current year advance refundings.* During fiscal 2011, the Ottawa County Public Utilities System issued \$8,135,000 of general obligation bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for debt service. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the Statement of Net Assets. This advanced refunding was undertaken to reduce total debt service payments by \$385,441, which resulted in an economic gain of \$357,158. As of December 31, 2011, \$5,060,000 of outstanding bonds payable are considered defeased.

The Ottawa County Drain Commission (component unit) also had the following short term-note activity during 2011:

Discretely Presented Component Units

	Beginning of Year	Additions	Reductions	End of Year	Due within One Year
Governmental activities:					
Various Drainage Districts					
Notes payable, principal payments ranging from \$13,000 to \$250,000, due in 2012, plus interest ranging from 1.25% to 1.65%	\$521,500	\$900,000	\$521,500	\$900,000	\$900,000



## COUNTY OF OTTAWA, MICHIGAN

### Notes to the Financial Statements

For the Year Ended December 31, 2011

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### III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

#### F. Long-term debt (continued)

*Conduit debt* refers to certain limited-obligation revenue bonds, certificates of participation, or similar debt instruments issued by a state or local governmental entity for the express purpose of providing financing for a specific third party that is not a part of the state or local government's financial reporting entity. Although conduit debt securities bear the name of the governmental issuer, the governmental issuer has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf they are issued. During 2011, the Economic Development Corporation of Ottawa County (EDC), a discretely presented component unit, issued \$10 million in limited obligation refunding revenue bonds on behalf of Hope College. The proceeds were used to advance refund a portion of the \$16,385,000 in outstanding bond principal of the Michigan Higher Education Facilities Authority Limited Obligation Bonds, series 2002A. The entire \$10 million is outstanding at December 31, 2011.

#### G. Landfill reclamation

The County owns the Southwest Ottawa County Refuse Disposal Center ("SOCRDC") otherwise known as the Southwest Ottawa County Landfill. Waste Management operated the landfill from the early 1970's until it was closed in 1981. The landfill was closed per the terms of the "1981 closure agreement" between the County and the Department of Natural Resources (DNR). The agreement outlined a plan to cap the landfill and install a pump and carbon filtration system. Waste Management installed the cap in the mid 1980's; the pump and carbon filtration system was built by the County in 1987, as per the terms of the closure agreement. The County has been operating the pump and filter system 24 hours a day, 7 days a week since beginning operation in 1987.

The pump and filter system have not been effective in containing the plume of contaminants in the groundwater down gradient from the landfill. As a result, contaminants have escaped past the outer purge wells and are migrating southwest towards Lake Michigan. Even though the contaminated water meets drinking water standards, the County is providing municipal water to the property owners in the path of the plume, and is working with the local unit of government to place institutional controls on future users moving into the area. The County has completed negotiations with the Michigan Department of Environmental Quality (MDEQ), formerly known as the DNR, with a revised plan to clean up the contamination. The County began work in 2006 to recap the landfill. Enhancing the water filtration system started in 2006 as well, costing \$2,105,764 to date. The total cost of these enhancements including water and sewer hook-ups for affected residents is projected to exceed \$5.3 million dollars. Landfill post closure cost estimates are subject to change based on inflation, deflation, technology or changes to applicable laws or regulations.

The County's estimate of annual operating and maintenance costs and capital improvements for the purge system is as follows:

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Landfill reclamation (continued)**

<u>Year Ending</u>	<u>Estimated Cost</u>
2012	\$710,805
2013	856,000
2014	371,000
2015	356,000
2016	371,000
2017-2020	1,810,000
	<u>\$4,474,805</u>

**IV. OTHER INFORMATION**

**A. Defined benefit pension plan**

- Plan Description.* The County of Ottawa, the Ottawa County Road Commission and the Ottawa County Central Dispatch Authority have defined benefit pension plans which provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The County of Ottawa, the Ottawa County Road Commission and the Ottawa County Central Dispatch Authority participate in the Municipal Employees Retirement System of Michigan (MERS), an agent multiple-employer plan administered by the MERS Retirement Board. Act No. 427 of the Public Acts of 1984, as amended, establishes and amends the benefit provisions of the participants in MERS. The Municipal Employees Retirement System of Michigan issues a publicly available financial report that includes financial statements and required supplementary information for MERS. That report may be obtained by writing to the Municipal Employees Retirement System of Michigan, 1134 Municipal Way, Lansing, Michigan, 48917 or by calling (800) 767-6377.

- Funding Policy.*

County of Ottawa:

The County is required to contribute at an actuarially determined rate; the current rate ranges from 6.11% to 28.97% as a percentage of annual covered payroll and varies by participating division. Certain employee groups are currently required to contribute 0% to 6.99% of their annual covered payroll to the plan. The contribution requirements of the County are established and may be amended by the MERS Retirement Board. The contribution requirements of plan members, if any, are established and may be amended by the County, depending on the MERS contribution program adopted and/or negotiated by the County.

## COUNTY OF OTTAWA, MICHIGAN

### Notes to the Financial Statements

For the Year Ended December 31, 2011

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#### IV. OTHER INFORMATION (continued)

##### A. Defined benefit pension plan (continued)

Ottawa County Road Commission:

The Road Commission is required to contribute at an actuarially determined rate of 19.23% to 20.65% as a percentage of annual covered payroll and varies by participating division. Employees are currently not required to contribute to the plan. The contribution requirements of the Road Commission are established and may be amended by the MERS Retirement Board. The contribution requirements of plan members, if any, are established and may be amended by the Road Commission, depending on the MERS contribution program adopted by the Road Commission and/or negotiated by the Road Commission.

Ottawa County Central Dispatch Authority:

The Authority is required to contribute at a predetermined rate because the plans are closed. The predetermined contributions vary based on employment division. Employees currently do not contribute to the plan. The contribution requirements of the Authority are established and may be amended by the Retirement Board of MERS. The contribution requirements of plan members, if any, are established and may be amended by the Authority, depending on the MERS contribution program adopted by the Authority and/or negotiated by the Authority. The actuarial value of MERS assets was determined on the basis of a valuation method that assumes the fund earns the expected rate of return, and includes an adjustment to reflect market value. The difference in investment income between expected return and market return is recognized over a 10 year period at the rate of 10% per year.

*Annual Pension Cost - County of Ottawa:*

For the year ended December 31, 2011, the County's annual pension cost of \$5,642,328 was greater than the County's required contribution of \$5,599,403. The required contribution was determined as part of the December 31, 2010 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) a rate of return on the investment of present and future assets of 8.0%, (b) projected salary increases of 1% - 4.5% per year, compounded annually, attributable to inflation, and (c) additional projected salary increases of 0.0% to 8.40% per year, depending on age, attributable to seniority/merit.

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

**IV. OTHER INFORMATION (continued)**

**A. Defined benefit pension plan (continued)**

*Annual Pension Cost - County of Ottawa (continued)*

Actuarially determined contribution	\$5,599,403
Interest on Net Pension Asset	142,425
Adjustment to actuarially determined contribution	(99,500)
Annual pension cost	<u>5,642,328</u>
Contributions made	<u>5,599,403</u>
Decrease in Net Pension Asset	(42,925)
Net Pension Asset at beginning of year	1,780,310
Net Pension Asset at end of year	<u><u>\$1,737,385</u></u>

Three Year Trend Information

Fiscal Year <u>Ending</u>	Annual Pension Cost (APC) <u>Cost (APC)</u>	Percentage of APC <u>Contributed</u>	Net Pension Asset
12/31/2009	\$4,961,350	99%	\$1,824,296
12/31/2010	5,552,418	99%	1,780,310
12/31/2011	5,642,328	99%	1,737,385

*Accrued Actuarial Liability – County of Ottawa*

The actuarial value of MERS assets was determined on the basis of a valuation method that assumes the fund earns the expected rate of return, and included an adjustment to reflect market value. The County's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2010, the date of the latest actuarial valuation, was 28 years.

Funding Progress: As of December 31, 2010, the date of the most recent actuarial valuation date, the plan was 83 percent funded. The actuarial accrued liability for benefits was \$184,346,935, and the actuarial value of assets was \$152,352,857, resulting in an unfunded accrued actuarial liability (UAAL) of \$31,994,078. The covered payroll (annual payroll of active employees covered by the plan) was \$43,300,146, and the ratio of the UAAL to the covered payroll was 74 percent. The schedule of funding progress, presented as required supplementary information immediately following the notes to the

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**IV. OTHER INFORMATION (CONTINUED)**

**A. Defined benefit pension plan (continued)**

*Accrued Actuarial Liability – County of Ottawa (continued)*

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 liability for benefits.

*Annual Pension Cost – Ottawa County Road Commission*

For the year ended September 30, 2011, the Road Commission's annual pension cost of \$1,434,594 for MERS was equal to the Road Commission's required and actual contributions. The required contribution was determined as part of the December 31, 2008 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) a rate of return on the investment of present and future assets of 8.0%, (b) projected salary increases of 4.5% per year, compounded annually, attributable to inflation, and (c) additional projected salary increases of 0.0% to 8.4% per year, depending on age, attributable to seniority/merit.

Three Year Trend Information

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Liability
9/30/2009	\$1,095,915	100%	\$0
9/30/2010	1,309,284	100%	0
9/30/2011	1,434,594	100%	0

*Accrued Actuarial Liability – Ottawa County Road Commission*

The actuarial value of MERS assets was determined on the basis of a valuation method that assumes the fund earns the expected rate of return, and included an adjustment to reflect market value. The Road Commission's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2010, the date of the latest actuarial valuation, was 27 years.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2011

IV. OTHER INFORMATION (CONTINUED)

A. Defined benefit pension plan (continued)

*Accrued Actuarial Liability – Ottawa County Road Commission (continued)*

Funding Progress: As of December 31, 2010, the date of the most recent actuarial valuation date, the plan was 73 percent funded. The actuarial accrued liability for benefits was \$44,856,588, and the actuarial value of assets was \$32,668,905, resulting in an unfunded accrued actuarial liability (UAAL) of \$12,187,683. The covered payroll (annual payroll of active employees covered by the plan) was \$6,005,448, and the ratio of the UAAL to the covered payroll was 203 percent. The schedule of funding progress, presented as required supplementary information immediately following the notes to the financial statements, presents multi year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

*Annual Pension Cost - Ottawa County Central Dispatch Authority*

For the year ended December 31, 2011, the Dispatch Authority's annual pension expense of \$33,288 for MERS was equal to the Authority's required and actual contributions. The required contribution was determined as part of the December 31, 2009 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) a rate of return on the investment of present and future assets of 8.0%, (b) projected salary increases of 4.5% per year, compounded annually, attributable to inflation, and (c) additional projected salary increases of 0.0% to 8.4% per year, depending on age, attributable to seniority/merit.

Three Year Trend Information

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Liability
12/31/2009	\$35,184	100%	\$0
12/31/2010	34,044	100%	0
12/31/2011	33,288	100%	0

## COUNTY OF OTTAWA, MICHIGAN

### Notes to the Financial Statements

For the Year Ended December 31, 2011

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#### IV. OTHER INFORMATION (CONTINUED)

##### A. Defined benefit pension plan (continued)

###### *Actuarial Accrued Liability – Ottawa County Central Dispatch Authority*

The actuarial value of MERS assets was determined on the basis of a valuation method that assumes the fund earns the expected rate of return, and included an adjustment to reflect market value. The Dispatch Authority's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll over a period of 30 years. The remaining amortization period at December 31, 2010, the date of the latest actuarial valuation, was 28 years.

Funding Progress: As of December 31, 2010, the date of the most recent actuarial valuation date, the plan was 97 percent funded. The actuarial accrued liability for benefits was \$1,797,375, and the actuarial value of assets was \$1,737,661, resulting in an unfunded accrued actuarial liability (UAAL) of \$59,714. The covered payroll (annual payroll of active employees covered by the plan) was \$397,578, and the ratio of the UAAL to the covered payroll was 15 percent. The schedule of funding progress, presented as required supplementary information immediately following the notes to the financial statements, presents multi year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

##### B. Defined contribution pension plan

The Ottawa County Central Dispatch Authority's defined contribution pension plan provides pension benefits for employees hired after January 1, 2000 who work 30 or more hours per week and those hired before January 1, 2000 electing participation in the defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate immediately upon employment. The Authority contributes 2% of each participant's base salary to the plan. The Authority also matches employee contributions up to a total Authority contribution of 5%. Employees are required to contribute a minimum of 2% of base pay to the plans. Participating employee contributions are vested 100% upon hire. The plan provisions and contribution amounts were established by the Authority Board and may be amended by the Authority Board. The plan is administered by MERS.

The Authority and member contributions were \$62,768 and \$62,768, respectively, for the current year. Employer and plan member contributions are recognized in the period that the contributions are due. Plan investments are excluded from this report as the fiduciary responsibility rests with MERS.

## COUNTY OF OTTAWA, MICHIGAN

### Notes to the Financial Statements

For the Year Ended December 31, 2011

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#### IV. OTHER INFORMATION (CONTINUED)

##### C. Self-insurance

The County is self-funded for liability, worker's compensation, and unemployment insurance. The claims liabilities reported at December 31, 2011 are based on the requirements of Statement No. 10 of the Governmental Accounting Standards Board, which requires that a liability for claims be reported if it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated.

The Ottawa County, Michigan Insurance Authority (the "Insurance Authority") blended component unit accounts for the self-insurance program for municipal excess liability, law enforcement liability, professional liability, and property liability. The Insurance Authority's participating members include the County of Ottawa and the Ottawa County Building Authority blended component unit.

The Authority records unpaid claims liabilities based on estimates of the ultimate cost of claims, including future claim adjustment expenses, that have been reported but not settled, and of claims that have been incurred but not reported. Because actual claims depend on such complex factors as inflation, damage awards and changes in legal liability doctrines, the process used in computing claims liabilities does not necessarily result in an exact amount, particularly for coverages such as general liability. Claims liabilities are (or will be) recomputed periodically using a variety of claims frequency and other economic and societal factors. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

The Insurance Authority purchases municipal excess liability, auto liability, professional liability and property coverage. Property coverage carries a \$50,000 deductible and the liability coverages attach above a \$1 million self-insured retention for all other coverages. The liability policy provides coverage of up to \$12 million which is equal to the coverage from the prior year for liability protection. In addition, the Ottawa County Insurance Authority, a blended component unit, provides coverage above the \$12 million for total aggregate coverage of \$20 million. The property coverage is \$129,500,000 which is \$3,500,000 more than the prior year. Coverage was adjusted to reflect updated property values and the acquisition of several Parks properties containing structures.

The revenues for this fund's operation are reimbursements from various funds. The funds are charged based on the number of full time equivalents, number of vehicles and other pertinent information. Losses, damages and administrative expenses are all paid from this fund. Administrative expenses are first paid from Internal Service fund 6770, Protected Self-Funded Insurance Programs and then invoiced to the Authority. The claim liability for known claims and incurred but not reported claims are determined by an actuary. No annuity contracts have been purchased to satisfy claim liabilities. Settled claims have not exceeded insurance coverage in the history of the self-insurance program.



**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**IV. OTHER INFORMATION (CONTINUED)**

**C. Self-insurance (continued)**

The changes in the claims liability for the years ended December 31, 2010 and 2011 as recorded in the Insurance Authority blended component unit are as follows:

	Beginning of Year Liability	Claims and Changes in Estimates	Claim Payments	End of Year Liability
2010	\$7,912,716	\$242,773	\$235,352	\$7,920,137
2011	7,920,137	(233,705)	438,862	7,247,570

The County's self-insured worker's compensation program provides Michigan statutorily required coverage for worker's compensation claims. It also provides employer's liability coverage of \$11 million excess above the \$750,000 self-insured retention. An independent third party administrator administers the program for an annual fee. The claim liability for known claims and incurred but not reported claims are determined by an actuary. The changes in worker's compensation liability for the year ended December 31, 2010 and 2011 are as follows:

	Beginning of Year Liability	Claims and Changes in Estimates	Claim Payments	End of Year Liability
2010	\$301,367	\$203,025	\$73,155	\$431,237
2011	431,237	104,138	57,200	478,175

The self-insurance program for health insurance including prescription coverage, dental and vision insurance was discontinued after December 31, 2010. The County paid approximately \$154,000 to our plan administrator to continue to administer claims that were received after December 31, 2010. The vast majority of the claims received after year end were accrued back into 2010 as part of the normal audit process. However, there were some claims that were not received until after this process was complete and were expensed in 2011. These claims totaled \$33,413.

Beginning January 1, 2011, the County purchased commercial insurance for health, dental and optical coverage for employees. Premiums and associated costs are recorded in the Employee Benefits internal service fund (6771). This fund allocates the cost of the insurance program to departments based on full time equivalents.

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**IV. OTHER INFORMATION (CONTINUED)**

**C. Self-insurance (continued)**

The self-insurance program for unemployment is accounted for in the Protected Self-Funded Unemployment fund (Internal Service fund 6772). Unemployment claims are reimbursed to the Michigan Employment Security Commission based on actual claims annually and were \$176,155 and \$100,773 in 2010 and 2011, respectively.

**Discretely Presented Component Units:**

The Ottawa County Road Commission is exposed to lawsuits and claims made by individuals. In response to this exposure, the Ottawa County Road Commission participates in the Michigan County Road Commission Self-Insurance Pool (MCRCSIP). Participation in the MCRCSIP requires payment of premiums to the pool. The pool purchases commercial reinsurance on behalf of its members.

Due to the Road Commission's participation in this pool, the liability of the Ottawa County Road Commission relative to claims covered by the pool is limited to \$25,000 per occurrence.

The Road Commission's self-funded workers' compensation program contains stop-loss and coverage of \$300,000 per incident. This limits the Commissions' responsibility for payment to \$300,000 per workers' compensation claim.

Settled claims for the Road Commission have not exceeded coverage during the past three years. There have been no significant reductions in insurance coverage during the past year.

The Road Commission's self-funded insurance claims that have been incurred through the end of the year include both those claims that have been reported as well as those that have not been reported. These estimates are recorded in the government-wide statements as they are not expected to be liquidated with available financial resources. The Commission is exposed to various risks of loss related to torts, destruction of assets and errors and omissions for which it obtains coverage from commercial insurance companies. The Commission had no settled claims resulting from these risks that exceeded commercial coverage in any of the past three years. Changes in the estimates are as follows:

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**IV. OTHER INFORMATION (CONTINUED)**

**C. Self-insurance (continued)**

**Discretely Presented Component Units (continued):**

	MCRCSIP Liability Plan	Workers' Compensation Plan	Total
Estimated liability - September 30, 2009	\$238,123	\$50,882	\$289,005
Estimated claims incurred including changes in estimates	(203,763)	40,761	(163,002)
Claims paid	(32,544)	(80,000)	(112,544)
Estimated liability – September 30, 2010	1,816	11,643	13,459
Estimated claims incurred including changes in estimates	45,383	7,008	52,391
Claims paid	(1,816)	(3,017)	(4,833)
Estimated liability – September 30, 2011	<u>\$45,383</u>	<u>\$15,634</u>	<u>\$61,017</u>

The Ottawa County Central Dispatch Authority is exposed to various risks of loss related to property loss, torts, errors and omissions, employee injuries, and natural disasters. The Authority has purchased commercial insurance for the above risks of loss. Settled claims have not exceeded insurance coverage for the last three fiscal years.

Ottawa County Public Utilities System is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees and natural disasters. In order to minimize its exposure to these risks, Ottawa County Public Utility System participates in the Michigan County Road Commission Self-Insurance Pool. Settled claims relating to participation in Michigan County Road Commission Self-Insurance Pool have not exceeded the amount of insurance coverage in any of the past three fiscal years.

**D. Litigation**

In the normal course of its activities, the County is a party to various legal actions and subject to certain asserted and unasserted claims and assessments. Although some actions have been brought, the County has not experienced significant losses or costs. The County administration is of the opinion that the outcome of any pending actions will not have a material effect on the County's financial position or results of operations.

## COUNTY OF OTTAWA, MICHIGAN

### Notes to the Financial Statements

For the Year Ended December 31, 2011

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#### IV. OTHER INFORMATION (CONTINUED)

##### E. Other post-employment benefits

County of Ottawa:

The County administers a single-employer defined benefit healthcare plan (the Retiree Health Plan). The plan provides health insurance premiums for retirees until age 65 (medicare eligible). Benefit provisions are established through negotiations between the County and bargaining units and employee groups. For employees hired before January 1, 2008, the County offers health care benefits to retirees that they may purchase at the actuarially determined blended rate for current employees and retirees. There are currently 863 active employees and retirees in the plan. The Retiree Health Plan does not issue a publicly available financial report, but a legal trust has been established for the plan.

In addition, the County provides certain post retirement health care benefits to unclassified employees and employees of the Police Officers Association of Michigan and the Command Officers Association of Michigan in accordance with their contracts in which the County will credit the retiree \$4 - \$10 for each year of service, to a maximum of \$100 - \$250 per month, to be applied toward health coverage through the County for the retiree and spouse until age 65. The County makes contributions to the Other Post Employment Benefit Fund based on actuarially determined rates.

##### *Annual OPEB Cost – County of Ottawa*

The County's annual other post employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with parameters of GASB Statement #45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period of 30 years. In the January 1, 2012, actuarial valuation, the projected unit credit actuarial cost method, level dollar, open amortization method, and an amortization period of 30 years were utilized. The actuarial assumptions included a 6.5% return on plan net assets, and medication inflation rate declining from 10% in 2012 to 4.2% in 2122 with implicit subsidy provided.

For the current year the County's contribution was \$866,087. Current year contributions were slightly less than the actuarially determined requirements to amortize the net OPEB asset from prior years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's OPEB obligation to the plan:

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**IV. OTHER INFORMATION (CONTINUED)**

**E. Other post-employment benefits**

*Annual OPEB Cost – County of Ottawa (continued)*

Annual required OPEB contribution	\$ 866,087
Interest on net OPEB asset	(30,538)
Adjustment to annual required contributions	<u>33,781</u>
	869,330
Contributions made by the County	866,087
Increase (decrease) in net OPEB asset	(3,243)
Net OPEB asset, beginning of year	469,814
Net OPEB asset, end of year	<u><u>\$ 466,571</u></u>

Three Year Trend Information

Fiscal Year End	Annual Required Contribution (ARC)	Percentage of ARC Contributed	Net OPEB Asset
12/31/2009	\$860,786	118%	\$473,080
12/31/2010	785,250	100%	469,814
12/31/2011	866,087	100%	466,571

*Accrued Actuarial Liability – County of Ottawa*

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 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 the plan members to that point. The actuarial methods and assumptions used include techniques that

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2011

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**IV. OTHER INFORMATION (CONTINUED)**

**E. Other post-employment benefits (continued)**

*Accrued Actuarial Liability* – County of Ottawa (continued)

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 calculation.

Funding Progress: As of December 31, 2011, the date of the most recent actuarial valuation date, the plan was 78.6 percent funded. The actuarial accrued liability for benefits was \$4,485,898, and the actuarial value of assets (fair value) was \$3,526,643, resulting in an unfunded accrued actuarial liability (UAAL) of \$959,255. The covered payroll (annual payroll of active employees covered by the plan) was \$44,134,714, and the ratio of the UAAL to the covered payroll was 2.2 percent. The schedule of funding progress, presented as required supplementary information immediately following the notes to the financial statements, presents multi year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Ottawa County Road Commission:

The Ottawa County Road Commission administers a single-employer defined benefit healthcare plan (the Retiree Health Plan). The plan provides health insurance premiums for retirees until age 65 (Medicare eligible). Benefit provisions are established through negotiations between the Commission, bargaining units and employee groups. The Commission makes 100% of the premium payment to the plan. The Retiree Health Plan does not issue a publicly available financial report and a legal trust has not been established for the plan.

*Annual OPEB Cost* – Ottawa County Road Commission

The Commission's annual other post employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement #45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period of thirty years. The first actuarial valuation of the Retiree Health Plan was performed as of January 1, 2008 with the requirements of GASB Statement # 45 being implemented prospectively.

The Commission's contribution is based on pay-as-you-go financing requirements. For the current year, the annual required contribution (ARC) was \$241,718 while actual contributions were \$76,713.

**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

**IV. OTHER INFORMATION (CONTINUED)**

**E. Other post-employment benefits (continued)**

*Annual OPEB Cost – Ottawa County Road Commission (continued)*

The following table shows the components of the Commissions annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Commission OPEB obligation to the plan.

Annual required contribution	\$241,718
Interest on net OPEB obligation	19,070
Adjustment to annual required contribution	<u>-</u>
Annual OPEB cost (expense)	260,788
Contribution made	76,713
Increase in net OPEB obligation	184,075
Net OPEB obligation, beginning of year	<u>476,758</u>
Net OPEB obligation, end of year	<u><u>\$660,833</u></u>

**Three-Year Trend Information**

Fiscal Year	Annual Required	Percentage of ARC	Net OPEB
Ending	Contribution (ARC)	Contributed	Obligation
9/30/2009	\$ 225,873	46%	\$ 297,481
9/30/2010	231,309	28%	476,758
9/30/2011	260,788	29%	660,833

*Accrued Actuarial Liability – Ottawa County Road Commission*

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 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 Commission is currently funding the plan on a pay as you go basis. 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 the plan members to that point. The actuarial methods and

## COUNTY OF OTTAWA, MICHIGAN

### Notes to the Financial Statements

For the Year Ended December 31, 2011

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#### IV. OTHER INFORMATION (CONTINUED)

##### E. Other post-employment benefits (continued)

*Accrued Actuarial Liability* – Ottawa County Road Commission (continued)

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 calculation.

In the January 1, 2008 actuarial valuation, the projected unit credit actuarial cost method, level dollar, closed amortization method, and an amortization period of 30 years were utilized. The actuarial assumptions included a 0% return on plan net assets as the plan is not funded, a discount rate of 4%, 10% inflation in 2008 graded to 5% in 2013, with implicit subsidy provided.

Funding Progress: As of January 1, 2008, the date of the most recent actuarial valuation date, the plan was completely unfunded because the Commission's financing is on a pay-as-you-go basis. The actuarial accrued liability for benefits was \$1,835,591, and the actuarial value of assets was \$0, resulting in an unfunded accrued actuarial liability (UAAL) of \$1,835,591. The covered payroll (annual payroll of active employees covered by the plan) was \$8,736,861, and the ratio of the UAAL to the covered payroll was 21.01 percent. The schedule of funding progress, presented as required supplementary information immediately following the notes to the financial statements, presents multi year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

##### F. Related party transactions

At December 31, 2011, the County's financial statements included taxes receivable of \$3,948,641 and deferred revenue of \$4,148,250 relating to Ottawa County Central Dispatch Authority (OCCDA) property tax millage, which was levied for use in 2012. In addition, during the year ended December 31, 2011, Ottawa County provided operating grants of \$4,219,747 to OCCDA, \$7,463 of which had not yet been transferred as of 12/31/11.

The Drains assess the Ottawa County Road Commission (a component unit of Ottawa County) and Ottawa County (the primary government of which the Drain Commissioner is a component unit) for drain projects. During 2011, the County paid \$245,670 in assessments to the Drain Commissioner.

Assessments to the Ottawa County Road Commission totaled \$175,284, of which \$27,427 are included in amounts due from other governmental units. Ottawa County Public Utilities (OCPU) incurred expenses of \$800,000 for wages and equipment provided by the Ottawa County Road Commission which also provides fiscal and managerial services to OCPU. At year end, OCPU owed the Ottawa County Road Commission \$289,212 for these goods and services.



**COUNTY OF OTTAWA, MICHIGAN**

**Notes to the Financial Statements**

**For the Year Ended December 31, 2011**

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**IV. OTHER INFORMATION (CONTINUED)**

**G. Restatements of Prior Year**

Prior year fund balance classifications have been adjusted and certain funds previously reported as special revenue funds have been combined with the General Fund for financial statement presentation to reflect the new guidance in Governmental Accounting Standard Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

## REQUIRED SUPPLEMENTARY INFORMATION

### **Note to required supplementary information**

#### **Budgets and Budgetary Accounting**

The County adopts an annual budget for the General Fund following the GAAP basis of accounting. Unexpended appropriations lapse at year end.

**COUNTY OF OTTAWA**

**GENERAL FUND (1010) - SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2011

(with comparative actual amounts for the year ended December 31, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Taxes	\$37,870,625	\$38,169,637	\$38,175,450	\$5,813	\$39,169,886
Intergovernmental revenues	8,359,486	10,386,350	10,238,891	(147,459)	4,741,106
Charges for services	6,889,666	6,820,732	6,782,723	(38,009)	6,482,674
Fines and forfeits	1,062,000	1,095,508	1,094,561	(947)	1,051,277
Interest on investments	655,698	344,138	467,242	123,104	540,074
Licenses and permits	401,500	368,800	370,595	1,795	222,794
Rental income	3,463,416	3,369,621	3,252,068	(117,553)	3,296,603
Other	560,429	452,147	483,168	31,021	572,016
Total revenues	<u>59,262,820</u>	<u>61,006,933</u>	<u>60,864,698</u>	<u>(142,235)</u>	<u>56,076,430</u>
<b>Expenditures:</b>					
Current operations:					
Legislative	471,519	438,441	424,362	14,079	486,009
Judicial	10,319,818	10,356,529	10,234,420	122,109	9,732,554
General government	11,775,897	11,449,122	11,045,977	403,145	12,340,649
Public safety	24,238,528	23,541,156	23,764,694	(223,538)	23,753,784
Public works	753,000	818,545	647,325	171,220	795,168
Health and welfare	775,957	729,312	717,305	12,007	1,533,676
Community and economic development	689,098	617,889	618,453	(564)	575,050
Other governmental functions	846,298	176,389	176,388	1	225,829
Total expenditures	<u>49,870,115</u>	<u>48,127,383</u>	<u>47,628,924</u>	<u>498,459</u>	<u>49,442,719</u>
Revenues over expenditures	<u>9,392,705</u>	<u>12,879,550</u>	<u>13,235,774</u>	<u>356,224</u>	<u>6,633,711</u>
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds	442,351	1,115,891	1,103,882	(12,009)	4,904,581
Transfers to other funds	(10,792,739)	(7,433,186)	(7,364,948)	68,238	(10,487,064)
Total other financing sources (uses)	<u>(10,350,388)</u>	<u>(6,317,295)</u>	<u>(6,261,066)</u>	<u>56,229</u>	<u>(5,582,483)</u>
Net change in fund balance	(957,683)	6,562,255	6,974,708	412,453	1,051,228
Fund balance, beginning of year, as restated	<u>38,791,076</u>	<u>38,791,076</u>	<u>38,791,076</u>		<u>37,739,848</u>
Fund balance, end of year	<u>\$37,833,393</u>	<u>\$45,353,331</u>	<u>\$45,765,784</u>	<u>\$412,453</u>	<u>\$38,791,076</u>

**COUNTY OF OTTAWA**

**PARKS AND RECREATION SPECIAL REVENUE FUND (2081) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2011  
(with comparative actual amounts for the year ended December 31, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Taxes	\$3,030,563	\$3,043,563	\$3,035,087	(\$8,476)	\$3,171,884
Intergovernmental revenues	1,049,400	1,824,400	564,477	(1,259,923)	296,116
Charges for services	351,560	387,736	370,485	(17,251)	406,044
Interest on investments	72,242	72,242	58,535	(13,707)	75,984
Rental income	52,515	72,515	63,692	(8,823)	68,081
Other	32,000	657,650	722,026	64,376	237,089
<b>Total revenues</b>	<b>4,588,280</b>	<b>6,058,106</b>	<b>4,814,302</b>	<b>(1,243,804)</b>	<b>4,255,198</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	1,662,333	1,664,823	1,616,065	48,758	1,586,349
Supplies	194,657	225,863	187,126	38,737	178,719
Other services and charges	474,942	584,645	713,957	(129,312)	469,450
Debt service					
Capital outlay	2,205,300	6,430,496	4,281,891	2,148,605	1,599,731
<b>Total expenditures</b>	<b>4,537,232</b>	<b>8,905,827</b>	<b>6,799,039</b>	<b>2,106,788</b>	<b>3,834,249</b>
Revenues over (under) expenditures	51,048	(2,847,721)	(1,984,737)	862,984	420,949
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund		46,500	46,500		
Land Contract issued			91,500	91,500	
<b>Total other financing sources (uses)</b>		<b>46,500</b>	<b>138,000</b>	<b>91,500</b>	
Net change in fund balance	51,048	(2,801,221)	(1,846,737)	954,484	420,949
Fund balance, beginning of year	5,388,610	5,388,610	5,388,610		4,967,661
Fund balance, end of year	<u>\$5,439,658</u>	<u>\$2,587,389</u>	<u>\$3,541,873</u>	<u>\$954,484</u>	<u>\$5,388,610</u>

**COUNTY OF OTTAWA**  
**HEALTH SPECIAL REVENUE FUND (2210) -**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$3,656,836	\$4,845,320	\$5,133,021	\$287,701	\$4,392,368
Charges for services	615,379	631,919	627,960	(3,959)	611,694
Licenses and permits	535,641	556,871	552,669	(4,202)	459,368
Other	210,747	199,534	199,754	220	241,947
<b>Total revenues</b>	<b>5,018,603</b>	<b>6,233,644</b>	<b>6,513,404</b>	<b>279,760</b>	<b>5,705,377</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	6,216,975	5,929,900	5,877,763	52,137	6,123,261
Supplies	1,155,303	1,420,369	1,224,420	195,949	1,271,841
Other services and charges	1,707,020	1,721,184	1,619,230	101,954	1,834,894
Capital outlay		5,760	5,760		13,032
<b>Total expenditures</b>	<b>9,079,298</b>	<b>9,077,213</b>	<b>8,727,173</b>	<b>350,040</b>	<b>9,243,028</b>
Revenues over (under) expenditures	(4,060,695)	(2,843,569)	(2,213,769)	629,800	(3,537,651)
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund	4,060,695	2,863,599	2,213,769	(649,830)	3,537,651
<b>Total other financing sources (uses)</b>	<b>4,060,695</b>	<b>2,863,599</b>	<b>2,213,769</b>	<b>(649,830)</b>	<b>3,537,651</b>
Net change in fund balance		20,030		(20,030)	
Fund balance, beginning of year	952,574	952,574	952,574		952,574
Fund balance, end of year	<u>\$952,574</u>	<u>\$972,604</u>	<u>\$952,574</u>	<u>(\$20,030)</u>	<u>\$952,574</u>

**COUNTY OF OTTAWA**

**MENTAL HEALTH SPECIAL REVENUE FUND (2220) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$33,853,333	\$33,489,922	\$34,136,858	\$646,936	\$31,335,602
Charges for services	614,023	462,111	409,069	(53,042)	612,714
Interest on investments	36,000	36,000	34,024	(1,976)	33,969
Rental income	99,734	77,096	78,927	1,831	135,801
Other	50,250	245,251	453,444	208,193	157,387
<b>Total revenues</b>	<b>34,653,340</b>	<b>34,310,380</b>	<b>35,112,322</b>	<b>801,942</b>	<b>32,275,473</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	12,883,863	11,044,887	11,001,774	43,113	11,339,121
Supplies	385,664	694,020	614,717	79,303	538,568
Other services and charges	21,946,921	22,924,424	23,582,290	(657,866)	21,151,590
Capital outlay		93,055	79,483	13,572	11,000
<b>Total expenditures</b>	<b>35,216,448</b>	<b>34,756,386</b>	<b>35,278,264</b>	<b>(521,878)</b>	<b>33,040,279</b>
Revenues over (under) expenditures	(563,108)	(446,006)	(165,942)	280,064	(764,806)
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund	563,108	563,108	563,108		722,178
<b>Total other financing sources (uses)</b>	<b>563,108</b>	<b>563,108</b>	<b>563,108</b>		<b>722,178</b>
Net change in fund balance		117,102	397,166	280,064	(42,628)
Fund balance, beginning of year	105,991	105,991	105,991		148,619
Fund balance, end of year	<u>\$105,991</u>	<u>\$223,093</u>	<u>\$503,157</u>	<u>\$280,064</u>	<u>\$105,991</u>

**COUNTY OF OTTAWA**  
**DEFINED BENEFIT PENSION PLANS**  
**SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

Ottawa County (Primary Government):

Schedule of funding progress:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAL as a Percentage of Covered Payroll (b-a/c)
12/31/2005	\$106,312,114	\$126,887,611	\$20,575,497	84%	\$38,259,539	54%
12/31/2006	116,418,835	138,434,883	22,016,048	84%	40,525,474	54%
12/31/2007	127,103,598	151,513,633	24,410,035	84%	41,772,689	58%
12/31/2008	134,207,078	164,292,703	30,085,625	82%	42,158,377	71%
12/31/2009	142,666,997	175,705,139	33,038,142	81%	44,865,784	74%
12/31/2010	152,352,857	184,346,935	31,994,078	83%	43,300,146	74%

Schedule of employer contributions:

Year Ended	Annual Required Contributions	Percentage of ARC Contributed
12/31/2006	\$3,944,897	100%
12/31/2007	4,317,144	100%
12/31/2008	4,478,672	100%
12/31/2009	4,916,278	100%
12/31/2010	5,508,432	100%
12/31/2011	5,599,403	100%

Ottawa County Road Commission (Component Unit):

Schedule of funding progress:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAL) (b-a)	Fund Ratio (a/b)	Covered Payroll (c)	UAL as a Percentage of Covered Payroll (b-a/c)
12/31/2005	\$29,768,361	\$37,092,752	\$7,324,391	80%	\$6,478,421	113%
12/31/2006	31,130,701	38,533,848	7,403,147	81%	6,272,650	118%
12/31/2007	32,465,731	41,829,814	9,364,083	78%	6,329,343	148%
12/31/2008	32,464,801	45,258,740	12,793,939	72%	6,736,861	190%
12/31/2009	32,251,461	44,008,755	11,757,294	73%	6,269,382	188%
12/31/2010	32,668,905	44,856,588	12,187,683	73%	6,005,448	203%

**COUNTY OF OTTAWA**  
**DEFINED BENEFIT PENSION PLANS**  
**SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

Ottawa County Road Commission (Component Unit):

Schedule of employer contributions:

Year Ended	Annual Required Contributions	Percentage of ARC Contributed
9/30/2006	\$850,700	100%
9/30/2007	943,400	100%
9/30/2008	976,575	100%
9/30/2009	1,095,915	100%
9/30/2010	1,309,284	100%
9/30/2011	1,434,594	100%

Ottawa County Central Dispatch Authority (Component Unit):

Schedule of funding progress:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAL) (b-a)	Fund Ratio (a/b)	Covered Payroll (c)	UAL as a Percentage of Covered Payroll (b-a/c)
12/31/2005	\$1,312,860	\$1,369,486	\$56,626	96%	\$538,217	11%
12/31/2006	1,451,371	1,517,960	66,589	96%	443,927	15%
12/31/2007	1,575,191	1,653,276	78,085	95%	410,974	19%
12/31/2008	1,625,977	1,696,979	71,002	96%	373,483	19%
12/31/2009	1,674,042	1,738,798	64,756	96%	395,433	16%
12/31/2010	1,737,661	1,797,375	59,714	97%	397,578	15%

Schedule of employer contributions:

Year Ended	Annual Required Contributions	Percentage of ARC Contributed
12/31/2006	\$57,986	100%
12/31/2007	52,968	100%
12/31/2008	40,800	100%
12/31/2009	35,184	100%
12/31/2010	34,044	100%
12/31/2011	33,288	100%



**COUNTY OF OTTAWA**

**OTHER POST EMPLOYMENT BENEFIT PLANS  
SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Ottawa County (Primary Government):

Schedule of funding progress:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAL as a Percentage of Covered Payroll (b-a/c)
12/31/2008	\$977,996	\$7,853,881	\$6,875,885	12.5%	\$43,379,815	15.9%
12/31/2009	1,890,604	7,618,482	5,727,878	24.8%	45,932,817	12.5%
12/31/2010	2,879,313	9,125,944	6,246,631	31.6%	44,125,422	14.2%
12/31/2011	3,526,643	4,485,898	959,255	78.6%	44,134,714	2.2%

Actuarial data prior to 12/31/08 is not available.

Schedule of employer contributions:

Year Ended	Annual Required Contributions	Percentage of ARC Contributed
12/31/2008	\$600,916	153%
12/31/2009	860,786	118%
12/31/2010	785,250	100%
12/31/2011	866,087	100%

Ottawa County Road Commission (Component Unit):

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAL) (b-a)	Fund Ratio (a/b)	Covered Payroll (c)	UAL as a Percentage of Covered Payroll (b-a/c)
1/1/2008	\$0	\$1,835,591	\$1,835,591	0%	\$6,329,343	29.0%

Year Ended	Annual Required Contributions	Percentage of ARC Contributed
9/30/2008	\$217,453	22%
9/30/2009	225,873	46%
9/30/2010	231,309	28%
9/30/2011	241,718	32%

The fiscal year end for the Ottawa County Road Commission is September 30. Actuarial data before 12/31/2007 is not available.

## OTHER SUPPLEMENTARY INFORMATION

COUNTY OF OTTAWA  
CONSOLIDATING BALANCE SHEET - GENERAL FUND  
DECEMBER 31, 2011

	General Fund (1010)	Solid Waste Clean-Up (2271)	Infrastructure (2444)	Public Improvement (2450)	Stabilization (2570)
<b><u>ASSETS</u></b>					
Cash and pooled investments	\$19,729,908	\$2,788,302	\$1,311,353	\$3,464,745	\$8,269,673
Investments					
Receivables (net of allowance for estimated uncollectibles):					
Taxes	4,765,152				
Accounts	287,486		658,034		
Accrued interest on investments	203,865				
Due from other funds	13,311	30,602	16,330	35,059	
Interfund receivable	1,178,225				
Due from other governmental units	2,845,572				
Advances to other government units	325,000				
Inventory of supplies	7,575				
Prepaid expenditures	72,492				
<b>Total assets</b>	<b>\$29,428,586</b>	<b>\$2,818,904</b>	<b>\$1,985,717</b>	<b>\$3,499,804</b>	<b>\$8,269,673</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>					
Liabilities:					
Accounts payable	\$1,406,904			\$7,932	
Due to other governmental units					
Due to other funds	484,208				
Due to component units	7,463	\$108,337			
Interfund payable					
Advances from other governmental units					
Deferred revenue	6,285,521			\$4,444	
Advances from other funds					
Advances from other governmental units					
<b>Total liabilities</b>	<b>8,184,096</b>	<b>108,337</b>		<b>12,376</b>	
Fund balances:					
Non spendable	405,067		\$658,034		
Restricted	408,125			3,487,428	
Committed	4,362,159	2,710,567	1,327,683		\$8,269,673
Assigned	2,363,149				
Unassigned	13,705,990				
<b>Total fund balances</b>	<b>21,244,490</b>	<b>2,710,567</b>	<b>1,985,717</b>	<b>3,487,428</b>	<b>8,269,673</b>
<b>Total liabilities and fund balances</b>	<b>\$29,428,586</b>	<b>\$2,818,904</b>	<b>\$1,985,717</b>	<b>\$3,499,804</b>	<b>\$8,269,673</b>

(Continued on next page)

COUNTY OF OTTAWA  
CONSOLIDATING BALANCE SHEET - GENERAL FUND  
DECEMBER 31, 2011

	DB/DC Conversion (2970)	Compensated Absences (2980)	Eliminations	Total General Fund 2011
<b><u>ASSETS</u></b>				
Cash and pooled investments	\$4,605,395	\$3,432,919		\$43,602,295
Investments				
Receivables (net of allowance for estimated uncollectibles):				
Taxes				4,765,152
Accounts				945,520
Accrued interest on investments				203,865
Due from other funds	18,115	37,703	(\$137,809)	13,311
Interfund receivable				1,178,225
Due from other governmental units				2,845,572
Advances to other government units				325,000
Inventory of supplies				7,575
Prepaid expenditures				72,492
	<u>\$4,623,510</u>	<u>\$3,470,622</u>	<u>(\$137,809)</u>	<u>\$53,959,007</u>
Total assets				
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
Liabilities:				
Accounts payable		\$26,223		\$1,441,059
Due to other governmental units				
Due to other funds			(\$137,809)	346,399
Due to component units				115,800
Interfund payable				
Advances from other governmental units				
Deferred revenue				6,289,965
Advances from other funds				
Advances from other governmental units				
Total liabilities		<u>26,223</u>	<u>(137,809)</u>	<u>8,193,223</u>
Fund balances:				
Non spendable				1,063,101
Restricted				3,895,553
Committed	\$4,623,510	2,914,706		24,208,298
Assigned		529,693		2,892,842
Unassigned				13,705,990
Total fund balances	<u>4,623,510</u>	<u>3,444,399</u>		<u>45,765,784</u>
Total liabilities and fund balances	<u>\$4,623,510</u>	<u>\$3,470,622</u>	<u>(\$137,809)</u>	<u>\$53,959,007</u>

(Concluded)

COUNTY OF OTTAWA  
CONSOLIDATING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
GENERAL FUND ADOPTED BUDGET  
For the year ended December 31, 2011

	General Fund (1010)	Solid Waste Clean-Up (2271)	Infra- structure (2444)	Public Improvement (2450)	Stabil- ization (2570)
Revenues:					
Taxes	\$37,870,625				
Intergovernmental revenues	8,359,486				
Charges for services	6,799,666				
Fines and forfeits	1,062,000				
Interest on investments	469,160	\$39,643	\$44,222	\$50,673	
Licenses and permits	401,500				
Rental income	3,053,368			410,048	
Other	560,429				
Total revenues	<u>58,576,234</u>	<u>39,643</u>	<u>44,222</u>	<u>460,721</u>	
Expenditures:					
Current operations:					
Legislative	471,519				
Judicial	10,319,818				
General government	11,681,097			22,700	
Public safety	24,238,528				
Public works	461,000	292,000			
Health and welfare	775,957				
Community and economic development	689,098				
Other government functions	846,298				
Total expenditures	<u>49,483,315</u>	<u>292,000</u>		<u>22,700</u>	
Revenues over (under) expenditures	<u>9,092,919</u>	<u>(252,357)</u>	<u>44,222</u>	<u>438,021</u>	
Other financing sources (uses):					
Transfers from other funds	442,351				
Transfers to other funds	(10,479,864)		(125,000)	(187,875)	
Total other financing sources (uses)	<u>(10,037,513)</u>		<u>(125,000)</u>	<u>(187,875)</u>	
Net change in fund balances	(944,594)	(252,357)	(80,778)	250,146	
Fund balances, beginning of year	<u>17,979,501</u>	<u>3,081,620</u>	<u>2,472,264</u>	<u>3,262,592</u>	<u>\$8,269,673</u>
Fund balances, end of year	<u>\$17,034,907</u>	<u>\$2,829,263</u>	<u>\$2,391,486</u>	<u>\$3,512,738</u>	<u>\$8,269,673</u>

*(Continued on next page)*

COUNTY OF OTTAWA  
CONSOLIDATING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
GENERAL FUND ADOPTED BUDGET  
For the year ended December 31, 2011

	DB/DC Conversion (2970)	Compensated Absences (2980)	Total General Fund 2011
<b>Revenues:</b>			
Taxes			\$37,870,625
Intergovernmental revenues			8,359,486
Charges for services		\$90,000	6,889,666
Fines and forfeits			1,062,000
Interest on investments		52,000	655,698
Licenses and permits			401,500
Rental income			3,463,416
Other			560,429
<b>Total revenues</b>		<b>142,000</b>	<b>59,262,820</b>
<b>Expenditures:</b>			
<b>Current operations:</b>			
Legislative			471,519
Judicial			10,319,818
General government		72,100	11,775,897
Public safety			24,238,528
Public works			753,000
Health and welfare			775,957
Community and economic development			689,098
Other government functions			846,298
<b>Total expenditures</b>		<b>72,100</b>	<b>49,870,115</b>
<b>Revenues over (under) expenditures</b>		<b>69,900</b>	<b>9,392,705</b>
<b>Other financing sources (uses):</b>			
Transfers from other funds			442,351
Transfers to other funds			(10,792,739)
<b>Total other financing sources (uses)</b>			<b>(10,350,388)</b>
<b>Net change in fund balances</b>		<b>69,900</b>	<b>(957,683)</b>
<b>Fund balances, beginning of year</b>		<b>3,725,426</b>	<b>38,791,076</b>
<b>Fund balances, end of year</b>	<b>None</b>	<b>\$3,795,326</b>	<b>\$37,833,393</b>

*(Concluded)*

COUNTY OF OTTAWA  
CONSOLIDATING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE-  
GENERAL FUND - AMENDED BUDGET  
For the year ended December 31, 2011

	General Fund (1010)	Solid Waste Clean-Up (2271)	Infra- structure (2444)	Public Improvement (2450)	Stabil- ization (2570)
<b>Revenues:</b>					
Taxes	\$38,169,637				
Intergovernmental revenues	10,386,350				
Charges for services	6,388,161				
Fines and forfeits	1,095,508				
Interest on investments	150,000	\$39,643	\$44,222	\$50,673	
Licenses and permits	368,800				
Rental income	2,959,573			410,048	
Other	452,147				
<b>Total revenues</b>	<b>59,970,176</b>	<b>39,643</b>	<b>44,222</b>	<b>460,721</b>	
<b>Expenditures:</b>					
<b>Current operations:</b>					
Legislative	438,441				
Judicial	10,356,529				
General government	11,151,450			202,972	
Public safety	23,541,156				
Public works	199,640	618,905			
Health and welfare	729,312				
Community and economic development	617,889				
Other government functions	176,389				
<b>Total expenditures</b>	<b>47,210,806</b>	<b>618,905</b>		<b>202,972</b>	
<b>Revenues over (under) expenditures</b>	<b>12,759,370</b>	<b>(579,262)</b>	<b>44,222</b>	<b>257,749</b>	
<b>Other financing sources (uses):</b>					
Transfers from other funds	440,593				
Transfers to other funds	(9,941,538)		(525,000)	(187,875)	
<b>Total other financing sources (uses)</b>	<b>(9,500,945)</b>		<b>(525,000)</b>	<b>(187,875)</b>	
<b>Net change in fund balances</b>	<b>3,258,425</b>	<b>(579,262)</b>	<b>(480,778)</b>	<b>69,874</b>	
<b>Fund balances, beginning of year</b>	<b>17,979,501</b>	<b>3,081,620</b>	<b>2,472,264</b>	<b>3,262,592</b>	<b>\$8,269,673</b>
<b>Fund balances, end of year</b>	<b>\$21,237,926</b>	<b>\$2,502,358</b>	<b>\$1,991,486</b>	<b>\$3,332,466</b>	<b>\$8,269,673</b>

*(Continued on next page)*

COUNTY OF OTTAWA  
CONSOLIDATING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE-  
GENERAL FUND - AMENDED BUDGET  
For the year ended December 31, 2011

	DB/DC Conversion (2970)	Compensated Absences (2980)	Eliminations	Total General Fund 2011
<b>Revenues:</b>				
Taxes				\$38,169,637
Intergovernmental revenues				10,386,350
Charges for services	\$342,571	\$90,000		6,820,732
Fines and forfeits				1,095,508
Interest on investments	7,600	52,000		344,138
Licenses and permits				368,800
Rental income				3,369,621
Other				452,147
<b>Total revenues</b>	<u>350,171</u>	<u>142,000</u>		<u>61,006,933</u>
<b>Expenditures:</b>				
<b>Current operations:</b>				
Legislative				438,441
Judicial				10,356,529
General government	7,600	87,100		11,449,122
Public safety				23,541,156
Public works				818,545
Health and welfare				729,312
Community and economic development				617,889
Other government functions				176,389
<b>Total expenditures</b>	<u>7,600</u>	<u>87,100</u>		<u>48,127,383</u>
<b>Revenues over (under) expenditures</b>	<u>342,571</u>	<u>54,900</u>		<u>12,879,550</u>
<b>Other financing sources (uses):</b>				
Transfers from other funds	4,271,525		(\$3,596,227)	1,115,891
Transfers to other funds		(375,000)	3,596,227	(7,433,186)
<b>Total other financing sources (uses)</b>	<u>4,271,525</u>	<u>(375,000)</u>		<u>(6,317,295)</u>
<b>Net change in fund balances</b>	4,614,096	(320,100)		6,562,255
<b>Fund balances, beginning of year</b>		3,725,426		38,791,076
<b>Fund balances, end of year</b>	<u>\$4,614,096</u>	<u>\$3,405,326</u>	<u>None</u>	<u>\$45,353,331</u>

*(Concluded)*



COUNTY OF OTTAWA  
CONSOLIDATING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-  
GENERAL FUND ACTUAL  
For the year ended December 31, 2011

	General Fund (1010)	Solid Waste Clean-Up (2271)	Infra- structure (2444)	Public Improvement (2450)	Stabil- ization (2570)
Revenues:					
Taxes	\$38,175,450				
Intergovernmental revenues	10,238,891				
Charges for services	6,358,842				
Fines and forfeits	1,094,561				
Interest on investments	307,310	\$30,602	\$38,453	\$35,059	
Licenses and permits	370,595				
Rental income	2,846,765			405,303	
Other	483,168				
Total revenues	<u>59,875,582</u>	<u>30,602</u>	<u>38,453</u>	<u>440,362</u>	
Expenditures:					
Current operations:					
Legislative	424,362				
Judicial	10,234,420				
General government	10,984,411			27,826	
Public safety	23,764,694				
Public works	245,670	401,655			
Health and welfare	717,305				
Community and economic development	618,453				
Other government functions	176,388				
Total expenditures	<u>47,165,703</u>	<u>401,655</u>		<u>27,826</u>	
Revenues over (under) expenditures	<u>12,709,879</u>	<u>(371,053)</u>	<u>38,453</u>	<u>412,536</u>	
Other financing sources (uses):					
Transfers from other funds	428,585				
Transfers to other funds	<u>(9,873,475)</u>		<u>(525,000)</u>	<u>(187,700)</u>	
Total other financing sources (uses)	<u>(9,444,890)</u>		<u>(525,000)</u>	<u>(187,700)</u>	
Net change in fund balances	3,264,989	(371,053)	(486,547)	224,836	
Fund balances, beginning of year	<u>17,979,501</u>	<u>3,081,620</u>	<u>2,472,264</u>	<u>3,262,592</u>	<u>\$8,269,673</u>
Fund balances, end of year	<u>\$21,244,490</u>	<u>\$2,710,567</u>	<u>\$1,985,717</u>	<u>\$3,487,428</u>	<u>\$8,269,673</u>

*(Continued on next page)*

COUNTY OF OTTAWA  
CONSOLIDATING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-  
GENERAL FUND ACTUAL  
For the year ended December 31, 2011

	DB/DC Conversion (2970)	Compensated Absences (2980)	Eliminations	Total General Fund 2011
Revenues:				
Taxes				\$38,175,450
Intergovernmental revenues				10,238,891
Charges for services	341,471	\$82,410		6,782,723
Fines and forfeits				1,094,561
Interest on investments	18,115	37,703		467,242
Licenses and permits				370,595
Rental income				3,252,068
Other				483,168
<b>Total revenues</b>	<b>359,586</b>	<b>120,113</b>		<b>60,864,698</b>
Expenditures:				
Current operations:				
Legislative				424,362
Judicial				10,234,420
General government	7,600	26,140		11,045,977
Public safety				23,764,694
Public works				647,325
Health and welfare				717,305
Community and economic development				618,453
Other government functions				176,388
<b>Total expenditures</b>	<b>7,600</b>	<b>26,140</b>		<b>47,628,924</b>
<b>Revenues over (under) expenditures</b>	<b>351,986</b>	<b>93,973</b>		<b>13,235,774</b>
Other financing sources (uses):				
Transfers from other funds	4,271,524		(\$3,596,227)	1,103,882
Transfers to other funds		(375,000)	3,596,227	(7,364,948)
<b>Total other financing sources (uses)</b>	<b>4,271,524</b>	<b>(375,000)</b>		<b>(6,261,066)</b>
<b>Net change in fund balances</b>	<b>4,623,510</b>	<b>(281,027)</b>		<b>6,974,708</b>
<b>Fund balances, beginning of year</b>		<b>3,725,426</b>		<b>38,791,076</b>
<b>Fund balances, end of year</b>	<b>\$4,623,510</b>	<b>\$3,444,399</b>	<b>None</b>	<b>\$45,765,784</b>

*(Concluded)*

## COUNTY OF OTTAWA

### NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2011

#### SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenue from specific revenue sources (other than major capital projects) and related expenditures which are restricted for specific purposes by administrative action or law.

Friend of the Court Fund (2160) - This Fund accounts for the operations of the Friend of the Court including the Co-op Reimbursement Grant, the Medical Support Enforcement Grant, and the 3% Friend of the Court incentive payments established under Act 297 of 1982, Section 2530.

9/30 Judicial Grants (2170) - This Fund accounts for miscellaneous grant revenue received from the State and other agencies for judicial programs.

Landfill Tipping Fees Fund (2272) - This Fund was established to account for the County's share of the tipping fee surcharge of Ottawa County Farms landfill starting in 1991 in accordance with an agreement between Ottawa County, Sunset Waste System, Inc., and the Township of Polkton. The monies are to be used for implementation of the Solid Waste Management Plan.

Transportation System Fund (2320) - This Fund is used to account for a grant from the Michigan Department of Transportation to provide public transportation in concentrated areas for persons who are handicapped or who are sixty-five years of age or older.

Farmland Preservation (2340) – This fund is used to account for cash purchases and/or installment purchases of development rights voluntarily offered by landowners. Once purchased, an agricultural conservation easement is placed on the property which restricts future development.

Planning Commission Fund (2420) - This Fund was established by the County Board under MCLA 125. A planning commission was created to prepare and oversee a County Development Plan relative to the economic, social and physical development of the County. This fund has been closed as of December 31, 2010 in connection with Governmental Accounting Standard's Board Statement #54.

Brownfield Redevelopment Authority (2430) – This fund was established by the County Board for the purpose of revitalizing certain environmentally distressed or functionally obsolete and/or blighted areas in the County.

Homestead Property Tax (2550) – This fund was established as a result of the passage of Public Act 105 of 2003 which provides for the denial of homestead status by local governments, counties and/or State of Michigan. The County's share of interest on tax revenue collected under this statute is to be used solely for the administration of this program, and any unused funds remaining after a period of three years may be transferred to the county general fund (MCL 211.7cc, as amended).

## COUNTY OF OTTAWA

### NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2011

### SPECIAL REVENUE FUNDS (CONTINUED)

Register of Deeds Technology Fund (2560) – This Fund was established under Public Act 698 of 2002 to account for newly authorized additional recording fees effective March 31, 2003. The revenue collected is to be spent on technology upgrades.

Prosecuting Attorney Grants Fund (2601) - This Fund is used to account for monies granted to the County by the State for prosecution against drug offenders.

Sheriff 9/30 Grant Programs Fund (2609) - This Fund accounts for miscellaneous grant revenue received by the Sheriff's department from the State for special purpose programs.

Sheriff Contracts (2610) - These Funds account for Federal monies granted to the townships who contract with the County to improve the long-term ability of local law enforcement agencies public safety through innovative crime prevention, including community policing.

Sheriff Road Patrol Fund (2661) - This Fund accounts for monies granted to the County by the State for the purpose of providing additional police supervision of traffic safety and additional patrol of the roads and parks as described in Public Act 416 of 1978.

Law Library Fund (2690) - This Fund is used to account for monies received from the Library Penal Fine Fund in accordance with Public Act 18 of 1982 and appropriations from the County for the purpose of maintaining the County's law library. This fund has been closed as of December 31, 2010 in connection with Governmental Accounting Standard's Board Statement #54.

Workforce Investment Act Funds (2740, 2741, 2742, 2743, 2744, 2748, and 2749) - These Funds are used to account for Federal funds which are received by the County under the Workforce Investment Act. These Funds are targeted for training and employment programs for the under employed and economically disadvantaged citizens.

Grant Programs - Pass Thru Fund (2750) - This Fund is used to account for monies received from State and Federal grants which are passed on to outside agencies through contractual agreements to carry out the grants intended purpose.

Emergency Feeding Fund (2800) - This Fund is used to account for monies received from the State for the purpose of distributing surplus food to the impoverished residents of the County.

Federal Emergency Management Agency Fund (2810) - This Fund is used to account for monies received through the Emergency Food and Shelter National Board program for utility payments to prevent utility disconnection or heating source loss in households that have exhausted all other resources and do not qualify for other Community Action emergency funds.

## COUNTY OF OTTAWA

### NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2011

### SPECIAL REVENUE FUNDS (CONTINUED)

Community Corrections Fund (2850) - This Fund is used to account for State monies and fees received to enhance the delivery of adult probation services in the County. This fund also receives money from the County for a Domestic Violence Intervention Program.

Revenue Sharing Reserve Fund (2855) - Public Act 357 of 2004 provides a funding mechanism to serve as a substitute for state revenue sharing payments. This substitute funding mechanism involved a gradual shift of county property tax millage from a winter tax levy to a summer tax levy and additionally, requires the establishment of a restricted fund to be known as the Revenue Sharing Reserve Fund.

Community Action Agency Fund (2870) - This Fund is used to account for monies received from the State to be applied to various community programs for the impoverished residents of the County.

Weatherization Fund (2890) - This Fund is used to account for monies received through a State grant which aids in weatherizing homes of the disadvantaged, the elderly and people in the poverty zone.

Department of Human Services (2901) - This Fund is used primarily to account for monies from State and local funding sources and to assist with the welfare program which offers aid to disadvantaged individuals of Ottawa County.

Child Care Funds (2920 and 2921) - These Funds are used to account for foster child care in the County. This encompasses the Ottawa County Detention Center, which is a facility that houses juveniles on a short-term basis. The primary funding comes from the State and a County appropriation which is used to aid children who require placement outside of their home.

Soldiers' and Sailors' Relief Fund (2930) - This Fund is used to account for monies earmarked for indigent veterans and is mandated by State Law. This fund has been closed as of December 31, 2010 in connection with Governmental Accounting Standard's Board Statement #54.

Veterans Trust Fund (2941) - This fund was established under Section 35.607 of the Compiled laws of 1970. It is used to account for monies received by the State and distributed to needy veterans.

**COUNTY OF OTTAWA**

**NONMAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED DECEMBER 31, 2011

**DEBT SERVICE FUND**

Building Authority Fund (5691-5695) - This Fund was established to account for the accumulation of resources for payment of principal and interest on bonds issued to finance building projects for the County of Ottawa. Bonds have been issued for the following projects: 1992-Probate Court/Jail Complex; 1997-Jail addition and Sheriff and Administrative Annex; 2005- Holland District Court. A portion of the 1985 and 1990 bonds were refunded during 1993. A portion of the 1992 bonds were refunded during 1997; 2007-Grand Haven Courthouse. A portion of the 1997 bonds were refunded during 2005. Financing is provided by cash rental payments pursuant to lease agreements with the County of Ottawa.

**CAPITAL PROJECTS FUND**

Building Authority Capital Projects Fund (5691-5695) - This Fund was established to account for construction projects of the building authority. Financing is provided by bond proceeds, interest income, and occasionally State grants.

**PERMANENT FUND**

Cemetery Trust Fund (1500) - This Fund was established under State statute to care for cemetery plots of specific individuals who have willed monies in trust to the County for perpetual care of their gravesites.

**COUNTY OF OTTAWA  
COMBINING BALANCE SHEET  
NON MAJOR GOVERNMENTAL FUNDS  
December 31, 2011  
(with comparative totals for December 31, 2010)**

Special Revenue

	Friend of the Court (2160)	9/30 Judicial Grants (2170)	Landfill Tipping Fees (2272)	Transpor- tation System (2320)	Farmland Pre- serva- tion (2340)
<b><u>ASSETS</u></b>					
Cash and pooled investments			\$970,359		\$1,000
Investments					
Receivables (net of allowance for estimated uncollectibles):					
Accounts			56,893		
Due from other funds					
Due from other governmental units	\$278,704	\$74,700		\$42,895	
Inventory of supplies					
Prepaid expenditures					
<b>Total assets</b>	<b>\$278,704</b>	<b>\$74,700</b>	<b>\$1,027,252</b>	<b>\$42,895</b>	<b>\$1,000</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>					
Liabilities:					
Accounts payable	\$87,987	\$11,251	\$21,635	\$42,895	
Due to other governmental units					
Interfund payable	190,717	53,362			
Advances from other governmental units					
Deferred revenue					
<b>Total liabilities</b>	<b>278,704</b>	<b>64,613</b>	<b>21,635</b>	<b>42,895</b>	
Fund balances:					
Nonspendable					
Restricted		10,087			
Committed					\$1,000
Assigned			1,005,617		
<b>Total fund balances, as restated</b>		<b>10,087</b>	<b>1,005,617</b>		<b>1,000</b>
<b>Total liabilities and fund balances</b>	<b>\$278,704</b>	<b>\$74,700</b>	<b>\$1,027,252</b>	<b>\$42,895</b>	<b>\$1,000</b>

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**COUNTY OF OTTAWA  
COMBINING BALANCE SHEET  
NON MAJOR GOVERNMENTAL FUNDS  
December 31, 2011  
(with comparative totals for December 31, 2010)**

Special Revenue

	Planning Commission (2420)	Brownfield Redevelop- -ment Authority (2430)	Homestead Property Tax (2550)	Register of Deeds Technology (2560)	Prosecuting Attorney Grants (2601)	Sheriff 9/30 Grant Programs (2609)
<b><u>ASSETS</u></b>						
Cash and pooled investments		\$500	\$60,560	\$421,706	\$772	
Investments						
Receivables (net of allowance for estimated uncollectibles):						
Accounts						
Due from other funds			793	4,638		
Due from other governmental units					6,690	\$39,477
Inventory of supplies						
Prepaid expenditures						
<b>Total assets</b>	<b>Closed</b>	<b>\$500</b>	<b>\$61,353</b>	<b>\$426,344</b>	<b>\$7,462</b>	<b>\$39,477</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>						
Liabilities:						
Accounts payable				\$2,228	\$7,462	\$4,843
Due to other governmental units						
Interfund payable						33,555
Advances from other governmental units						
Deferred revenue						
<b>Total liabilities</b>				<b>2,228</b>	<b>7,462</b>	<b>38,398</b>
Fund balances:						
Nonspendable						
Restricted			\$61,353	424,116		
Committed		\$500				
Assigned						1,079
<b>Total fund balances, as restated</b>		<b>500</b>	<b>61,353</b>	<b>424,116</b>		<b>1,079</b>
<b>Total liabilities and fund balances</b>	<b>Closed</b>	<b>\$500</b>	<b>\$61,353</b>	<b>\$426,344</b>	<b>\$7,462</b>	<b>\$39,477</b>

(Continued on next page)



**COUNTY OF OTTAWA  
COMBINING BALANCE SHEET  
NON MAJOR GOVERNMENTAL FUNDS  
December 31, 2011  
(with comparative totals for December 31, 2010)**

	Special Revenue					
	Sheriff Contracts (2610)	Sheriff Road Patrol (2661)	Law Library (2690)	Workforce Investment Act - ACP (2740)	Workforce Investment Act - Youth (2741)	Workforce Investment Act - Adult (2742)
<b><u>ASSETS</u></b>						
Cash and pooled investments		\$10,305				
Investments						
Receivables (net of allowance for estimated uncollectibles):						
Accounts	\$22,447					
Due from other funds						
Due from other governmental units	458,749		\$36,688	\$107,344	\$59,974	
Inventory of supplies						
Prepaid expenditures						
<b>Total assets</b>	<b>\$481,196</b>	<b>\$10,305</b>	<b>Closed</b>	<b>\$36,688</b>	<b>\$107,344</b>	<b>\$59,974</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>						
Liabilities:						
Accounts payable	\$145,473	\$10,305		\$21,486	\$101,771	\$53,594
Due to other governmental units						
Interfund payable	24,372			14,254	5,573	5,869
Advances from other governmental units	311,351					
Deferred revenue						
<b>Total liabilities</b>	<b>481,196</b>	<b>10,305</b>		<b>35,740</b>	<b>107,344</b>	<b>59,463</b>
Fund balances:						
Nonspendable						
Restricted				948	511	
Committed						
Assigned						
<b>Total fund balances, as restated</b>				<b>948</b>	<b>511</b>	
<b>Total liabilities and fund balances</b>	<b>\$481,196</b>	<b>\$10,305</b>	<b>Closed</b>	<b>\$36,688</b>	<b>\$107,344</b>	<b>\$59,974</b>

*(Continued on next page)*

**COUNTY OF OTTAWA  
COMBINING BALANCE SHEET  
NON MAJOR GOVERNMENTAL FUNDS  
December 31, 2011  
(with comparative totals for December 31, 2010)**

	Special Revenue					
	Workforce Investment Act - 6/30 Grant Programs (2743)	Workforce Investment Act - 12/31 Grant Programs (2744)	Workforce Investment Act- 9/30 Grant Programs (2748)	Workforce Investment Act- 3/31 Grant Programs (2749)	Grant Programs - Pass Thru (2750)	Emergency Feeding (2800)
<b><u>ASSETS</u></b>						
Cash and pooled investments	\$47,609	\$43,201	\$15,657			
Investments						
Receivables (net of allowance for estimated uncollectibles):						
Accounts	1,500		4,135			
Due from other funds						
Due from other governmental units	354,720	13,775	902,240	\$5,490	\$4,512	\$33,999
Inventory of supplies	1,071					11,771
Prepaid expenditures	1,133					
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$406,033</u>	<u>\$56,976</u>	<u>\$922,032</u>	<u>\$5,490</u>	<u>\$4,512</u>	<u>\$45,770</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>						
Liabilities:						
Accounts payable	\$342,182	\$850	\$465,328	\$750	\$2,801	\$631
Due to other governmental units		2,571	11,810			
Interfund payable			431,661	4,740	1,711	33,368
Advances from other governmental units						
Deferred revenue						
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>342,182</u>	<u>3,421</u>	<u>908,799</u>	<u>5,490</u>	<u>4,512</u>	<u>33,999</u>
Fund balances:						
Nonspendable	2,204					11,771
Restricted	61,647	53,555	13,233			
Committed						
Assigned						
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances, as restated	<u>63,851</u>	<u>53,555</u>	<u>13,233</u>	<u></u>	<u></u>	<u>11,771</u>
Total liabilities and fund balances	<u>\$406,033</u>	<u>\$56,976</u>	<u>\$922,032</u>	<u>\$5,490</u>	<u>\$4,512</u>	<u>\$45,770</u>

*(Continued on next page)*

**COUNTY OF OTTAWA**  
**COMBINING BALANCE SHEET**  
**NON MAJOR GOVERNMENTAL FUNDS**  
December 31, 2011  
(with comparative totals for December 31, 2010)

	Special Revenue				
	Federal Emergency Management Agency (2810)	Community Corrections (2850)	Revenue Sharing Reserve (2855)	Community Action Agency (2870)	Weather- ization (2890)
<b><u>ASSETS</u></b>					
Cash and pooled investments	\$1,403	\$67,963		\$70,447	
Investments					
Receivables (net of allowance for estimated uncollectibles):					
Accounts		199,545		3,518	\$76,043
Due from other funds					
Due from other governmental units		35,515		25,752	103,187
Inventory of supplies					
Prepaid expenditures		385		915	
Total assets	<u>\$1,403</u>	<u>\$303,408</u>	<u>Closed</u>	<u>\$100,632</u>	<u>\$179,230</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>					
Liabilities:					
Accounts payable		\$24,766		\$19,300	\$124,770
Due to other governmental units				1,080	
Interfund payable					27,613
Advances from other governmental units					
Deferred revenue	\$1,403	171,950		167	3,733
Total liabilities	<u>1,403</u>	<u>196,716</u>		<u>20,547</u>	<u>156,116</u>
Fund balances:					
Nonspendable		385		915	
Restricted				79,170	23,114
Committed					
Assigned		106,307			
Total fund balances, as restated		<u>106,692</u>		<u>80,085</u>	<u>23,114</u>
Total liabilities and fund balances	<u>\$1,403</u>	<u>\$303,408</u>	<u>Closed</u>	<u>\$100,632</u>	<u>\$179,230</u>

*(Continued on next page)*

**COUNTY OF OTTAWA  
COMBINING BALANCE SHEET  
NON MAJOR GOVERNMENTAL FUNDS  
December 31, 2011  
(with comparative totals for December 31, 2010)**

	Special Revenue					Special Revenue
	Department of Human Services (2901)	Child Care - Circuit Court (2920)	Child Care - Social Services (2921)	Soldiers' and Sailors' Relief (2930)	Veterans Trust (2941)	Total
<b><u>ASSETS</u></b>						
Cash and pooled investments	\$23,880	\$354,579			\$1,460	\$2,091,401
Investments						
Receivables (net of allowance for estimated uncollectibles):						
Accounts		12,998				377,079
Due from other funds						5,431
Due from other governmental units	28,413	1,398,459				4,011,283
Inventory of supplies						12,842
Prepaid expenditures		25				2,458
Total assets	<u>\$52,293</u>	<u>\$1,766,061</u>	<u>None</u>	<u>Closed</u>	<u>\$1,460</u>	<u>\$6,500,494</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>						
Liabilities:						
Accounts payable	\$10,283	\$593,968			\$976	\$2,097,535
Due to other governmental units						15,461
Interfund payable						826,795
Advances from other governmental units	21,000					332,351
Deferred revenue					484	177,737
Total liabilities	<u>31,283</u>	<u>593,968</u>			<u>1,460</u>	<u>3,449,879</u>
Fund balances:						
Nonspendable		25				15,300
Restricted						727,734
Committed						1,500
Assigned	21,010	1,172,068				2,306,081
Total fund balances, as restated	<u>21,010</u>	<u>1,172,093</u>				<u>3,050,615</u>
Total liabilities and fund balances	<u>\$52,293</u>	<u>\$1,766,061</u>	<u>None</u>	<u>Closed</u>	<u>\$1,460</u>	<u>\$6,500,494</u>

*(Continued on next page)*

**COUNTY OF OTTAWA  
COMBINING BALANCE SHEET  
NON MAJOR GOVERNMENTAL FUNDS  
December 31, 2011  
(with comparative totals for December 31, 2010)**

	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Permanent</u>	<u>Total Nonmajor Governmental Funds</u>	
	Ottawa County Building Authority (5691-5695)	Ottawa County Building Authority (5691-5695)	Cemetery Trust (1500)	2011	2010
<b><u>ASSETS</u></b>					
Cash and pooled investments				\$2,091,401	\$3,780,921
Investments			\$5,770	5,770	6,418
Receivables (net of allowance for estimated uncollectibles):					
Accounts				377,079	269,153
Due from other funds				5,431	36,402
Due from other governmental units				4,011,283	4,466,714
Inventory of supplies				12,842	19,582
Prepaid expenditures				2,458	4,874
Total assets	None	None	\$5,770	\$6,506,264	\$8,584,064
<b><u>LIABILITIES AND FUND BALANCES</u></b>					
Liabilities:					
Accounts payable				\$2,097,535	\$2,180,706
Due to other governmental units				15,461	27,059
Interfund payable				826,795	1,134,482
Advances from other governmental units				332,351	328,753
Deferred revenue				177,737	240,639
Total liabilities				3,449,879	3,911,639
Fund balances:					
Nonspendable			\$5,770	21,070	26,000
Restricted				727,734	1,189,502
Committed				1,500	1,000
Assigned				2,306,081	3,455,923
Total fund balances, as restated			5,770	3,056,385	4,672,425
Total liabilities and fund balances	None	None	\$5,770	\$6,506,264	\$8,584,064

*(Concluded)*

**COUNTY OF OTTAWA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NON MAJOR GOVERNMENTAL FUNDS**

For the year ended December 31, 2011  
(with comparable totals for the year ended December 31, 2010)

	Special Revenue				
	Friend of the Court (2160)	9/30 Judicial Grants (2170)	Landfill Tipping Fees (2272)	Transpor- tation System (2320)	Farmland Pre- serva- tion (2340)
Revenues:					
Taxes					
Intergovernmental revenues	\$1,994,955	\$283,905		\$157,569	
Charges for services	414,887	21,764	\$367,653		
Fines and forfeits					
Interest on investments					
Rental income					
Other		4,125	31,995		
<b>Total revenues</b>	<b>2,409,842</b>	<b>309,794</b>	<b>399,648</b>	<b>157,569</b>	
Expenditures:					
Current operations:					
Judicial	3,112,416	350,310			
General government					
Public safety					
Public works			326,394	157,569	
Health and welfare					
Community and economic development					
Debt service					
Capital outlay					
<b>Total expenditures</b>	<b>3,112,416</b>	<b>350,310</b>	<b>326,394</b>	<b>157,569</b>	
Revenues over (under) expenditures	(702,574)	(40,516)	73,254		
Other financing sources (uses):					
Transfers in (out):					
General Fund	702,574	8,659		(25,787)	
9/30 Judicial Grants					
Infrastructure					
Federal Emergency Management Agency					
Delinquent Tax Revolving					
Community Corrections		34,513			
Public Improvement					
Emergency Feeding					
Community Action Agency					
Workforce Investment Act 9/30 Grant Programs					
Workforce Investment Act 12/31 Grant Programs					
Ottawa County Building Authority - Capital Projects					
Telecommunications					
Ottawa County, Michigan Insurance Authority					
Capital leases					
<b>Total other financing sources (uses)</b>	<b>702,574</b>	<b>43,172</b>		<b>(25,787)</b>	
Net change in fund balances		2,656	73,254	(25,787)	
Fund balances, beginning of year, as restated		7,431	932,363	25,787	1,000
Fund balances, end of year	None	\$10,087	\$1,005,617	None	Closed

*(Continued on next page)*

**COUNTY OF OTTAWA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NON MAJOR GOVERNMENTAL FUNDS**

For the year ended December 31, 2011  
(with comparable totals for the year ended December 31, 2010)

	Special Revenue				
	Brownfield Redevelopment Authority (2430)	Homestead Property Tax (2550)	Register of Deeds Technology (2560)	Prosecuting Attorney Grants (2601)	Sheriff 9/30 Grant Programs (2609)
Revenues:					
Taxes		\$9,743			
Intergovernmental revenues				\$140,400	\$428,261
Charges for services	\$1,500		\$233,176		
Fines and forfeits					
Interest on investments		793	4,638		
Rental income					
Other				588	
Total revenues	1,500	10,536	237,814	140,988	428,261
Expenditures:					
Current operations:					
Judicial					
General government		24,365	219,594	203,618	
Public safety					427,182
Public works					
Health and welfare					
Community and economic development	1,000				
Debt service					
Capital outlay					
Total expenditures	1,000	24,365	219,594	203,618	427,182
Revenues over (under) expenditures	500	(13,829)	18,220	(62,630)	1,079
Other financing sources (uses):					
Transfers in (out):					
General Fund		(6,455)		37,538	
9/30 Judicial Grants					
Infrastructure					
Federal Emergency Management Agency					
Delinquent Tax Revolving					
Community Corrections					
Public Improvement					
Emergency Feeding					
Community Action Agency					
Workforce Investment Act 9/30 Grant Programs					
Workforce Investment Act 12/31 Grant Programs					
Ottawa County Building Authority - Capital Projects					
Telecommunications					
Ottawa County, Michigan Insurance Authority					
Capital leases					
Total other financing sources (uses)		(6,455)		37,538	
Net change in fund balances	500	(20,284)	18,220	(25,092)	1,079
Fund balances, beginning of year, as restated		81,637	405,896	25,092	
Fund balances, end of year	\$500	\$61,353	\$424,116	None	\$1,079

*(Continued on next page)*

**COUNTY OF OTTAWA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NON MAJOR GOVERNMENTAL FUNDS**

For the year ended December 31, 2011  
(with comparable totals for the year ended December 31, 2010)

	Special Revenue					
	Sheriff Contracts (2610)	Sheriff Road Patrol (2661)	Law Library (2690)	Workforce Investment Act - ACP (2740)	Workforce Investment Act - Youth (2741)	Workforce Investment Act - Adult (2742)
Revenues:						
Taxes						
Intergovernmental revenues	\$4,160,514	\$190,700		\$501,471	\$895,959	\$627,618
Charges for services						
Fines and forfeits						
Interest on investments						
Rental income						
Other	1,950			1,000		
Total revenues	<u>4,162,464</u>	<u>190,700</u>		<u>502,471</u>	<u>895,959</u>	<u>627,618</u>
Expenditures:						
Current operations:						
Judicial						
General government						
Public safety	4,373,873	314,707				
Public works						
Health and welfare				502,471	895,959	627,618
Community and economic development						
Debt service						
Capital outlay						
Total expenditures	<u>4,373,873</u>	<u>314,707</u>		<u>502,471</u>	<u>895,959</u>	<u>627,618</u>
Revenues over (under) expenditures	<u>(211,409)</u>	<u>(124,007)</u>				
Other financing sources (uses):						
Transfers in (out):						
General Fund	210,168	124,007				
9/30 Judicial Grants						
Infrastructure						
Federal Emergency Management Agency						
Delinquent Tax Revolving						
Community Corrections						
Public Improvement						
Emergency Feeding						
Community Action Agency						
Workforce Investment Act 9/30 Grant Programs						
Workforce Investment Act 12/31 Grant Programs						
Ottawa County Building Authority - Capital Projects						
Telecommunications						
Ottawa County, Michigan Insurance Authority						
Capital leases						
Total other financing sources (uses)	<u>210,168</u>	<u>124,007</u>				
Net change in fund balances	(1,241)					
Fund balances, beginning of year, as restated	<u>1,241</u>			<u>948</u>	<u>511</u>	
Fund balances, end of year	<u>None</u>	<u>None</u>	<u>Closed</u>	<u>\$948</u>	<u>None</u>	<u>\$511</u>

*(Continued on next page)*



**COUNTY OF OTTAWA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NON MAJOR GOVERNMENTAL FUNDS**

For the year ended December 31, 2011  
(with comparable totals for the year ended December 31, 2010)

	Special Revenue					
	Workforce Investment Act - 6/30 Grant Programs (2743)	Workforce Investment Act - 12/31 Grant Programs (2744)	Workforce Investment Act - 9/30 Grant Programs (2748)	Workforce Investment Act - 3/31 Grant Programs (2749)	Grant Programs - Pass Thru (2750)	Emergency Feeding (2800)
Revenues:						
Taxes						
Intergovernmental revenues	\$2,165,062	\$51,029	\$4,526,724	\$5,490	\$929,552	\$366,731
Charges for services						
Fines and forfeits						
Interest on investments			26			
Rental income						
Other		32,659	252,425			
Total revenues	<u>2,165,062</u>	<u>83,688</u>	<u>4,779,175</u>	<u>5,490</u>	<u>929,552</u>	<u>366,731</u>
Expenditures:						
Current operations:						
Judicial						
General government					866,355	
Public safety					87,275	
Public works						
Health and welfare	2,175,720	81,193	4,833,208	5,490		379,044
Community and economic development						
Debt service						
Capital outlay						
Total expenditures	<u>2,175,720</u>	<u>81,193</u>	<u>4,833,208</u>	<u>5,490</u>	<u>953,630</u>	<u>379,044</u>
Revenues over (under) expenditures	<u>(10,658)</u>	<u>2,495</u>	<u>(54,033)</u>		<u>(24,078)</u>	<u>(12,313)</u>
Other financing sources (uses):						
Transfers in (out):						
General Fund					24,078	
9/30 Judicial Grants						
Infrastructure						
Federal Emergency Management Agency						
Delinquent Tax Revolving						
Community Corrections						
Public Improvement						
Emergency Feeding						
Community Action Agency			44,895			5,199
Workforce Investment Act 9/30 Grant Programs						
Workforce Investment Act 12/31 Grant Programs						
Ottawa County Building Authority - Capital Projects						
Telecommunications						
Ottawa County, Michigan Insurance Authority						
Capital leases						
Total other financing sources (uses)			<u>44,895</u>		<u>24,078</u>	<u>5,199</u>
Net change in fund balances	(10,658)	2,495	(9,138)			(7,114)
Fund balances, beginning of year, as restated	<u>74,509</u>	<u>51,060</u>	<u>22,371</u>			<u>18,885</u>
Fund balances, end of year	<u>\$63,851</u>	<u>\$53,555</u>	<u>\$13,233</u>	None	None	<u>\$11,771</u>

*(Continued on next page)*

**COUNTY OF OTTAWA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NON MAJOR GOVERNMENTAL FUNDS**

For the year ended December 31, 2011  
(with comparable totals for the year ended December 31, 2010)

	Special Revenue					
	Federal Emergency Management Agency (2810)	Community Corrections (2850)	Revenue Sharing Reserve (2855)	Community Action Agency (2870)	Weather- ization (2890)	Department of Human Services (2901)
Revenues:						
Taxes						
Intergovernmental revenues		\$241,041		\$519,782	\$1,684,566	\$182,776
Charges for services		187,156				
Fines and forfeits						
Interest on investments						
Rental income						
Other		7,846		34,902	114,083	431
<b>Total revenues</b>		<b>436,043</b>		<b>554,684</b>	<b>1,798,649</b>	<b>183,207</b>
Expenditures:						
Current operations:						
Judicial		867,041				
General government						
Public safety						
Public works						
Health and welfare				572,220	1,779,285	255,720
Community and economic development						
Debt service						
Capital outlay						
<b>Total expenditures</b>		<b>867,041</b>		<b>572,220</b>	<b>1,779,285</b>	<b>255,720</b>
Revenues over (under) expenditures		(430,998)		(17,536)	19,364	(72,513)
Other financing sources (uses):						
Transfers in (out):						
General Fund		364,648	(\$422,130)	29,000		(176,250)
9/30 Judicial Grants		(34,513)				
Infrastructure						
Federal Emergency Management Agency						
Delinquent Tax Revolving						
Community Corrections						
Public Improvement						
Emergency Feeding				(5,199)		
Community Action Agency						
Workforce Investment Act 9/30 Grant Programs				(44,895)		
Workforce Investment Act 12/31 Grant Programs						
Ottawa County Building Authority - Capital Projects						
Telecommunications						
Ottawa County, Michigan Insurance Authority						
Capital leases						
<b>Total other financing sources (uses)</b>		<b>330,135</b>	<b>(422,130)</b>	<b>(21,094)</b>		<b>(176,250)</b>
Net change in fund balances		(100,863)	(422,130)	(38,630)	19,364	(248,763)
Fund balances, beginning of year, as restated		207,555	422,130	118,715	3,750	269,773
Fund balances, end of year	None	\$106,692	Closed	\$80,085	\$23,114	\$21,010

*(Continued on next page)*

**COUNTY OF OTTAWA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NON MAJOR GOVERNMENTAL FUNDS**

For the year ended December 31, 2011  
(with comparable totals for the year ended December 31, 2010)

	Special Revenue				Special Revenue	Debt Service
	Child Care - Circuit Court (2920)	Child Care - Social Services (2921)	Soldiers' and Sailors' Relief (2930)	Veterans Trust (2941)	Total	Ottawa County Building Authority (5691-5695)
Revenues:						
Taxes					\$9,743	
Intergovernmental revenues	\$3,321,634			\$53,048	23,428,787	
Charges for services					1,226,136	
Fines and forfeits						
Interest on investments					5,457	
Rental income						\$2,382,030
Other	719,227				1,201,231	
<b>Total revenues</b>	<b>4,040,861</b>			<b>53,048</b>	<b>25,871,354</b>	<b>2,382,030</b>
Expenditures:						
Current operations:						
Judicial					4,329,767	
General government					1,313,932	
Public safety					5,203,037	
Public works					483,963	
Health and welfare	7,532,508			53,048	19,693,484	
Community and economic development					1,000	
Debt service						3,144,730
Capital outlay						
<b>Total expenditures</b>	<b>7,532,508</b>			<b>53,048</b>	<b>31,025,183</b>	<b>3,144,730</b>
Revenues over (under) expenditures	(3,491,647)				(5,153,829)	(762,700)
Other financing sources (uses):						
Transfers in (out):						
General Fund	2,741,647	(73,260)			3,538,437	
9/30 Judicial Grants					(34,513)	
Infrastructure						125,000
Federal Emergency Management Agency						
Delinquent Tax Revolving						150,000
Community Corrections					34,513	
Public Improvement						187,700
Emergency Feeding					(5,199)	
Community Action Agency					50,094	
Workforce Investment Act 9/30 Grant Programs					(44,895)	
Workforce Investment Act 12/31 Grant Programs						
Ottawa County Building Authority - Capital Projects						
Telecommunications						150,000
Ottawa County, Michigan Insurance Authority						150,000
Capital leases						
<b>Total other financing sources (uses)</b>	<b>2,741,647</b>	<b>(73,260)</b>			<b>3,538,437</b>	<b>762,700</b>
Net change in fund balances	(750,000)	(73,260)			(1,615,392)	
Fund balances, beginning of year, as restated	1,922,093	73,260			4,666,007	
Fund balances, end of year	<u>\$1,172,093</u>	<u>None</u>	<u>Closed</u>	<u>None</u>	<u>\$3,050,615</u>	<u>None</u>

(Continued on next page)

**COUNTY OF OTTAWA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NON MAJOR GOVERNMENTAL FUNDS**

For the year ended December 31, 2011  
(with comparable totals for the year ended December 31, 2010)

	Capital Projects	Permanent	Total Nonmajor Governmental Funds	
	Ottawa County Building Authority (5691-5695)	Cemetery Trust (1500)	2011	2010
<b>Revenues:</b>				
Taxes			\$9,743	\$6,917
Intergovernmental revenues			23,428,787	24,098,943
Charges for services			1,226,136	1,069,109
Fines and forfeits				8,500
Interest on investments		\$39	5,496	36,789
Rental income			2,382,030	2,388,298
Other			1,201,231	663,938
<b>Total revenues</b>		<b>39</b>	<b>28,253,423</b>	<b>28,272,494</b>
<b>Expenditures:</b>				
<b>Current operations:</b>				
Judicial			4,329,767	4,336,707
General government		687	1,314,619	1,568,606
Public safety			5,203,037	5,288,063
Public works			483,963	528,628
Health and welfare			19,693,484	19,722,174
Community and economic development			1,000	4,466
Debt service			3,144,730	3,150,198
Capital outlay				180,621
<b>Total expenditures</b>		<b>687</b>	<b>34,170,600</b>	<b>34,779,463</b>
<b>Revenues over (under) expenditures</b>		<b>(648)</b>	<b>(5,917,177)</b>	<b>(6,506,969)</b>
<b>Other financing sources (uses):</b>				
<b>Transfers in (out):</b>				
General Fund			3,538,437	1,023,694
9/30 Judicial Grants			(34,513)	(31,106)
Infrastructure			125,000	125,000
Federal Emergency Management Agency				(2,480)
Delinquent Tax Revolving			150,000	150,000
Community Corrections			34,513	31,106
Public Improvement			187,700	186,900
Emergency Feeding			(5,199)	
Community Action Agency			50,094	2,480
Workforce Investment Act 9/30 Grant Programs			(44,895)	
Workforce Investment Act 12/31 Grant Programs				(9,927)
Ottawa County Building Authority - Capital Projects				
Telecommunications			150,000	150,000
Ottawa County, Michigan Insurance Authority			150,000	150,000
Capital leases				35,995
<b>Total other financing sources (uses)</b>			<b>4,301,137</b>	<b>1,811,662</b>
<b>Net change in fund balances</b>		<b>(648)</b>	<b>(1,616,040)</b>	<b>(4,695,307)</b>
<b>Fund balances, beginning of year, as restated</b>		<b>6,418</b>	<b>4,672,425</b>	<b>9,367,732</b>
<b>Fund balances, end of year</b>	<b>None</b>	<b>\$5,770</b>	<b>\$3,056,385</b>	<b>\$4,672,425</b>

*(Concluded)*

**COUNTY OF OTTAWA**

**FRIEND OF THE COURT SPECIAL REVENUE FUND (2160) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$2,049,081	\$1,993,660	\$1,994,955	\$1,295	\$2,023,467
Charges for services	265,160	388,950	414,887	25,937	298,081
Interest on investments					
Licenses and permits					
Rental income					
Other					
<b>Total revenues</b>	<b>2,314,241</b>	<b>2,382,610</b>	<b>2,409,842</b>	<b>27,232</b>	<b>2,321,548</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	2,525,253	2,577,248	2,544,329	32,919	2,511,976
Supplies	54,940	52,990	46,440	6,550	54,814
Other services and charges	550,877	534,815	521,647	13,168	490,985
Capital outlay					
<b>Total expenditures</b>	<b>3,131,070</b>	<b>3,165,053</b>	<b>3,112,416</b>	<b>52,637</b>	<b>3,057,775</b>
Revenues over (under) expenditures	(816,829)	(782,443)	(702,574)	79,869	(736,227)
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund	816,829	782,443	702,574	(79,869)	546,235
<b>Total other financing sources (uses)</b>	<b>816,829</b>	<b>782,443</b>	<b>702,574</b>	<b>(79,869)</b>	<b>546,235</b>
Net change in fund balance					(189,992)
Fund balance, beginning of year					189,992
Fund balance, end of year	None	None	None	None	None

**COUNTY OF OTTAWA**

**9/30 JUDICIAL GRANTS SPECIAL REVENUE FUND (2170) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$426,023	\$293,000	\$283,905	(\$9,095)	\$211,989
Charges for services		21,764	21,764		
Interest on investments					
Licenses and permits					
Rental income					
Other		4,125	4,125		4,125
<b>Total revenues</b>	<b>426,023</b>	<b>318,889</b>	<b>309,794</b>	<b>(9,095)</b>	<b>216,114</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	371,298	290,941	287,246	3,695	243,343
Supplies	40,517	20,355	17,605	2,750	20,878
Other services and charges	35,479	56,839	45,459	11,380	23,303
Capital outlay					
<b>Total expenditures</b>	<b>447,294</b>	<b>368,135</b>	<b>350,310</b>	<b>17,825</b>	<b>287,524</b>
<b>Revenues over (under) expenditures</b>	<b>(21,271)</b>	<b>(49,246)</b>	<b>(40,516)</b>	<b>8,730</b>	<b>(71,410)</b>
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund	21,271	14,733	8,659	(6,074)	42,721
Community Corrections		34,513	34,513		31,106
<b>Total other financing sources (uses)</b>	<b>21,271</b>	<b>49,246</b>	<b>43,172</b>	<b>(6,074)</b>	<b>73,827</b>
<b>Net change in fund balance</b>			<b>2,656</b>	<b>2,656</b>	<b>2,417</b>
<b>Fund balance, beginning of year</b>	<b>7,431</b>	<b>7,431</b>	<b>7,431</b>		<b>5,014</b>
<b>Fund balance, end of year</b>	<b>\$7,431</b>	<b>\$7,431</b>	<b>\$10,087</b>	<b>\$2,656</b>	<b>\$7,431</b>

**COUNTY OF OTTAWA**

**LANDFILL TIPPING FEES SPECIAL REVENUE FUND (2272) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2011  
(with comparative actual amounts for the year ended December 31, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues					
Charges for services	\$300,000	\$371,000	\$367,653	(\$3,347)	\$327,084
Interest on investments					
Licenses and permits					
Rental income					
Other	32,500	32,500	31,995	(505)	27,077
<b>Total revenues</b>	<b>332,500</b>	<b>403,500</b>	<b>399,648</b>	<b>(3,852)</b>	<b>354,161</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	237,730	176,840	171,318	5,522	222,608
Supplies	16,207	15,757	10,635	5,122	9,250
Other services and charges	163,940	159,970	144,441	15,529	139,201
Capital outlay					
<b>Total expenditures</b>	<b>417,877</b>	<b>352,567</b>	<b>326,394</b>	<b>26,173</b>	<b>371,059</b>
<b>Revenues over (under) expenditures</b>	<b>(85,377)</b>	<b>50,933</b>	<b>73,254</b>	<b>22,321</b>	<b>(16,898)</b>
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund					
<b>Total other financing sources (uses)</b>					
<b>Net change in fund balance</b>	<b>(85,377)</b>	<b>50,933</b>	<b>73,254</b>	<b>22,321</b>	<b>(16,898)</b>
Fund balance, beginning of year	932,363	932,363	932,363		949,261
<b>Fund balance, end of year</b>	<b>\$846,986</b>	<b>\$983,296</b>	<b>\$1,005,617</b>	<b>\$22,321</b>	<b>\$932,363</b>

**COUNTY OF OTTAWA**

**TRANSPORTATION SYSTEM SPECIAL REVENUE FUND (2320) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011			2010 Actual
	Original Budget	Final Amended Budget	Actual	
<b>Revenues:</b>				
Intergovernmental revenues	\$157,569	\$157,569	\$157,569	\$157,569
Charges for services				
Interest on investments				
Licenses and permits				
Rental income				
Other				
<b>Total revenues</b>	<u>157,569</u>	<u>157,569</u>	<u>157,569</u>	<u>157,569</u>
<b>Expenditures:</b>				
Current operations:				
Personnel services				
Supplies				
Other services and charges	157,569	157,569	157,569	157,569
Capital outlay				
<b>Total expenditures</b>	<u>157,569</u>	<u>157,569</u>	<u>157,569</u>	<u>157,569</u>
Revenues over (under) expenditures				
<b>Other financing sources (uses):</b>				
Transfers in (out):				
General Fund		(25,787)	(25,787)	
<b>Total other financing sources (uses)</b>		<u>(25,787)</u>	<u>(25,787)</u>	
Net change in fund balance		(25,787)	(25,787)	
Fund balance, beginning of year	25,787	25,787	25,787	25,787
Fund balance, end of year	<u>\$25,787</u>	<u>None</u>	<u>None</u>	<u>\$25,787</u>



**COUNTY OF OTTAWA**

**FARMLAND PRESERVATION SPECIAL REVENUE FUND (2340) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2011  
(with comparative actual amounts for the year ended December 31, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues					
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other	\$200	\$200		(\$200)	\$1,000
<b>Total revenues</b>	<b>200</b>	<b>200</b>		<b>(200)</b>	<b>1,000</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services					
Supplies					
Other services and charges					
Capital outlay					
<b>Total expenditures</b>					
<b>Revenues over (under) expenditures</b>	<b>200</b>	<b>200</b>		<b>(200)</b>	<b>1,000</b>
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund					
<b>Total other financing sources (uses)</b>					
<b>Net change in fund balance</b>	<b>200</b>	<b>200</b>		<b>(200)</b>	<b>1,000</b>
<b>Fund balance, beginning of year</b>	<b>1,000</b>	<b>1,000</b>	<b>\$1,000</b>		
<b>Fund balance, end of year</b>	<b>\$1,200</b>	<b>\$1,200</b>	<b>\$1,000</b>	<b>(\$200)</b>	<b>\$1,000</b>

**COUNTY OF OTTAWA**

**PLANNING COMMISSION SPECIAL REVENUE FUND (2420) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2011  
(with comparative actual amounts for the year ended December 31, 2010)

	2011			2010 Actual
	Original Budget	Final Amended Budget	Actual	
<b>Revenues:</b>				
Intergovernmental revenues				
Charges for services				
Interest on investments				
Licenses and permits				
Rental income				
Other				
<b>Total revenues</b>				
<b>Expenditures:</b>				
Current operations:				
Personnel services				\$563
Supplies				710
Other services and charges				3,193
Capital outlay				
<b>Total expenditures</b>				4,466
Revenues over (under) expenditures				(4,466)
<b>Other financing sources (uses):</b>				
Transfers in (out):				
General Fund				(185,758)
<b>Total other financing sources (uses)</b>				(185,758)
Net change in fund balance				(190,224)
Fund balance, beginning of year				190,224
Fund balance, end of year	None	None	Closed	Closed

**COUNTY OF OTTAWA**

**BROWNFIELD REDEVELOPMENT AUTHORITY SPECIAL REVENUE FUND (2430) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2011  
(with comparative actual amounts for the year ended December 31, 2010)

	2011			2010 Actual
	Original Budget	Final Amended Budget	Actual	
<b>Revenues:</b>				
Intergovernmental revenues				
Charges for services		\$1,500	\$1,500	
Interest on investments				
Licenses and permits				
Rental income				
Other				
<b>Total revenues</b>		<b>1,500</b>	<b>1,500</b>	
<b>Expenditures:</b>				
Current operations:				
Personnel services				
Supplies		100		\$100
Other services and charges		1,400	1,000	400
Capital outlay				
<b>Total expenditures</b>		<b>1,500</b>	<b>1,000</b>	<b>500</b>
<b>Revenues over (under) expenditures</b>			<b>500</b>	<b>500</b>
<b>Other financing sources (uses):</b>				
Transfers in (out):				
General Fund				
<b>Total other financing sources (uses)</b>				
<b>Net change in fund balance</b>			<b>500</b>	<b>500</b>
<b>Fund balance, beginning of year</b>				
<b>Fund balance, end of year</b>	<b>None</b>	<b>None</b>	<b>\$500</b>	<b>None</b>

**COUNTY OF OTTAWA**

**HOMESTEAD PROPERTY TAX SPECIAL REVENUE FUND (2550) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2011  
(with comparative actual amounts for the year ended December 31, 2010)

	2011				2010 Actual
	Original Budget	Amended Budget	Actual	Variance	
Revenues:					
Taxes	\$4,500	\$9,000	\$9,743	\$743	\$6,917
Intergovernmental revenues					
Charges for services					
Interest on investments	345	345	793	448	648
Licenses and permits					
Rental income					
Other					
<b>Total revenues</b>	<b>4,845</b>	<b>9,345</b>	<b>10,536</b>	<b>1,191</b>	<b>7,565</b>
Expenditures:					
Personnel services					
Supplies	400	400	400		
Other services and charges	560	570	570		560
Capital outlay					35,995
Debt Service	23,396	23,396	23,395	1	23,397
<b>Total expenditures</b>	<b>24,356</b>	<b>24,366</b>	<b>24,365</b>	<b>1</b>	<b>59,952</b>
Revenues over (under) expenditures	(19,511)	(15,021)	(13,829)	1,192	(52,387)
Other financing sources (uses):					
Transfers in (out):					
General Fund	(18,462)	(18,462)	(6,455)	12,007	65,748
Capital leases					35,995
<b>Total other financing sources (uses)</b>	<b>(18,462)</b>	<b>(18,462)</b>	<b>(6,455)</b>	<b>12,007</b>	<b>101,743</b>
Net change in fund balance	(37,973)	(33,483)	(20,284)	13,199	49,356
Fund balance, beginning of year	81,637	81,637	81,637		32,281
Fund balance, end of year	<u>\$43,664</u>	<u>\$48,154</u>	<u>\$61,353</u>	<u>\$13,199</u>	<u>\$81,637</u>

**COUNTY OF OTTAWA**

**REGISTER OF DEEDS TECHNOLOGY SPECIAL REVENUE FUND (2560) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2011  
(with comparative actual amounts for the year ended December 31, 2010)

	2011				2010 Actual
	Original Budget	Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues					
Charges for services	\$235,000	\$253,000	\$233,176	(\$19,824)	\$246,127
Interest on investments	4,264	4,264	4,638	374	4,649
Licenses and permits					
Rental income					
Other	230	230		(230)	
<b>Total revenues</b>	<b>239,494</b>	<b>257,494</b>	<b>237,814</b>	<b>(19,680)</b>	<b>250,776</b>
Expenditures:					
Personnel services			152	(152)	
Supplies	4,186	9,986	8,231	1,755	18,386
Other services and charges	138,313	158,563	159,914	(1,351)	116,900
Capital outlay		50,100	39,300	10,800	122,495
Debt Service	11,997	11,997	11,997		8,998
<b>Total expenditures</b>	<b>154,496</b>	<b>230,646</b>	<b>219,594</b>	<b>11,052</b>	<b>266,779</b>
Revenues over (under) expenditures	84,998	26,848	18,220	(8,628)	(16,003)
Other financing sources (uses):					
Capital leases					
<b>Total other financing sources (uses)</b>					
Net change in fund balance	84,998	26,848	18,220	(8,628)	(16,003)
Fund balance, beginning of year	405,896	405,896	405,896		421,899
Fund balance, end of year	<u>\$490,894</u>	<u>\$432,744</u>	<u>\$424,116</u>	<u>(\$8,628)</u>	<u>\$405,896</u>

**COUNTY OF OTTAWA**

**PROSECUTING ATTORNEY GRANTS SPECIAL REVENUE FUND (2601) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$140,400	\$140,400	\$140,400		\$144,000
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other	360	588	588		500
<b>Total revenues</b>	<b>140,760</b>	<b>140,988</b>	<b>140,988</b>		<b>144,500</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	197,091	197,091	190,723	\$6,368	193,475
Supplies	11,225	9,893	8,983	910	15,304
Other services and charges	3,265	4,825	3,912	913	3,648
Capital outlay					
<b>Total expenditures</b>	<b>211,581</b>	<b>211,809</b>	<b>203,618</b>	<b>8,191</b>	<b>212,427</b>
Revenues over (under) expenditures	(70,821)	(70,821)	(62,630)	8,191	(67,927)
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund	70,821	45,732	37,538	(8,194)	67,927
<b>Total other financing sources (uses)</b>	<b>70,821</b>	<b>45,732</b>	<b>37,538</b>	<b>(8,194)</b>	<b>67,927</b>
Net change in fund balance		(25,089)	(25,092)	(3)	
Fund balance, beginning of year	25,092	25,092	25,092		25,092
Fund balance, end of year	<u>\$25,092</u>	<u>\$3</u>	<u>None</u>	<u>(\$3)</u>	<u>\$25,092</u>

**COUNTY OF OTTAWA**

**SHERIFF 9/30 GRANT PROGRAMS SPECIAL REVENUE FUND (2609) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$492,170	\$485,460	\$428,261	(\$57,199)	\$305,823
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
<b>Total revenues</b>	<b>492,170</b>	<b>485,460</b>	<b>428,261</b>	<b>(57,199)</b>	<b>305,823</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	27,000	63,792	61,064	2,728	119,695
Supplies	85,781	85,274	39,107	46,167	140,476
Other services and charges		21,030	11,647	9,383	24,734
Capital outlay	379,389	315,364	315,364		35,163
<b>Total expenditures</b>	<b>492,170</b>	<b>485,460</b>	<b>427,182</b>	<b>58,278</b>	<b>320,068</b>
Revenues over (under) expenditures			1,079	1,079	(14,245)
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund					14,245
<b>Total other financing sources (uses)</b>					<b>14,245</b>
Net change in fund balance			1,079		
Fund balance, beginning of year					
<b>Fund balance, end of year</b>	<b>None</b>	<b>None</b>	<b>\$1,079</b>	<b>None</b>	<b>None</b>

**COUNTY OF OTTAWA**

**SHERIFF CONTRACTS SPECIAL REVENUE FUND (2610) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$4,387,209	\$4,394,056	\$4,160,514	(\$233,542)	\$4,189,686
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other		1,500	1,950	450	5,081
<b>Total revenues</b>	<b>4,387,209</b>	<b>4,395,556</b>	<b>4,162,464</b>	<b>(233,092)</b>	<b>4,194,767</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	3,967,864	3,970,362	3,794,117	176,245	3,822,167
Supplies	105,945	117,936	78,478	39,458	70,028
Other services and charges	548,630	542,488	501,278	41,210	485,060
Capital outlay					27,315
<b>Total expenditures</b>	<b>4,622,439</b>	<b>4,630,786</b>	<b>4,373,873</b>	<b>256,913</b>	<b>4,404,570</b>
Revenues over (under) expenditures	(235,230)	(235,230)	(211,409)	23,821	(209,803)
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund	235,230	235,230	210,168	(25,062)	209,803
<b>Total other financing sources (uses)</b>	<b>235,230</b>	<b>235,230</b>	<b>210,168</b>	<b>(25,062)</b>	<b>209,803</b>
Net change in fund balance			(1,241)	(1,241)	
Fund balance, beginning of year	1,241	1,241	1,241		1,241
Fund balance, end of year	<u>\$1,241</u>	<u>\$1,241</u>	<u>None</u>	<u>(\$1,241)</u>	<u>\$1,241</u>



**COUNTY OF OTTAWA**

**SHERIFF ROAD PATROL SPECIAL REVENUE FUND (2661) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$190,700	\$190,700	\$190,700		\$215,491
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
<b>Total revenues</b>	<b>190,700</b>	<b>190,700</b>	<b>190,700</b>		<b>215,491</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	288,617	286,917	256,740	\$30,177	274,644
Supplies	4,715	4,715	1,868	2,847	676
Other services and charges	52,825	54,525	56,099	(1,574)	51,301
Capital outlay					
<b>Total expenditures</b>	<b>346,157</b>	<b>346,157</b>	<b>314,707</b>	<b>31,450</b>	<b>326,621</b>
Revenues over (under) expenditures	(155,457)	(155,457)	(124,007)	31,450	(111,130)
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund	155,457	155,457	124,007	(31,450)	111,130
<b>Total other financing sources (uses)</b>	<b>155,457</b>	<b>155,457</b>	<b>124,007</b>	<b>(31,450)</b>	<b>111,130</b>
Net change in fund balance					
Fund balance, beginning of year					
<b>Fund balance, end of year</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>

**COUNTY OF OTTAWA**

**LAW LIBRARY SPECIAL REVENUE FUND (2690) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2011  
(with comparative actual amounts for the year ended December 31, 2010)

	2011			2010 Actual
	Original Budget	Final Amended Budget	Actual	
<b>Revenues:</b>				
Intergovernmental revenues				
Charges for services				
Fines and forfeits				\$8,500
Interest on investments				
Licenses and permits				
Rental income				
Other				
<b>Total revenues</b>				<b>8,500</b>
<b>Expenditures:</b>				
Current operations:				
Personnel services				
Supplies				28,177
Other services and charges				
Capital outlay				
<b>Total expenditures</b>				<b>28,177</b>
Revenues over (under) expenditures				(19,677)
<b>Other financing sources (uses):</b>				
Transfers in (out):				
General Fund				(37,502)
<b>Total other financing sources (uses)</b>				<b>(37,502)</b>
Net change in fund balance				(57,179)
Fund balance, beginning of year				57,179
Fund balance, end of year	None	None	Closed	Closed

**COUNTY OF OTTAWA**

**WORKFORCE INVESTMENT ACT - ADMINISTRATIVE COST POOL SPECIAL REVENUE FUND (2740) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended June 30, 2011  
(with comparative actual amounts for the year ended June 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$707,928	\$694,435	\$501,471	(\$192,964)	\$404,101
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other			1,000	1,000	
<b>Total revenues</b>	<b>707,928</b>	<b>694,435</b>	<b>502,471</b>	<b>(191,964)</b>	<b>404,101</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	258,243	325,590	330,864	(5,274)	207,185
Supplies	21,559	30,385	18,615	11,770	31,391
Other services and charges	428,126	338,460	152,992	185,468	165,525
Capital outlay					
<b>Total expenditures</b>	<b>707,928</b>	<b>694,435</b>	<b>502,471</b>	<b>191,964</b>	<b>404,101</b>
Revenues over (under) expenditures					
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund					
<b>Total other financing sources (uses)</b>					
Net change in fund balance					
Fund balance, beginning of year	948	948	948		948
Fund balance, end of year	<u>\$948</u>	<u>\$948</u>	<u>\$948</u>	<u>None</u>	<u>\$948</u>

**COUNTY OF OTTAWA**

**WORKFORCE INVESTMENT ACT - YOUTH SPECIAL REVENUE FUND (2741) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended June 30, 2011  
(with comparative actual amounts for the year ended June 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$1,081,368	\$1,081,427	\$895,959	(\$185,468)	\$1,995,691
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
<b>Total revenues</b>	<b>1,081,368</b>	<b>1,081,427</b>	<b>895,959</b>	<b>(185,468)</b>	<b>1,995,691</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	123,484	107,664	111,515	(3,851)	101,129
Supplies	5,421	6,321	5,564	757	9,571
Other services and charges	949,103	964,082	775,520	188,562	1,884,991
Capital outlay	3,360	3,360	3,360		
<b>Total expenditures</b>	<b>1,081,368</b>	<b>1,081,427</b>	<b>895,959</b>	<b>185,468</b>	<b>1,995,691</b>
Revenues over (under) expenditures					
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund					
<b>Total other financing sources (uses)</b>					
Net change in fund balance					
Fund balance, beginning of year					
Fund balance, end of year	None	None	None	None	None

**COUNTY OF OTTAWA**

**WORKFORCE INVESTMENT ACT - ADULT SPECIAL REVENUE FUND (2742) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended June 30, 2011  
(with comparative actual amounts for the year ended June 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$818,203	\$821,452	\$627,618	(\$193,834)	\$945,072
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
<b>Total revenues</b>	<b>818,203</b>	<b>821,452</b>	<b>627,618</b>	<b>(193,834)</b>	<b>945,072</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	61,577	56,835	63,995	(7,160)	86,135
Supplies	5,478	6,588	4,104	2,484	5,807
Other services and charges	747,788	754,669	556,159	198,510	853,130
Capital outlay	3,360	3,360	3,360		
<b>Total expenditures</b>	<b>818,203</b>	<b>821,452</b>	<b>627,618</b>	<b>193,834</b>	<b>945,072</b>
Revenues over (under) expenditures					
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund					
<b>Total other financing sources (uses)</b>					
Net change in fund balance					
Fund balance, beginning of year	511	511	511		511
Fund balance, end of year	<u>\$511</u>	<u>\$511</u>	<u>\$511</u>	<u>None</u>	<u>\$511</u>

**COUNTY OF OTTAWA**

**WORKFORCE INVESTMENT ACT - 6/30 GRANT PROGRAMS  
SPECIAL REVENUE FUND (2743) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended June 30, 2011  
(with comparative actual amounts for the year ended June 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$1,984,934	\$2,542,743	\$2,165,062	(\$377,681)	\$2,508,651
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
<b>Total revenues</b>	<u>1,984,934</u>	<u>2,542,743</u>	<u>2,165,062</u>	<u>(377,681)</u>	<u>2,508,651</u>
<b>Expenditures:</b>					
Current operations:					
Personnel services	175,424	207,577	219,741	(12,164)	180,213
Supplies	15,683	26,035	24,294	1,741	45,532
Other services and charges	1,790,467	2,354,176	1,928,325	425,851	2,290,837
Capital outlay	3,360	3,360	3,360		
<b>Total expenditures</b>	<u>1,984,934</u>	<u>2,591,148</u>	<u>2,175,720</u>	<u>415,428</u>	<u>2,516,582</u>
Revenues over (under) expenditures		<u>(48,405)</u>	<u>(10,658)</u>	<u>37,747</u>	<u>(7,931)</u>
<b>Other financing sources (uses):</b>					
Transfers in (out):					
Workforce Investment Act - 12/31 Grant Programs					(9,927)
<b>Total other financing sources (uses)</b>					<u>(9,927)</u>
Net change in fund balance		(48,405)	(10,658)	37,747	(17,858)
Fund balance, beginning of year	74,509	74,509	74,509		92,367
Fund balance, end of year	<u>\$74,509</u>	<u>\$26,104</u>	<u>\$63,851</u>	<u>\$37,747</u>	<u>\$74,509</u>

**COUNTY OF OTTAWA**

**WORKFORCE INVESTMENT ACT - 12/31 GRANT PROGRAMS  
SPECIAL REVENUE FUND (2744) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2011  
(with comparative actual amounts for the year ended December 31, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$304,889	\$255,488	\$51,029	(\$204,459)	\$116,947
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other			32,659	32,659	37,483
<b>Total revenues</b>	<b>304,889</b>	<b>255,488</b>	<b>83,688</b>	<b>(171,800)</b>	<b>154,430</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	56,618	34,054	19,569	14,485	44,244
Supplies	1,943	986	179	807	875
Other services and charges	246,328	220,448	61,445	159,003	100,913
Capital outlay					
<b>Total expenditures</b>	<b>304,889</b>	<b>255,488</b>	<b>81,193</b>	<b>174,295</b>	<b>146,032</b>
Revenues over (under) expenditures			2,495	2,495	8,398
<b>Other financing sources (uses):</b>					
Transfers in (out):					
Community Action Agency					
Workforce Investment Act - 6/30					
Grant Programs					
<b>Total other financing sources (uses)</b>					
Net change in fund balance			2,495	2,495	8,398
Fund balance, beginning of year	51,060	51,060	51,060		42,662
Fund balance, end of year	<u>\$51,060</u>	<u>\$51,060</u>	<u>\$53,555</u>	<u>\$2,495</u>	<u>\$51,060</u>

**COUNTY OF OTTAWA**

**WORKFORCE INVESTMENT ACT-9/30 GRANT PROGRAMS  
SPECIAL REVENUE FUND (2748) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$3,495,234	\$5,707,349	\$4,526,724	(\$1,180,625)	\$3,593,546
Charges for services					
Interest on investments			26	26	71
Licenses and permits					
Rental income					
Other			252,425	252,425	
<b>Total revenues</b>	<b>3,495,234</b>	<b>5,707,349</b>	<b>4,779,175</b>	<b>(928,174)</b>	<b>3,593,617</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	394,804	229,388	259,724	(30,336)	229,525
Supplies	58,984	41,833	30,947	10,886	77,957
Other services and charges	3,041,446	5,437,128	4,542,537	894,591	3,298,035
Capital outlay					
<b>Total expenditures</b>	<b>3,495,234</b>	<b>5,708,349</b>	<b>4,833,208</b>	<b>875,141</b>	<b>3,605,517</b>
Revenues over (under) expenditures		(1,000)	(54,033)	(53,033)	(11,900)
<b>Other financing sources (uses):</b>					
Transfers in (out):					
Community Action Agency			44,895	44,895	
<b>Total other financing sources (uses)</b>			<b>44,895</b>	<b>44,895</b>	
Net change in fund balance		(1,000)	(9,138)	(8,138)	(11,900)
Fund balance, beginning of year	22,371	22,371	22,371		34,271
Fund balance, end of year	<u>\$22,371</u>	<u>\$21,371</u>	<u>\$13,233</u>	<u>(\$8,138)</u>	<u>\$22,371</u>



**COUNTY OF OTTAWA**

**WORKFORCE INVESTMENT ACT-3/31 GRANT PROGRAMS  
SPECIAL REVENUE FUND (2749) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended March 31, 2011  
(with comparative actual amounts for the year ended March 31, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$4,740	\$97,663	\$5,490	(\$92,173)	\$17,500
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					5,000
<b>Total revenues</b>	<b>4,740</b>	<b>97,663</b>	<b>5,490</b>	<b>(92,173)</b>	<b>22,500</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services					
Supplies		1,858		1,858	
Other services and charges	4,740	95,805	5,490	90,315	22,500
Capital outlay					
<b>Total expenditures</b>	<b>4,740</b>	<b>97,663</b>	<b>5,490</b>	<b>92,173</b>	<b>22,500</b>
Revenues over (under) expenditures					
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund					
<b>Total other financing sources (uses)</b>					
Net change in fund balance					
Fund balance, beginning of year					
Fund balance, end of year	None	None	None	None	None

**COUNTY OF OTTAWA**

**GRANT PROGRAMS - PASS THRU SPECIAL REVENUE FUND (2750)-  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$591,012	\$1,075,877	\$929,552	(\$146,325)	\$1,238,844
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
<b>Total revenues</b>	<b>591,012</b>	<b>1,075,877</b>	<b>929,552</b>	<b>(146,325)</b>	<b>1,238,844</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	88,761	88,761	67,270	21,491	76,851
Supplies	3,750	3,750		3,750	15,588
Other services and charges	532,065	525,977	453,372	72,605	722,660
Capital outlay		490,953	432,988	57,965	451,153
<b>Total expenditures</b>	<b>624,576</b>	<b>1,109,441</b>	<b>953,630</b>	<b>155,811</b>	<b>1,266,252</b>
Revenues over (under) expenditures	(33,564)	(33,564)	(24,078)	9,486	(27,408)
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund	33,564	33,564	24,078	(9,486)	27,408
<b>Total other financing sources (uses)</b>	<b>33,564</b>	<b>33,564</b>	<b>24,078</b>	<b>(9,486)</b>	<b>27,408</b>
Net change in fund balance					
Fund balance, beginning of year					
Fund balance, end of year	None	None	None	None	None

**COUNTY OF OTTAWA**

**EMERGENCY FEEDING SPECIAL REVENUE FUND (2800) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$65,000	\$335,047	\$366,731	\$31,684	\$365,851
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
<b>Total revenues</b>	<b>65,000</b>	<b>335,047</b>	<b>366,731</b>	<b>31,684</b>	<b>365,851</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	35,877	26,290	27,072	(782)	12,364
Supplies	1,652	270,768	309,506	(38,738)	305,051
Other services and charges	27,471	37,989	42,466	(4,477)	48,239
Capital outlay					
<b>Total expenditures</b>	<b>65,000</b>	<b>335,047</b>	<b>379,044</b>	<b>(43,997)</b>	<b>365,654</b>
Revenues over (under) expenditures			(12,313)	(12,313)	197
<b>Other financing sources (uses):</b>					
Transfers in (out):					
Community Action Agency			5,199	5,199	
<b>Total other financing sources (uses)</b>			<b>5,199</b>	<b>5,199</b>	
Net change in fund balance			(7,114)	(7,114)	197
Fund balance, beginning of year	18,885	18,885	18,885		18,688
Fund balance, end of year	<u>\$18,885</u>	<u>\$18,885</u>	<u>\$11,771</u>	<u>(\$7,114)</u>	<u>\$18,885</u>

**COUNTY OF OTTAWA**

**FEDERAL EMERGENCY MANAGEMENT AGENCY SPECIAL REVENUE FUND (2810) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011			2010 Actual
	Original Budget	Final Amended Budget	Actual	
<b>Revenues:</b>				
Intergovernmental revenues		\$2,805		\$2,500
Charges for services				
Interest on investments				20
Licenses and permits				
Rental income				
Other				
<b>Total revenues</b>		<b>2,805</b>		<b>2,520</b>
<b>Expenditures:</b>				
Current operations:				
Personnel services				
Supplies				
Other services and charges		2,805	2,805	5,000
Capital outlay				
<b>Total expenditures</b>		<b>2,805</b>	<b>2,805</b>	<b>5,000</b>
Revenues over (under) expenditures				(2,480)
<b>Other financing sources (uses):</b>				
Transfers in (out):				
Community Action Agency				2,480
<b>Total other financing sources (uses)</b>				<b>2,480</b>
Net change in fund balance				
Fund balance, beginning of year				
Fund balance, end of year	None	None	None	None

**COUNTY OF OTTAWA**

**COMMUNITY CORRECTIONS SPECIAL REVENUE FUND (2850) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$242,000	\$242,000	\$241,041	(\$959)	\$220,000
Charges for services	168,825	203,818	187,156	(16,662)	197,817
Interest on investments					
Licenses and permits					
Rental income					
Other	6,395	8,130	7,846	(284)	9,896
<b>Total revenues</b>	<b>417,220</b>	<b>453,948</b>	<b>436,043</b>	<b>(17,905)</b>	<b>427,713</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	646,339	613,990	588,719	25,271	678,230
Supplies	22,615	15,100	11,365	3,735	18,452
Other services and charges	279,137	274,783	266,957	7,826	266,549
Capital outlay					
<b>Total expenditures</b>	<b>948,091</b>	<b>903,873</b>	<b>867,041</b>	<b>36,832</b>	<b>963,231</b>
<b>Revenues over (under) expenditures</b>	<b>(530,871)</b>	<b>(449,925)</b>	<b>(430,998)</b>	<b>18,927</b>	<b>(535,518)</b>
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund	530,871	430,010	364,648	(65,362)	519,991
9/30 Judicial Grants		(34,513)	(34,513)		(31,106)
<b>Total other financing sources (uses)</b>	<b>530,871</b>	<b>395,497</b>	<b>330,135</b>	<b>(65,362)</b>	<b>488,885</b>
<b>Net change in fund balance</b>		<b>(54,428)</b>	<b>(100,863)</b>	<b>(46,435)</b>	<b>(46,633)</b>
<b>Fund balance, beginning of year</b>	<b>207,555</b>	<b>207,555</b>	<b>207,555</b>		<b>254,188</b>
<b>Fund balance, end of year</b>	<b>\$207,555</b>	<b>\$153,127</b>	<b>\$106,692</b>	<b>(\$46,435)</b>	<b>\$207,555</b>

**COUNTY OF OTTAWA**

**REVENUE SHARING RESERVE SPECIAL REVENUE FUND (2855) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2011  
(with comparative actual amounts for the year ended December 31, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Taxes					
Intergovernmental revenues					
Charges for services					
Interest on investments					\$31,334
Licenses and permits					
Rental income					
Other					
<b>Total revenues</b>					<b>31,334</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services					
Supplies					
Other services and charges					
Capital outlay					
Debt service					
<b>Total expenditures</b>					
<b>Revenues over (under) expenditures</b>					<b>31,334</b>
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund	(\$423,889)	(\$422,130)	(\$422,130)		(4,681,321)
<b>Total other financing sources (uses)</b>	<b>(423,889)</b>	<b>(422,130)</b>	<b>(422,130)</b>		<b>(4,681,321)</b>
<b>Net change in fund balance</b>	<b>(423,889)</b>	<b>(422,130)</b>	<b>(422,130)</b>		<b>(4,649,987)</b>
Fund balance, beginning of year	422,130	422,130	422,130		5,072,117
Fund balance, end of year	<u>(\$1,759)</u>	<u>None</u>	<u>Closed</u>	<u>None</u>	<u>\$422,130</u>

**COUNTY OF OTTAWA**

**COMMUNITY ACTION AGENCY SPECIAL REVENUE FUND (2870) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$567,157	\$633,548	\$519,782	(\$113,766)	\$936,494
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other	30,000	42,500	34,902	(7,598)	21,904
<b>Total revenues</b>	<b>597,157</b>	<b>676,048</b>	<b>554,684</b>	<b>(121,364)</b>	<b>958,398</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	458,560	294,228	280,454	13,774	410,854
Supplies	14,719	84,038	76,780	7,258	93,487
Other services and charges	152,878	309,654	214,986	94,668	497,425
Capital outlay		17,128		17,128	17,128
<b>Total expenditures</b>	<b>626,157</b>	<b>705,048</b>	<b>572,220</b>	<b>132,828</b>	<b>1,018,894</b>
Revenues over (under) expenditures	(29,000)	(29,000)	(17,536)	11,464	(60,496)
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund	29,000	29,000	29,000		29,000
Emergency Feeding			(5,199)	(5,199)	(2,480)
Workforce Investment Act - 9/30 Grant Programs			(44,895)	(44,895)	
<b>Total other financing sources (uses)</b>	<b>29,000</b>	<b>29,000</b>	<b>(21,094)</b>	<b>(50,094)</b>	<b>26,520</b>
Net change in fund balance			(38,630)	(38,630)	(33,976)
Fund balance, beginning of year	118,715	118,715	118,715		152,691
Fund balance, end of year	<u>\$118,715</u>	<u>\$118,715</u>	<u>\$80,085</u>	<u>(\$38,630)</u>	<u>\$118,715</u>

**COUNTY OF OTTAWA**

**WEATHERIZATION SPECIAL REVENUE FUND (2890) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended March 31, 2011  
(with comparative actual amounts for the year ended March 31, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$1,319,517	\$1,902,819	\$1,684,566	(\$218,253)	\$663,686
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other		69,500	114,083	44,583	21,281
<b>Total revenues</b>	<b>1,319,517</b>	<b>1,972,319</b>	<b>1,798,649</b>	<b>(173,670)</b>	<b>684,967</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	315,530	450,796	407,521	43,275	274,278
Supplies	798,593	1,264,774	1,201,351	63,423	306,833
Other services and charges	205,394	239,673	153,837	85,836	100,274
Capital outlay		16,576	16,576		
<b>Total expenditures</b>	<b>1,319,517</b>	<b>1,971,819</b>	<b>1,779,285</b>	<b>192,534</b>	<b>681,385</b>
Revenues over (under) expenditures		500	19,364	18,864	3,582
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund					
Community Action Agency					
<b>Total other financing sources (uses)</b>					
Net change in fund balance		500	19,364	18,864	3,582
Fund balance, beginning of year	3,750	3,750	3,750		168
Fund balance, end of year	<u>\$3,750</u>	<u>\$4,250</u>	<u>\$23,114</u>	<u>\$18,864</u>	<u>\$3,750</u>



**COUNTY OF OTTAWA**

**DEPARTMENT OF HUMAN SERVICES SPECIAL REVENUE FUND (2901) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$175,000	\$175,000	\$182,776	\$7,776	\$171,723
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other	400	431	431		2,315
<b>Total revenues</b>	<b>175,400</b>	<b>175,431</b>	<b>183,207</b>	<b>7,776</b>	<b>174,038</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services					
Supplies	1,525	1,476	1,318	158	3,318
Other services and charges	247,625	247,705	254,402	(6,697)	255,998
Capital outlay					
<b>Total expenditures</b>	<b>249,150</b>	<b>249,181</b>	<b>255,720</b>	<b>(6,539)</b>	<b>259,316</b>
<b>Revenues over (under) expenditures</b>	<b>(73,750)</b>	<b>(73,750)</b>	<b>(72,513)</b>	<b>1,237</b>	<b>(85,278)</b>
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund	73,750	(176,250)	(176,250)		74,837
<b>Total other financing sources (uses)</b>	<b>73,750</b>	<b>(176,250)</b>	<b>(176,250)</b>		<b>74,837</b>
<b>Net change in fund balance</b>		<b>(250,000)</b>	<b>(248,763)</b>	<b>1,237</b>	<b>(10,441)</b>
<b>Fund balance, beginning of year</b>	<b>269,773</b>	<b>269,773</b>	<b>269,773</b>		<b>280,214</b>
<b>Fund balance, end of year</b>	<b>\$269,773</b>	<b>\$19,773</b>	<b>\$21,010</b>	<b>\$1,237</b>	<b>\$269,773</b>

**COUNTY OF OTTAWA**

**CHILD CARE - CIRCUIT COURT SPECIAL REVENUE FUND (2920) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$3,742,759	\$3,784,207	\$3,321,634	(\$462,573)	\$3,648,170
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other	516,700	641,700	719,227	77,527	528,276
<b>Total revenues</b>	<b>4,259,459</b>	<b>4,425,907</b>	<b>4,040,861</b>	<b>(385,046)</b>	<b>4,176,446</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services	4,547,582	4,528,611	4,143,298	385,313	4,292,217
Supplies	181,002	181,201	154,707	26,494	179,283
Other services and charges	3,418,643	3,603,863	3,234,503	369,360	3,215,056
Capital outlay					
<b>Total expenditures</b>	<b>8,147,227</b>	<b>8,313,675</b>	<b>7,532,508</b>	<b>781,167</b>	<b>7,686,556</b>
Revenues over (under) expenditures	(3,887,768)	(3,887,768)	(3,491,647)	396,121	(3,510,110)
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund	3,887,768	3,137,768	2,741,647	(396,121)	3,992,884
<b>Total other financing sources (uses)</b>	<b>3,887,768</b>	<b>3,137,768</b>	<b>2,741,647</b>	<b>(396,121)</b>	<b>3,992,884</b>
Net change in fund balance		(750,000)	(750,000)		482,774
Fund balance, beginning of year	1,922,093	1,922,093	1,922,093		1,439,319
Fund balance, end of year	<u>\$1,922,093</u>	<u>\$1,172,093</u>	<u>\$1,172,093</u>	<u>None</u>	<u>\$1,922,093</u>

**COUNTY OF OTTAWA**

**CHILD CARE - SOCIAL SERVICES SPECIAL REVENUE FUND (2921) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$1,000				\$270
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
<b>Total revenues</b>	<b>1,000</b>				<b>270</b>
<b>Expenditures:</b>					
Current operations:					
Personnel services					
Supplies					
Other services and charges	2,500				796
Capital outlay					
<b>Total expenditures</b>	<b>2,500</b>				<b>796</b>
Revenues over (under) expenditures	(1,500)				(526)
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund	1,500	(73,260)	(73,260)		
<b>Total other financing sources (uses)</b>	<b>1,500</b>	<b>(73,260)</b>	<b>(73,260)</b>		
Net change in fund balance		(73,260)	(73,260)		(526)
Fund balance, beginning of year	73,260	73,260	73,260		73,786
Fund balance, end of year	<u>\$73,260</u>	<u>None</u>	<u>None</u>	<u>None</u>	<u>\$73,260</u>

**COUNTY OF OTTAWA**

**SOLDIERS' AND SAILORS' RELIEF SPECIAL REVENUE FUND (2930) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2011  
(with comparative actual amounts for the year ended December 31, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues					
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
<b>Total revenues</b>					
<b>Expenditures:</b>					
Current operations:					
Personnel services					
Supplies					
Other services and charges					\$45,725
Capital outlay					
<b>Total expenditures</b>					45,725
<b>Revenues over (under) expenditures</b>					(45,725)
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund					45,725
<b>Total other financing sources (uses)</b>					45,725
<b>Net change in fund balance</b>					
<b>Fund balance, beginning of year</b>					
<b>Fund balance, end of year</b>	<u>None</u>	<u>None</u>	<u>Closed</u>	<u>None</u>	<u>Closed</u>

**COUNTY OF OTTAWA**

**VETERANS TRUST SPECIAL REVENUE FUND (2941) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended September 30, 2011  
(with comparative actual amounts for the year ended September 30, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues	\$13,852	\$60,000	\$53,048	(\$6,952)	\$21,872
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
<b>Total revenues</b>	<u>13,852</u>	<u>60,000</u>	<u>53,048</u>	<u>(6,952)</u>	<u>21,872</u>
<b>Expenditures:</b>					
Current operations:					
Personnel services					
Supplies					
Other services and charges	13,852	60,000	53,048	6,952	23,353
Capital outlay					
<b>Total expenditures</b>	<u>13,852</u>	<u>60,000</u>	<u>53,048</u>	<u>6,952</u>	<u>23,353</u>
Revenues over (under) expenditures					<u>(1,481)</u>
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund					
<b>Total other financing sources (uses)</b>					
Net change in fund balance					(1,481)
Fund balance, beginning of year					1,481
Fund balance, end of year	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>

**COUNTY OF OTTAWA**

**OTTAWA COUNTY BUILDING AUTHORITY DEBT SERVICE FUND (5690 - 5695) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2011  
(with comparative actual amounts for the year ended December 31, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Interest on investments					
Rental income	\$2,382,589	\$2,382,589	\$2,382,030	(\$559)	\$2,388,298
<b>Total revenues</b>	<b>2,382,589</b>	<b>2,382,589</b>	<b>2,382,030</b>	<b>(559)</b>	<b>2,388,298</b>
<b>Expenditures:</b>					
Debt service:					
Principal retirement	2,110,000	2,110,000	2,110,000		2,035,000
Interest and fiscal charges	1,035,464	1,035,464	1,034,730	734	1,115,198
Bond issuance costs					
<b>Total expenditures</b>	<b>3,145,464</b>	<b>3,145,464</b>	<b>3,144,730</b>	<b>734</b>	<b>3,150,198</b>
Revenues over (under) expenditures	(762,875)	(762,875)	(762,700)	175	(761,900)
<b>Other financing sources (uses):</b>					
Transfers in (out)					
Infrastructure	125,000	125,000	125,000		125,000
Public Improvement Fund	187,875	187,875	187,700	(175)	186,900
Delinquent Tax Revolving Fund	150,000	150,000	150,000		150,000
Telecommunications	150,000	150,000	150,000		150,000
Ottawa County, Michigan Insurance Authority	150,000	150,000	150,000		150,000
Premium on refunding bonds					
Payment to refunding bond					
<b>Total other financing sources (uses)</b>	<b>762,875</b>	<b>762,875</b>	<b>762,700</b>	<b>(175)</b>	<b>761,900</b>
Net change in fund balance					
Fund balances, beginning of year					
Fund balances, end of year	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>

**COUNTY OF OTTAWA**

**OTTAWA COUNTY BUILDING AUTHORITY CAPITAL PROJECTS FUND (5690 - 5695) -  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2011  
(with comparative actual amounts for the year ended December 31, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Interest on investments					
Other					
<b>Total revenues</b>					
<b>Expenditures:</b>					
Capital outlay					\$180,621
Bond issue costs					
<b>Total expenditures</b>					180,621
Revenues over (under) expenditures					(180,621)
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund					180,621
Health					
Solid Waste Clean-up					
Public Improvement					
Department of Human Services					
Circuit Court - Child Care					
Telecommunications					
Equipment Pool					
Issuance of bonds					
Premium on bonds issued					
<b>Total other financing sources (uses)</b>					180,621
Net change in fund balance					
Fund balances, beginning of year					
Fund balances, end of year	None	None	None	None	None

**COUNTY OF OTTAWA**

**CEMETERY TRUST PERMANENT FUND (1500)  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2011  
(with comparative actual amounts for the year ended December 31, 2010)

	2011				2010 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
<b>Revenues:</b>					
Intergovernmental revenues					
Charges for services					
Interest on investments	\$8	\$8	\$39	\$31	\$67
Licenses and permits					
Rental income					
Other					
<b>Total revenues</b>	<b>8</b>	<b>8</b>	<b>39</b>	<b>31</b>	<b>67</b>
<b>Expenditures:</b>					
Personnel services					
Supplies					
Other services and charges	606	606	687	(81)	
Capital outlay					
<b>Total expenditures</b>	<b>606</b>	<b>606</b>	<b>687</b>	<b>(81)</b>	
Revenues over (under) expenditures	(598)	(598)	(648)	(50)	67
<b>Other financing sources (uses):</b>					
Transfers in (out):					
General Fund					
<b>Total other financing sources (uses)</b>					
Net change in fund balance	(598)	(598)	(648)	(50)	67
Fund balance, beginning of year	6,418	6,418	6,418		6,351
Fund balance, end of year	<u>\$5,820</u>	<u>\$5,820</u>	<u>\$5,770</u>	<u>(\$50)</u>	<u>\$6,418</u>



## COUNTY OF OTTAWA

### INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2011

Internal Service Funds are established to account for the financing of goods or services provided by one department to other departments of the governmental unit on a cost-reimbursement basis.

Information Technology Fund (6360) - The Information Technology Fund is used to account for revenues collected from user departments for service charges to cover the costs incurred in the operation of the department including computer processing time and programming time.

Duplicating Fund (6450) - The Duplicating Fund is used to account for revenues received from user departments and expenses incurred in providing copier services.

Telecommunications Fund (6550) - The Telecommunications Fund is used to account for revenues received from user departments and expenses incurred in providing telephone service.

Equipment Pool Fund (6641) - The Equipment Pool Fund is used to account for revenues collected from user departments for the equipment rental charges to cover the costs incurred to administer the equipment pool fund and depreciation of the equipment.

Protected Self-Funded Insurance Programs Fund (6770) - The Protected Self-Funded Insurance Programs Fund is used to account for the administrative costs associated with managing the self-insured portion of the vehicle protection program, the workers' compensation program, the liability protection program and the property and fire protection program.

Employee Benefits Fund (6771) - The Protected Self-Funded Employee Insurance Fund is used to account for revenues collected from user departments for the payment of costs incurred to administer the self-funded health insurance program, third party administrative expenses and actual health claims paid.

Protected Self-Funded Unemployment Fund (6772) - The protected Self-Funded Unemployment Fund is used to account for revenues collected from user departments for the payment of costs incurred to administer the self-funded unemployment insurance program, third party administrative expenses and actual unemployment claims paid.

Long-Term Disability Insurance Fund (6775) - The Long-term Disability Insurance Fund is used to account for revenues collected from user departments for the payment of costs incurred to administer the long-term disability insurance program and insurance premiums paid.

**COUNTY OF OTTAWA**

**INTERNAL SERVICE FUNDS (CONTINUED)**

FOR THE YEAR ENDED DECEMBER 31, 2011

Ottawa County, Michigan Insurance Authority Fund (6780) - The Ottawa County, Michigan Insurance Authority Fund is used to account for insurance coverage and risk management related services to participating public entities pursuant to State of Michigan Act No. 36 of the Public Acts of 1988.

Protected Self-Funded Insurance - Mental Health Fund (6782) - The Protected Self-Funded Insurance - Mental Health Fund is used to account for funds covering risk exposure under the Managed Care Specialty Services Program.

COUNTY OF OTTAWA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET ASSETS  
December 31, 2011  
(with comparative totals for December 31, 2010)

	Information Technology (6360)	Duplicating (6450)	Telecom- munications (6550)	Equipment Pool (6641)	Protected Self-Funded Insurance Programs (6770)	Employee Benefits (6771)
<b><u>ASSETS</u></b>						
Current assets:						
Cash and pooled investments	\$2,547,045	\$580,534	\$2,682,980	\$3,202,916		\$2,144,819
Investments						
Accounts receivable	4,261		6,919			
Accrued interest on investments						
Due from other funds	27,461	6,081	27,417	33,832	\$4,587,112	19,509
Inventory of supplies	48,601					
Prepaid expenses	281,211		15,394		10,000	
Total current assets	<u>2,908,579</u>	<u>586,615</u>	<u>2,732,710</u>	<u>3,236,748</u>	<u>4,597,112</u>	<u>2,164,328</u>
Noncurrent assets:						
Capital assets:						
Office furniture and equipment				4,373,350		
Copy machines		159,844				
Telephone equipment			2,716,760			
Vehicles				4,460,114		
Less accumulated depreciation		(68,099)	(2,170,831)	(7,484,059)		
Net capital assets		<u>91,745</u>	<u>545,929</u>	<u>1,349,405</u>		
Total assets	<u>2,908,579</u>	<u>678,360</u>	<u>3,278,639</u>	<u>4,586,153</u>	<u>4,597,112</u>	<u>2,164,328</u>
<b><u>LIABILITIES</u></b>						
Current liabilities:						
Accounts payable	42,442	1,399	3,177	661	485,250	2,996
Interfund payable					351,430	
Due to other funds						
Due to other governmental units						
Unearned revenue			11,460			
Total liabilities	<u>42,442</u>	<u>1,399</u>	<u>14,637</u>	<u>661</u>	<u>836,680</u>	<u>2,996</u>
<b><u>NET ASSETS</u></b>						
Investment in capital assets		91,745	545,929	1,349,405		
Restricted for managed care risk exposure						
Unrestricted	<u>2,866,137</u>	<u>585,216</u>	<u>2,718,073</u>	<u>3,236,087</u>	<u>3,760,432</u>	<u>2,161,332</u>
Total net assets	<u>\$2,866,137</u>	<u>\$676,961</u>	<u>\$3,264,002</u>	<u>\$4,585,492</u>	<u>\$3,760,432</u>	<u>\$2,161,332</u>

(Continued on next page)

COUNTY OF OTTAWA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET ASSETS  
December 31, 2011  
(with comparative totals for December 31, 2010)

	Protected Self-Funded Unemployment (6772)	Long-Term Disability Insurance (6775)	Ottawa County, Michigan Insurance Authority (6780)	Protected Self-Funded Insurance - Mental Health (6782)	Totals	
					2011	2010
<b><u>ASSETS</u></b>						
Current assets:						
Cash and pooled investments	\$707,097	\$108,510	\$597,883	\$1,667,544	\$14,239,328	\$15,393,134
Investments			24,980,476		24,980,476	23,958,223
Accounts receivable					11,180	653,345
Accrued interest on investments			112,421		112,421	150,371
Due from other funds	7,174	1,121		499,193	5,208,900	4,603,543
Inventory of supplies					48,601	50,651
Prepaid expenses			93,985		400,590	573,382
<b>Total current assets</b>	<b>714,271</b>	<b>109,631</b>	<b>25,784,765</b>	<b>2,166,737</b>	<b>45,001,496</b>	<b>45,382,649</b>
Noncurrent assets:						
Capital assets:						
Office furniture and equipment					4,373,350	4,065,144
Copy machines					159,844	150,486
Telephone equipment					2,716,760	2,672,035
Vehicles					4,460,114	4,281,586
Less accumulated depreciation					(9,722,989)	(9,104,611)
<b>Net capital assets</b>					<b>1,987,079</b>	<b>2,064,640</b>
<b>Total assets</b>	<b>714,271</b>	<b>109,631</b>	<b>25,784,765</b>	<b>2,166,737</b>	<b>46,988,575</b>	<b>47,447,289</b>
<b><u>LIABILITIES</u></b>						
Current liabilities:						
Accounts payable	630	163	7,247,570		7,784,288	9,831,535
Interfund payable					351,430	284,468
Due to other funds			4,600,423		4,600,423	4,440,145
Due to other governmental units	100,773			94,285	195,058	176,155
Unearned revenue					11,460	57,293
<b>Total liabilities</b>	<b>101,403</b>	<b>163</b>	<b>11,847,993</b>	<b>94,285</b>	<b>12,942,659</b>	<b>14,789,596</b>
<b><u>NET ASSETS</u></b>						
Investment in capital assets					1,987,079	2,064,640
Restricted for managed care risk exposure				2,072,452	2,072,452	1,666,623
Unrestricted	612,868	109,468	13,936,772		29,986,385	28,926,430
<b>Total net assets</b>	<b>\$612,868</b>	<b>\$109,468</b>	<b>\$13,936,772</b>	<b>\$2,072,452</b>	<b>\$34,045,916</b>	<b>\$32,657,693</b>

(Concluded)

COUNTY OF OTTAWA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
For the year ended December 31, 2011  
(with comparative totals for the year ended December 31, 2010)

	Information Technology (6360)	Duplicating (6450)	Telecom- munications (6550)	Equipment Pool (6641)	Protected Self-Funded Insurance Programs (6770)	Employee Benefits (6771)
Operating revenues:						
Charges for services	\$2,978,696	\$76,660	\$657,313	\$696,969	\$183,699	\$9,635,896
Other revenue				43,730		
Total operating revenues	<u>2,978,696</u>	<u>76,660</u>	<u>657,313</u>	<u>740,699</u>	<u>183,699</u>	<u>9,635,896</u>
Operating expenses:						
Personnel services	1,542,296	10,930	122,428	38,896	159,199	170,941
Contractual services	1,024,421	8,728	233,402		50,111	9,064,018
Supplies	87,019	42,944	21,506	2	189	86
Depreciation		25,397	132,280	733,964		
Building and equipment rental	51,174					
Claims and legal					104,138	899,500
Miscellaneous	174,388	16,067	27,258	41,878	3,938	26,916
Total operating expenses	<u>2,879,298</u>	<u>104,066</u>	<u>536,874</u>	<u>814,740</u>	<u>317,575</u>	<u>10,161,461</u>
Operating income (loss)	<u>99,398</u>	<u>(27,406)</u>	<u>120,439</u>	<u>(74,041)</u>	<u>(133,876)</u>	<u>(525,565)</u>
Nonoperating revenues (expenses):						
Interest on investments	27,461	6,081	27,417	33,832	166,613	19,509
Net change in the fair value of investments						
Gain (loss) on retirement of capital assets		(1,279)		49,500		
Total nonoperating revenues (expenses)	<u>27,461</u>	<u>4,802</u>	<u>27,417</u>	<u>83,332</u>	<u>166,613</u>	<u>19,509</u>
Income (loss) before transfers	126,859	(22,604)	147,856	9,291	32,737	(506,056)
Transfers in (out):						
Ottawa County Building Authority - Debt Service			(150,000)			
General Fund						(400,000)
Total transfers			<u>(150,000)</u>			<u>(400,000)</u>
Change in net assets	126,859	(22,604)	(2,144)	9,291	32,737	(906,056)
Total net assets, beginning of year	2,739,278	699,565	3,266,146	4,576,201	3,727,695	3,067,388
Total net assets, end of year	<u>\$2,866,137</u>	<u>\$676,961</u>	<u>\$3,264,002</u>	<u>\$4,585,492</u>	<u>\$3,760,432</u>	<u>\$2,161,332</u>

*(Continued on next page)*

COUNTY OF OTTAWA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
For the year ended December 31, 2011  
(with comparative totals for the year ended December 31, 2010)

	Protected Self-Funded Unemploy- ment (6772)	Long-Term Disability Insurance (6775)	Ottawa County, Michigan Insurance Authority (6780)	Protected Self-Funded Insurance - Mental Health (6782)	Totals	
					2011	2010
Operating revenues:						
Charges for services	\$157,811	\$112,109	\$1,777,013	\$499,193	\$16,775,359	\$19,727,003
Other revenue			4,873		48,603	26,899
Total operating revenues	<u>157,811</u>	<u>112,109</u>	<u>1,781,886</u>	<u>499,193</u>	<u>16,823,962</u>	<u>19,753,902</u>
Operating expenses:						
Personnel services	57,726	7,890			2,110,306	2,183,322
Contractual services	34,610	103,057	588,280		11,106,627	3,024,705
Supplies					151,746	94,103
Depreciation					891,641	1,168,755
Building and equipment rental					51,174	114,399
Claims and legal	100,773		(233,705)	94,285	964,991	11,185,709
Miscellaneous	8,993	5,304			304,742	363,465
Total operating expenses	<u>202,102</u>	<u>116,251</u>	<u>354,575</u>	<u>94,285</u>	<u>15,581,227</u>	<u>18,134,458</u>
Operating income (loss)	<u>(44,291)</u>	<u>(4,142)</u>	<u>1,427,311</u>	<u>404,908</u>	<u>1,242,735</u>	<u>1,619,444</u>
Nonoperating revenues (expenses):						
Interest on investments	7,174	1,121	446,045	\$921	736,174	767,790
Net change in the fair value of investments			61,093		61,093	1,752,189
Gain (loss) on retirement of capital assets					48,221	(24,359)
Total nonoperating revenues (expenses)	<u>7,174</u>	<u>1,121</u>	<u>507,138</u>	<u>921</u>	<u>845,488</u>	<u>2,495,620</u>
Income (loss) before transfers	<u>(37,117)</u>	<u>(3,021)</u>	<u>1,934,449</u>	<u>405,829</u>	<u>2,088,223</u>	<u>4,115,064</u>
Transfers in (out):						
Ottawa County Building Authority - Debt Service			(150,000)		(300,000)	(300,000)
General Fund					(400,000)	
Total transfers			<u>(150,000)</u>		<u>(700,000)</u>	<u>(300,000)</u>
Change in net assets	<u>(37,117)</u>	<u>(3,021)</u>	<u>1,784,449</u>	<u>405,829</u>	<u>1,388,223</u>	<u>3,815,064</u>
Total net assets, beginning of year	649,985	112,489	12,152,323	1,666,623	32,657,693	28,842,629
Total net assets, end of year	<u>\$612,868</u>	<u>\$109,468</u>	<u>\$13,936,772</u>	<u>\$2,072,452</u>	<u>\$34,045,916</u>	<u>\$32,657,693</u>

(Concluded)

**COUNTY OF OTTAWA**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2011**  
**(with comparative totals for the year ended December 31, 2010)**

	Information Technology (6360)	Duplicating (6450)	Tele- communications (6550)	Equipment Pool (6641)
Cash flows from operating activities:				
Cash received from interfund services provided	\$2,982,324	\$76,660	\$623,931	\$740,699
Cash payments to suppliers for goods and services	(1,390,844)	(105,821)	(374,328)	(41,880)
Cash payments for self-funded insurance claims				
Cash payments to employees for services	(1,542,296)	(10,930)	(122,428)	(38,915)
Net cash provided by (used for) operating activities	<u>49,184</u>	<u>(40,091)</u>	<u>127,175</u>	<u>659,904</u>
Cash flows from noncapital financing activities:				
Transfers in from other funds				
Transfers out to other funds			(150,000)	
Net cash provided by (used for) noncapital financing activities			<u>(150,000)</u>	
Cash flows from capital and related financing activities:				
Acquisition of capital assets		(45,665)	(44,724)	(704,857)
Payment on capital lease				
Proceeds from sale of equipment		400		28,989
Net cash provided by (used for ) capital and related financing activities		<u>(45,265)</u>	<u>(44,724)</u>	<u>(675,868)</u>
Cash flows from investing activities:				
Purchase of investments				
Interest on investments	30,873	7,992	33,413	36,057
Proceeds on sale of investments				
Net cash provided by (used for) investing activities	<u>30,873</u>	<u>7,992</u>	<u>33,413</u>	<u>36,057</u>
Net increase (decrease) in cash and pooled investments	80,057	(77,364)	(34,136)	20,093
Cash and pooled investments, beginning of year	<u>2,466,988</u>	<u>657,898</u>	<u>2,717,116</u>	<u>3,182,823</u>
Cash and pooled investments, end of year	<u><u>\$2,547,045</u></u>	<u><u>\$580,534</u></u>	<u><u>\$2,682,980</u></u>	<u><u>\$3,202,916</u></u>

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COUNTY OF OTTAWA  
 INTERNAL SERVICE FUNDS  
 COMBINING STATEMENT OF CASH FLOWS  
 For the Year Ended December 31, 2011  
 (with comparative totals for the year ended December 31, 2010)

	Protected Self-Funded Insurance Programs (6770)	Employee Benefits (6771)	Protected Self-Funded Unemployment (6772)	Long-Term Disability Insurance (6775)
Cash flows from operating activities:				
Cash received from interfund services provided	\$183,699	\$9,635,896	\$157,811	\$112,109
Cash payments to suppliers for goods and services	(54,238)	(9,091,020)	(43,601)	(99,291)
Cash payments for self-funded insurance claims	(56,870)	(1,345,758)	(176,155)	
Cash payments to employees for services	(159,199)	(170,941)	(57,630)	(7,890)
Net cash provided by (used for) operating activities	<u>(86,608)</u>	<u>(971,823)</u>	<u>(119,575)</u>	<u>4,928</u>
Cash flows from noncapital financing activities:				
Transfers in from other funds	66,962			
Transfers out to other funds		(400,000)		
Net cash provided by (used for) noncapital financing activities	<u>66,962</u>	<u>(400,000)</u>		
Cash flows from capital and related financing activities:				
Acquisition of capital assets				
Payment on capital lease				
Proceeds from sale of equipment				
Net cash provided by (used for) capital and related financing activities				
Cash flows from investing activities:				
Purchase of investments				
Interest on investments	19,646	43,351	10,524	1,188
Proceeds on sale of investments				
Net cash provided by (used for) investing activities	<u>19,646</u>	<u>43,351</u>	<u>10,524</u>	<u>1,188</u>
Net increase (decrease) in cash and pooled investments		(1,328,472)	(109,051)	6,116
Cash and pooled investments, beginning of year		<u>3,473,291</u>	<u>816,148</u>	<u>102,394</u>
Cash and pooled investments, end of year	<u>None</u>	<u>\$2,144,819</u>	<u>\$707,097</u>	<u>\$108,510</u>

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**COUNTY OF OTTAWA**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2011**  
 (with comparative totals for the year ended December 31, 2010)

	Ottawa County, Michigan Insurance Authority (6780)	Protected Self-Funded Insurance - Mental Health (6782)	<u>Totals</u>	
			2011	2010
Cash flows from operating activities:				
Cash received from interfund services provided	\$1,948,499		\$16,461,628	\$19,878,314
Cash payments to suppliers for goods and services	(229,169)		(11,430,192)	(3,102,622)
Cash payments for self-funded insurance claims	(804,135)		(2,382,918)	(12,049,748)
Cash payments to employees for services			(2,110,229)	(2,183,613)
Net cash provided by (used for) operating activities	<u>915,195</u>		<u>538,289</u>	<u>2,542,331</u>
Cash flows from noncapital financing activities:				
Transfers in from other funds			66,962	84,732
Transfers out to other funds	(150,000)		(700,000)	(300,000)
Net cash provided by (used for) noncapital financing activities	<u>(150,000)</u>		<u>(633,038)</u>	<u>(215,268)</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets			(795,246)	(796,597)
Payment on capital lease				(35,413)
Proceeds from sale of equipment			29,389	
Net cash provided by (used for) capital and related financing activities			<u>(765,857)</u>	<u>(832,010)</u>
Cash flows from investing activities:				
Purchase of investments	(15,329,576)		(15,329,576)	(12,622,126)
Interest on investments	483,995	\$921	667,960	572,148
Proceeds on sale of investments	14,368,416		14,368,416	11,288,711
Net cash provided by (used for) investing activities	<u>(477,165)</u>	<u>921</u>	<u>(293,200)</u>	<u>(761,267)</u>
Net increase (decrease) in cash and pooled investments	288,030	921	(1,153,806)	733,786
Cash and pooled investments, beginning of year	<u>309,853</u>	<u>1,666,623</u>	<u>15,393,134</u>	<u>14,659,348</u>
Cash and pooled investments, end of year	<u>\$597,883</u>	<u>\$1,667,544</u>	<u>\$14,239,328</u>	<u>\$15,393,134</u>

*(Continued on next page)*

COUNTY OF OTTAWA  
 INTERNAL SERVICE FUNDS  
 COMBINING STATEMENT OF CASH FLOWS  
 For the Year Ended December 31, 2011  
 (with comparative totals for the year ended December 31, 2010)

	Information Technology (6360)	Duplicating (6450)	Tele- communications (6550)	Equipment Pool (6641)
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$99,398	(\$27,406)	\$120,439	(\$74,041)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation		25,397	132,280	733,964
Change in assets and liabilities not affecting cash provided by (used for) operating activities:				
(Increase) decrease in receivables	3,628		12,451	
(Increase) decrease in due from other funds				
(Increase) decrease in inventory	2,050			
(Increase) decrease in prepaid expenses	(50,675)		(15,181)	
Increase (decrease) in unpaid claims liability				
Increase (decrease) in unearned revenue			(45,833)	
Increase (decrease) in accounts payable	(5,217)	(38,082)	(76,981)	(19)
Increase (decrease) in due to other other governmental units				
Increase (decrease) in due to other funds				
Net cash provided by (used for) operating activities	<u>\$49,184</u>	<u>(\$40,091)</u>	<u>\$127,175</u>	<u>\$659,904</u>

*(Continued on next page)*

COUNTY OF OTTAWA  
 INTERNAL SERVICE FUNDS  
 COMBINING STATEMENT OF CASH FLOWS  
 For the Year Ended December 31, 2011  
 (with comparative totals for the year ended December 31, 2010)

	Protected Self-Funded Insurance Programs (6770)	Employee Benefits (6771)	Protected Self-Funded Unemploy- ment (6772)	Long- Term Disability Insurance (6775)
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	(\$133,876)	(\$525,565)	(\$44,291)	(\$4,142)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation				
Change in assets and liabilities not affecting cash provided by (used for) operating activities:				
(Increase) decrease in receivables		626,086		
(Increase) decrease in due from other funds				
(Increase) decrease in inventory				
(Increase) decrease in prepaid expenses		229,458		9,017
Increase (decrease) in unpaid claims liability				
Increase (decrease) in unearned revenue				
Increase (decrease) in accounts payable	47,268	(1,301,802)	98	53
Increase (decrease) in due to other other governmental units			(75,382)	
Increase (decrease) in due to other funds				
Net cash provided by (used for) operating activities	<u>(\$86,608)</u>	<u>(\$971,823)</u>	<u>(\$119,575)</u>	<u>\$4,928</u>

*(Continued on next page)*

**COUNTY OF OTTAWA**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2011**  
**(with comparative totals for the year ended December 31, 2010)**

	Ottawa County, Michigan Insurance Authority (6780)	Protected Self-Funded Insurance - Mental Health (6782)	<u>Totals</u>	
			<u>2011</u>	<u>2010</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$1,427,311	\$404,908	\$1,242,735	\$1,619,444
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation			891,641	1,168,755
Change in assets and liabilities not affecting cash provided by (used for) operating activities:				
(Increase) decrease in receivables			642,165	(94,982)
(Increase) decrease in due from other funds		(499,193)	(499,193)	
(Increase) decrease in inventory			2,050	(3,999)
(Increase) decrease in prepaid expenses	173		172,792	(198,008)
Increase (decrease) in unpaid claims liability	(672,567)		(672,567)	7,421
Increase (decrease) in unearned revenue			(45,833)	(45,833)
Increase (decrease) in accounts payable			(1,374,682)	(172,520)
Increase (decrease) in due to other other governmental units		94,285	18,903	86,197
Increase (decrease) in due to other funds	160,278		160,278	175,856
Net cash provided by (used for) operating activities	<u>\$915,195</u>	<u>None</u>	<u>\$538,289</u>	<u>\$2,542,331</u>

*(Concluded)*

## COUNTY OF OTTAWA

### FIDUCIARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2011

Fiduciary Funds are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

#### AGENCY FUNDS

Trust and Agency Fund (7010) - This Fund was established to account for monies received by the County for later distribution to other agencies or persons. Primarily the fund accounts for revenue received and later remitted to the State of Michigan.

Library Penal Fine Fund (7210) - This Fund was established under Act 236, Section 4351 to account for monies received from District Court fines which are allocated annually for operations of libraries in the County.

Imprest Payroll Fund (7040) - This Fund was established to account for the salaries and fringes of the County employees payroll. Money is disbursed from the Imprest Payroll Fund after being reimbursed by the benefiting funds.

Inland Lake Improvement (8725) – The Drain Commissioner serves on various inland lake boards that do not meet the requirements of a component unit. The Drain Commissioner also serves as the treasurer for these boards, so the financial activity is recorded on the County’s general ledger. Accordingly, the County is recording this activity in an agency fund.

**COUNTY OF OTTAWA**

**FIDUCIARY FUNDS**

**COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**

December 31, 2011

(with comparative totals for December 31, 2010)

	Agency Funds				Total	
	Trust and Agency 7010	Library Penal Fine 7210	Imprest Payroll 7040	Inland Lake Improvement 8725	2011	2010
<b>ASSETS</b>						
Cash and pooled investments	\$2,012,727	\$434,476	\$1,638,265	\$172,903	\$4,258,371	\$4,112,499
Receivables:						
Accounts	532,726				532,726	80,159
Due from other governmental units	345,029				345,029	22,614
Total assets	<u>\$2,890,482</u>	<u>\$434,476</u>	<u>\$1,638,265</u>	<u>\$172,903</u>	<u>\$5,136,126</u>	<u>\$4,215,272</u>
<b>LIABILITIES</b>						
Liabilities:						
Due to other governmental units:						
Due to State of Michigan	\$756,574		\$234,683		\$991,257	\$1,153,633
Fines and fees due to local libraries		\$434,476			434,476	520,058
Agency deposits	2,133,908		1,403,582	\$172,903	3,710,393	2,541,581
Total liabilities	<u>\$2,890,482</u>	<u>\$434,476</u>	<u>\$1,638,265</u>	<u>\$172,903</u>	<u>\$5,136,126</u>	<u>\$4,215,272</u>

**COUNTY OF OTTAWA  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS**

FOR THE YEAR ENDED DECEMBER 31, 2011

	Balances January 1, 2011	Additions	Deductions	Balances December 31, 2011
<b><u>TRUST AND AGENCY FUND (7010)</u></b>				
<b><u>ASSETS</u></b>				
Cash and pooled investments	\$2,179,732	\$129,311,767	\$129,478,772	\$2,012,727
Accounts receivable	80,159	1,922,653	1,470,086	532,726
Due from other governmental units	22,614	750,040	427,625	345,029
Total assets	<u>\$2,282,505</u>	<u>\$131,984,460</u>	<u>\$131,376,483</u>	<u>\$2,890,482</u>
<b><u>LIABILITIES</u></b>				
Due to other taxing units		\$40,101,507	\$40,101,507	
Due to State of Michigan	\$933,375	62,606,433	62,783,234	\$756,574
Agency deposits	1,349,130	97,078,346	96,293,568	2,133,908
Total liabilities	<u>\$2,282,505</u>	<u>\$199,786,286</u>	<u>\$199,178,309</u>	<u>\$2,890,482</u>
 <b><u>LIBRARY PENAL FINE FUND (7210)</u></b>				
<b><u>ASSETS</u></b>				
Cash and pooled investments	\$520,058	\$887,084	\$972,666	\$434,476
Total assets	<u>\$520,058</u>	<u>\$887,084</u>	<u>\$972,666</u>	<u>\$434,476</u>
<b><u>LIABILITIES</u></b>				
Fines and fees due to local libraries	\$520,058	\$887,084	\$972,666	\$434,476
Agency deposits		955,582	955,582	
Total liabilities	<u>\$520,058</u>	<u>\$1,842,666</u>	<u>\$1,928,248</u>	<u>\$434,476</u>

*(Continued on next page)*

**COUNTY OF OTTAWA  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS**

FOR THE YEAR ENDED DECEMBER 31, 2011

	Balances January 1, 2011	Additions	Deductions	Balances December 31, 2011
<b><u>IMPREST PAYROLL FUND (7040)</u></b>				
<b><u>ASSETS</u></b>				
Cash and pooled investments	\$1,230,841	\$67,215,252	\$66,807,828	\$1,638,265
Accounts receivable		64,565,096	64,565,096	
Total assets	<u>\$1,230,841</u>	<u>\$131,780,348</u>	<u>\$131,372,924</u>	<u>\$1,638,265</u>
<b><u>LIABILITIES</u></b>				
Due to State of Michigan	\$220,258	\$1,903,261	\$1,888,836	\$234,683
Agency deposits	1,010,583	68,993,596	68,600,597	1,403,582
Total liabilities	<u>\$1,230,841</u>	<u>\$70,896,857</u>	<u>\$70,489,433</u>	<u>\$1,638,265</u>
<b><u>INLAND LAKE IMPROVEMENT (8725)</u></b>				
<b><u>ASSETS</u></b>				
Cash and pooled investments	\$181,868	\$651,303	\$660,268	\$172,903
Total assets	<u>\$181,868</u>	<u>\$651,303</u>	<u>\$660,268</u>	<u>\$172,903</u>
<b><u>LIABILITIES</u></b>				
Agency deposits	\$181,868	\$585,432	\$594,397	\$172,903
Total liabilities	<u>\$181,868</u>	<u>\$585,432</u>	<u>\$594,397</u>	<u>\$172,903</u>
<b><u>TOTALS - AGENCY FUNDS</u></b>				
<b><u>ASSETS</u></b>				
Cash and pooled investments	\$4,112,499	\$198,065,406	\$197,919,534	\$4,258,371
Accounts receivable	80,159	66,487,749	66,035,182	532,726
Due from other governmental units	22,614	750,040	427,625	345,029
Total assets	<u>\$4,215,272</u>	<u>\$265,303,195</u>	<u>\$264,382,341</u>	<u>\$5,136,126</u>
<b><u>LIABILITIES</u></b>				
Due to other taxing units		\$40,101,507	\$40,101,507	
Due to State of Michigan	\$1,153,633	64,509,694	64,672,070	\$991,257
Fines and fees due to local libraries	520,058	887,084	972,666	434,476
Agency deposits	2,541,581	167,612,956	166,444,144	3,710,393
Total liabilities	<u>\$4,215,272</u>	<u>\$273,111,241</u>	<u>\$272,190,387</u>	<u>\$5,136,126</u>

(Concluded)



**COUNTY OF OTTAWA  
STATISTICAL SECTION**

This part of the County of Ottawa’s 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 government’s overall financial health.

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<b>Financial Trends</b> <i>These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.</i>	201
<b>Revenue Capacity</b> <i>These schedules contain information to help the reader assess the County’s most significant local revenue source, the property tax.</i>	207
<b>Debt Capacity</b> <i>These schedules present 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.</i>	211
<b>Demographic and Economic Information</b> <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County’s financial activities take place.</i>	214
<b>Operating Information</b> <i>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.</i>	216

*Source: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.*

**COUNTY OF OTTAWA  
NET ASSETS BY COMPONENT  
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Governmental Activities</b>										
Invested in capital assets, net of related debt	\$112,014,491	\$109,387,852	\$110,087,094	\$96,135,351	\$81,991,023	\$78,519,838	\$74,348,852	\$62,513,315	\$54,652,223	\$36,869,011
Restricted	17,801,312	19,421,942	23,416,355	33,748,813	38,510,706	40,108,692	35,040,583	31,077,232	26,913,213	33,832,570
Unrestricted	64,920,525	59,447,035	54,493,996	60,985,302	68,819,561	60,800,956	54,030,017	47,241,713	46,050,289	45,780,029
<b>Total Governmental Activities</b>										
Net Assets	<u>\$194,736,328</u>	<u>\$188,256,829</u>	<u>\$187,997,445</u>	<u>\$190,869,466</u>	<u>\$189,321,290</u>	<u>\$179,429,486</u>	<u>\$163,419,452</u>	<u>\$140,832,260</u>	<u>\$127,615,725</u>	<u>\$116,481,610</u>
<b>Business-Type Activities</b>										
Invested in capital assets, net of related debt	\$0	\$0	\$0	\$2,025	\$3,037	\$4,049	\$5,423	\$6,873	\$8,690	\$10,433
Restricted	447,167	222,198	232,381							
Unrestricted	23,576,310	24,049,598	24,494,919	24,560,157	24,403,583	24,232,390	24,337,816	25,220,565	26,569,311	27,483,344
<b>Total Business-Type Activities</b>										
Net Assets	<u>\$24,023,477</u>	<u>\$24,271,796</u>	<u>\$24,727,300</u>	<u>\$24,562,182</u>	<u>\$24,406,620</u>	<u>\$24,236,439</u>	<u>\$24,343,239</u>	<u>\$25,227,438</u>	<u>\$26,578,001</u>	<u>\$27,493,777</u>
<b>Primary Government</b>										
Invested in capital assets, net of related debt	\$112,014,491	\$109,387,852	\$110,087,094	\$96,137,376	\$81,994,060	\$78,523,887	\$74,354,275	\$62,520,188	\$54,660,913	\$36,879,444
Restricted	18,248,479	19,644,140	23,648,736	33,748,813	38,510,706	40,108,692	35,040,583	31,077,232	26,913,213	33,832,570
Unrestricted	88,496,835	83,496,633	78,988,915	85,545,459	93,223,144	85,033,346	78,367,833	72,462,278	72,619,600	73,263,373
<b>Total Primary Government</b>										
Net Assets	<u>\$218,759,805</u>	<u>\$212,528,625</u>	<u>\$212,724,745</u>	<u>\$215,431,648</u>	<u>\$213,727,910</u>	<u>\$203,665,925</u>	<u>\$187,762,691</u>	<u>\$166,059,698</u>	<u>\$154,193,726</u>	<u>\$143,975,387</u>

**COUNTY OF OTTAWA  
CHANGES IN NET ASSETS  
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Expenses</b>										
<b>Governmental Activities:</b>										
Legislative	\$428,578	\$476,002	\$547,466	\$548,719	\$627,625	\$520,618	\$548,532	\$469,994	\$485,174	\$495,502
Judicial	14,502,573	13,855,839	14,519,351	14,215,044	13,317,030	12,605,344	11,987,986	11,736,487	11,922,865	12,742,673
General government	15,447,894	16,425,170	17,110,266	15,345,245	13,401,945	15,175,102	13,962,772	13,628,246	11,665,978	11,048,540
Public safety	28,476,232	28,915,634	29,113,616	27,231,508	25,226,290	24,441,981	23,328,246	21,832,984	21,912,133	22,417,791
Public works	2,446,691	1,625,519	2,153,528	(739,191)	1,264,883	(1,437,838)	(508,530)	1,044,377	742,711	26,442
Health and welfare	63,874,693	63,386,274	60,438,578	58,762,909	57,160,468	54,270,351	51,784,416	48,066,300	45,357,514	43,436,806
Community and economic development	621,591	572,601	638,164	624,254	601,758	605,805	555,485	848,964	558,852	
Culture and recreation	3,218,940	2,979,627	2,810,712	2,263,151	1,868,818	1,994,991	1,830,849	1,658,024	1,326,197	1,310,229
Interest on long-term debt	1,039,869	1,120,937	1,215,945	1,308,463	1,018,189	741,070	709,485	890,774	958,283	1,009,585
<b>Total Governmental Activities Expenses</b>	<u>\$130,057,061</u>	<u>\$129,357,603</u>	<u>\$128,547,626</u>	<u>\$119,560,102</u>	<u>\$114,487,006</u>	<u>\$108,917,424</u>	<u>\$104,199,241</u>	<u>\$100,176,150</u>	<u>\$94,929,707</u>	<u>\$92,487,568</u>
<b>Business-Type Activities:</b>										
Delinquent tax collection	2,565,380	2,619,364	2,637,015	2,602,228	2,541,550	2,243,439	1,789,661	1,888,210	1,892,364	1,893,669
<b>Total Business-Type Activities Expenses</b>	<u>2,565,380</u>	<u>2,619,364</u>	<u>2,637,015</u>	<u>2,602,228</u>	<u>2,541,550</u>	<u>2,243,439</u>	<u>1,789,661</u>	<u>1,888,210</u>	<u>1,892,364</u>	<u>1,893,669</u>
<b>Total Primary Government Expenses</b>	<u>\$132,622,441</u>	<u>\$131,976,967</u>	<u>\$131,184,641</u>	<u>\$122,162,330</u>	<u>\$117,028,556</u>	<u>\$111,160,863</u>	<u>\$105,988,902</u>	<u>\$102,064,360</u>	<u>\$96,822,071</u>	<u>\$94,381,237</u>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for services:										
Judicial	\$4,321,400	\$4,264,283	\$3,664,644	\$3,802,269	\$3,737,197	\$3,799,831	\$3,669,496	\$3,337,581	\$3,210,168	\$3,371,423
General government	7,212,417	6,889,492	6,742,345	7,281,714	7,937,129	7,828,177	8,030,479	8,049,440	8,747,622	7,760,923
Public safety	6,012,143	6,394,977	6,191,172	6,032,691	5,047,927	5,048,970	4,761,022	4,442,960	4,139,168	3,893,681
Public works	389,376	349,904	344,926	405,175	403,922	446,501	441,146	417,824	417,582	445,492
Health and welfare	2,882,631	2,453,458	2,534,330	2,784,887	2,575,152	2,717,256	2,750,778	2,434,930	2,445,701	2,228,505
Community and economic development	22,095	18,552	441	10,901	10,605	23,770	20,997			
Culture and recreation	470,163	474,325	522,197	522,973	560,488	289,658	301,842	411,092	355,147	276,531
Interest on long-term debt	2,382,030	2,388,298	2,779,913	2,774,563	2,769,438	2,439,503	2,008,656	2,243,461	2,351,754	2,357,518
Operating grants and contributions	61,739,527	59,359,989	53,071,822	51,809,963	51,516,123	46,999,986	47,211,640	42,742,884	38,146,000	39,075,902
Capital grants and contributions	1,653,505	446,900	2,213,859	613,507	1,513,884	850,262	9,250,395	464,436	944,647	412,699
<b>Total Governmental Activities Program Revenues</b>	<u>\$87,085,287</u>	<u>\$83,040,178</u>	<u>\$78,065,649</u>	<u>\$76,038,643</u>	<u>\$76,071,865</u>	<u>\$70,443,914</u>	<u>\$78,446,451</u>	<u>\$64,544,608</u>	<u>\$60,757,789</u>	<u>\$59,822,674</u>
<b>Business-Type Activities:</b>										
Charges for services:										
Delinquent tax collection	2,307,223	2,113,782	2,795,750	2,201,594	1,711,915	1,291,853	1,095,241	936,481	1,004,489	1,175,605
<b>Total Business-Type Activities Program Revenues</b>	<u>2,307,223</u>	<u>2,113,782</u>	<u>2,795,750</u>	<u>2,201,594</u>	<u>1,711,915</u>	<u>1,291,853</u>	<u>1,095,241</u>	<u>936,481</u>	<u>1,004,489</u>	<u>1,175,605</u>
<b>Total Primary Government Program Revenues</b>	<u>\$89,392,510</u>	<u>\$85,153,960</u>	<u>\$80,861,399</u>	<u>\$78,240,237</u>	<u>\$77,783,780</u>	<u>\$71,735,767</u>	<u>\$79,541,692</u>	<u>\$65,481,089</u>	<u>\$61,762,278</u>	<u>\$60,998,279</u>

**COUNTY OF OTTAWA  
CHANGES IN NET ASSETS  
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Net (Expense)/Revenue</b>										
Governmental activities	(\$42,971,774)	(\$46,317,425)	(\$50,481,977)	(\$43,521,459)	(\$38,415,141)	(\$38,473,510)	(\$25,752,790)	(\$35,631,542)	(\$34,171,918)	(\$32,664,894)
Business-type activities	(258,157)	(505,582)	158,735	(400,634)	(829,635)	(951,586)	(694,420)	(951,729)	(887,875)	(718,064)
Total Primary Government Net Expense	<u>(\$43,229,931)</u>	<u>(\$46,823,007)</u>	<u>(\$50,323,242)</u>	<u>(\$43,922,093)</u>	<u>(\$39,244,776)</u>	<u>(\$39,425,096)</u>	<u>(\$26,447,210)</u>	<u>(\$36,583,271)</u>	<u>(\$35,059,793)</u>	<u>(\$33,382,958)</u>
<b>General Revenues and Other Changes in Net Assets</b>										
Governmental Activities:										
Taxes										
Property taxes	\$41,220,281	\$42,348,687	\$43,680,112	\$43,141,153	\$41,740,361	\$49,182,314	\$44,867,713	\$41,606,745	\$30,477,703	\$29,108,216
Unrestricted grants and contributions	6,003,393	51,346	52,393	29,044	21,545	24,657	31,374	1,448,461	4,236,699	4,759,864
Investment earnings	1,362,564	3,206,795	3,305,967	1,342,489	6,740,703	5,007,679	2,514,383	2,440,814	3,622,427	4,896,600
Miscellaneous	701,587	780,973	368,669	379,989	524,250	261,156	307,525	316,890	258,117	413,552
Capital contributions							0	100,000	6,149,100	
Transfers	163,448	189,008	202,815	176,960	24,224	7,738	618,987	805,899	746,305	442,988
Special item: Contribution to West Michigan Enforcement Team for formation									(481,329)	
Total Governmental Activities	<u>\$49,451,273</u>	<u>\$46,576,809</u>	<u>\$47,609,956</u>	<u>\$45,069,635</u>	<u>\$49,051,083</u>	<u>\$54,483,544</u>	<u>\$48,339,982</u>	<u>\$46,718,809</u>	<u>\$45,009,022</u>	<u>\$39,621,220</u>
Business-Type Activities:										
Unrestricted grants				\$3,577						
Investment earnings	159,838	200,078	157,817	702,619	999,816	844,786	440,423	401,166	547,099	1,332,432
Miscellaneous	0	0	(1,434)							
Transfers	(150,000)	(150,000)	(150,000)	(150,000)			(630,202)	(800,000)	(575,000)	(550,000)
Total Business-Type Activities	<u>9,838</u>	<u>50,078</u>	<u>6,383</u>	<u>556,196</u>	<u>999,816</u>	<u>844,786</u>	<u>(189,779)</u>	<u>(398,834)</u>	<u>(27,901)</u>	<u>782,432</u>
Total Primary Government	<u>\$49,461,111</u>	<u>\$46,626,887</u>	<u>\$47,616,339</u>	<u>\$45,625,831</u>	<u>\$50,050,899</u>	<u>\$55,328,330</u>	<u>\$48,150,203</u>	<u>\$46,319,975</u>	<u>\$44,981,121</u>	<u>\$40,403,652</u>
<b>Changes in Net Assets</b>										
Governmental activities	\$6,479,499	\$259,384	(\$2,872,021)	\$1,548,176	\$10,635,942	\$16,010,034	\$22,587,192	\$11,087,267	\$10,837,104	\$6,956,326
Business-type activities	(248,319)	(455,504)	165,118	155,562	170,181	(106,800)	(884,199)	(1,350,563)	(915,776)	64,368
Total Primary Government	<u>\$6,231,180</u>	<u>(\$196,120)</u>	<u>(\$2,706,903)</u>	<u>\$1,703,738</u>	<u>\$10,806,123</u>	<u>\$15,903,234</u>	<u>\$21,702,993</u>	<u>\$9,736,704</u>	<u>\$9,921,328</u>	<u>\$7,020,694</u>

**COUNTY OF OTTAWA  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Fund										
Reserved			\$2,463,646	\$2,399,141	\$2,383,291	\$2,359,739	\$1,914,675	\$1,734,514	\$1,630,225	\$1,388,523
Unreserved			14,249,311	19,685,285	19,763,187	17,503,887	15,970,916	15,567,791	12,932,053	10,929,404
Non spendable	\$1,063,101	\$1,211,907								
Restricted	3,895,553	3,621,836								
Committed	24,208,298	21,236,492								
Assigned	2,892,842	2,124,534								
Unassigned	13,705,990	10,596,307								
Total General Fund	<u>\$ 45,765,784</u>	<u>\$ 38,791,076</u>	<u>\$ 16,712,957</u>	<u>\$ 22,084,426</u>	<u>\$ 22,146,478</u>	<u>\$ 19,863,626</u>	<u>\$ 17,885,591</u>	<u>\$ 17,302,305</u>	<u>\$ 14,562,278</u>	<u>\$ 12,317,927</u>
All Other Governmental Funds										
Reserved			\$9,311,357	\$17,787,698	\$22,544,510	\$24,704,233	\$19,584,065	\$7,559,074	\$580,576	\$564,962
Unreserved, reported in:										
Special revenue funds			27,151,539	30,712,913	36,148,248	34,129,511	33,089,612	39,980,174	43,869,777	49,118,501
Capital projects funds					4,766,982	253,715	2,374,153			
Permanent funds			581	484	266		331	209		
Debt service funds				10,488	10,801	10,381				
Non spendable	\$480,256	\$234,865								
Restricted	4,585,792	6,653,473								
Committed	1,500	1,000								
Assigned	2,986,441	4,230,262								
	<u>\$ 8,053,989</u>	<u>\$ 11,119,600</u>	<u>\$ 36,463,477</u>	<u>\$ 48,511,583</u>	<u>\$ 63,470,807</u>	<u>\$ 59,097,840</u>	<u>\$ 55,048,161</u>	<u>\$ 47,539,457</u>	<u>\$ 44,450,353</u>	<u>\$ 49,683,463</u>

Effective 2011, the County implemented GASB 54, "Fund Balance Reporting and Governmental Fund Type Definitions". Restated figures prior to 2010 are not available.

**COUNTY OF OTTAWA  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS**

	2011	2010	2009	2008	2007
<b>Revenues</b>					
Taxes	\$41,220,280	\$42,348,687	\$43,680,112	\$43,141,153	\$41,740,361
Intergovernmental	73,502,034	64,864,135	60,128,208	56,434,209	56,197,074
Charges for services	9,416,373	9,182,235	8,512,541	9,964,645	9,767,081
Fines and forfeits	1,094,561	1,059,777	1,008,906	943,444	1,019,126
Investment earnings	565,297	686,816	598,424	3,470,029	4,362,275
Licenses and permits	923,264	682,162	652,886	639,978	624,236
Rental Income	5,776,717	5,888,783	6,372,474	6,272,068	6,442,950
Other revenues	3,059,623	1,872,377	1,514,342	1,665,938	1,764,038
<b>Total Revenues</b>	<b>135,558,149</b>	<b>126,584,972</b>	<b>122,467,893</b>	<b>122,531,464</b>	<b>121,917,141</b>
<b>Expenditures</b>					
Legislative	424,362	486,009	540,483	559,364	625,263
Judicial	14,520,814	14,069,261	14,357,862	14,485,029	13,576,215
General government	11,807,932	13,293,991	13,303,007	13,068,576	12,752,949
Public safety	28,472,398	28,961,133	28,255,423	27,511,087	25,809,803
Public works	1,131,288	1,267,255	1,137,666	807,457	863,260
Health and welfare	64,304,327	63,515,125	59,250,617	58,809,002	57,774,307
Community and economic development	619,453	579,516	634,793	633,980	600,570
Culture and recreation	2,517,148	2,234,518	2,123,869	1,774,863	1,498,687
Other governmental functions	176,388	225,829	149,627	272,874	147,251
Capital outlay	5,485,160	2,556,903	17,165,013	20,669,867	8,856,079
Debt service					
Interest and fiscal charges	1,034,730	1,115,198	1,207,113	1,302,601	1,059,013
Principal	2,110,000	2,035,000	2,335,000	2,235,000	1,830,000
<b>Total Expenditures</b>	<b>132,604,000</b>	<b>130,339,738</b>	<b>140,460,473</b>	<b>142,129,700</b>	<b>125,393,397</b>
Excess of Revenues					
Over (Under) Expenditures	2,954,149	(3,754,766)	(17,992,580)	(19,598,236)	(3,476,256)
<b>Other Financing Sources (Uses)</b>					
Transfers from other funds	9,016,885	15,888,171	26,901,059	28,937,698	18,396,869
Transfers to other funds	(8,153,437)	(15,435,158)	(26,398,244)	(24,360,738)	(18,343,645)
Proceeds from capital lease		35,995	70,190		
Issuance of land contract	91,500				
Issuance of bonds					10,000,000
Refunding bonds issued					
Premium on bonds issued					78,851
Payment to refunding bond escrow agent					
<b>Total Other Financing Sources (Uses)</b>	<b>954,948</b>	<b>489,008</b>	<b>573,005</b>	<b>4,576,960</b>	<b>10,132,075</b>
Special Item:					
Contribution to West Michigan Enforcement Team for formation					
<b>Net Change in Fund Balances</b>	<b>\$3,909,097</b>	<b>(\$3,265,758)</b>	<b>(\$17,419,575)</b>	<b>(\$15,021,276)</b>	<b>\$6,655,819</b>
Debt Service as a					
Percentage of Noncapital Expenditures (1)	2.47%	2.47%	2.87%	2.91%	2.48%

(1) Capital expenditures within the functional expenditure categories have been deducted.

**COUNTY OF OTTAWA  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS**

	2006	2005	2004	2003	2002
<b>Revenues</b>					
Taxes	\$49,182,314	\$44,867,713	\$41,606,745	\$30,477,703	\$29,108,216
Intergovernmental	50,708,309	56,055,124	47,634,209	45,591,195	46,857,944
Charges for services	9,646,695	9,795,022	10,135,135	10,797,855	9,335,988
Fines and forfeits	1,054,192	1,076,449	1,033,297	1,000,292	1,068,804
Investment earnings	3,184,509	1,561,657	1,413,570	1,826,467	4,442,975
Licenses and permits	674,810	745,950	704,422	661,333	545,031
Rental Income	5,998,857	5,442,363	5,253,344	5,244,366	5,504,855
Other revenues	1,832,591	2,189,691	989,481	1,013,754	1,153,830
<b>Total Revenues</b>	<b>122,282,277</b>	<b>121,733,969</b>	<b>108,770,203</b>	<b>96,612,965</b>	<b>98,017,643</b>
<b>Expenditures</b>					
Legislative	524,438	549,673	463,217	480,630	489,564
Judicial	12,723,585	12,124,762	11,754,724	11,717,496	12,709,838
General government	12,749,953	12,470,763	11,528,237	9,828,250	9,789,942
Public safety	24,539,124	23,646,691	21,889,931	20,811,049	21,798,498
Public works	668,915	550,295	682,435	677,432	746,928
Health and welfare	54,607,601	51,346,970	47,197,156	43,501,375	43,083,010
Community and economic development	605,318	555,363	843,051	555,858	
Culture and recreation	1,641,099	1,507,733	1,310,643	977,414	1,126,684
Other governmental functions	163,642	119,565	107,577	99,322	60,411
Capital outlay	5,140,660	17,313,458	8,915,367	12,504,071	1,658,659
Debt service					
Interest and fiscal charges	733,395	1,298,259	904,901	965,822	1,020,975
Principal	1,720,000	1,460,000	1,395,000	1,340,000	1,295,000
<b>Total Expenditures</b>	<b>115,817,730</b>	<b>122,943,532</b>	<b>106,992,239</b>	<b>103,458,719</b>	<b>93,779,509</b>
Excess of Revenues					
Over (Under) Expenditures	6,464,547	(1,209,563)	1,777,964	(6,845,754)	4,238,134
<b>Other Financing Sources (Uses)</b>					
Transfers from other funds	17,593,905	21,046,183	18,932,766	12,420,974	16,127,216
Transfers to other funds	(18,030,738)	(19,880,952)	(14,881,599)	(11,141,169)	(15,527,947)
Proceeds from capital lease					
Issuance of land contract					
Issuance of bonds		7,865,000			
Refunding bonds issued		10,005,000			
Premium on bonds issued		690,972			
Payment to refunding bond escrow agent		(10,424,650)			
<b>Total Other Financing Sources (Uses)</b>	<b>(436,833)</b>	<b>9,301,553</b>	<b>4,051,167</b>	<b>1,279,805</b>	<b>599,269</b>
Special Item:					
Contribution to West Michigan Enforcement Team for formation				(481,329)	
<b>Net Change in Fund Balances</b>	<b>\$6,027,714</b>	<b>\$8,091,990</b>	<b>\$5,829,131</b>	<b>(\$6,047,278)</b>	<b>\$4,837,403</b>
Debt Service as a Percentage of Noncapital Expenditures (1)	2.22%	2.61%	2.34%	2.54%	2.51%

(1) Capital expenditures within the functional expenditure categories have been deducted.

**COUNTY OF OTTAWA**  
**ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY**  
**LAST TEN CALENDAR YEARS**

<b>Fiscal Year Ended Dec 31,</b>	<b>Residential Property (1)</b>	<b>Commercial Property (1)</b>	<b>Industrial Property (1)</b>	<b>Other Property (1)</b>	<b>Total Assessed Value (2)</b>	<b>Total Direct Tax Rate</b>	<b>Total Taxable Value (3)</b>	<b>Total Estimated Actual Value</b>	<b>Percentage of Assessed to Estimated Values</b>
2002	\$5,753,888,867	\$1,219,397,186	\$1,019,559,776	\$563,791,514	\$8,556,637,343	4.2722	\$7,179,278,659	\$17,199,500,005	49.75%
2003	6,249,467,098	1,280,277,578	1,014,262,258	612,132,852	9,156,139,786	4.1672	7,564,368,026	18,402,627,432	49.75%
2004	6,716,873,710	1,322,251,677	1,042,548,460	653,989,617	9,735,663,464	4.1611	8,017,866,823	19,552,979,984	49.79%
2005	7,236,894,083	1,384,464,924	1,043,983,418	680,080,009	10,345,422,434	4.2593	8,503,786,076	20,805,877,296	49.72%
2006	7,856,224,166	1,443,751,850	1,043,810,103	684,435,873	11,028,221,992	4.2579	9,027,094,310	22,170,339,035	49.74%
2007	8,322,378,855	1,525,255,251	1,138,353,787	733,806,001	11,719,793,894	4.3572	9,585,665,481	23,594,493,916	49.67%
2008	8,454,588,788	1,592,147,608	1,183,541,453	767,449,246	11,997,727,095	4.3572	9,898,685,191	24,198,304,107	49.58%
2009	8,170,901,810	1,554,014,430	1,193,763,947	787,679,437	11,706,359,624	4.3572	10,018,437,711	23,614,026,941	49.57%
2010	7,618,003,419	1,493,136,163	1,105,242,878	774,492,392	10,990,874,852	4.3565	9,612,697,661	22,131,690,729	49.66%
2011	7,348,848,650	1,358,447,695	1,050,128,006	734,285,453	10,491,709,804	4.3565	9,405,987,828	21,107,443,588	49.71%

**Source:** Ottawa County Equalization Department

(1) Real and personal properties have been combined into the categories above.

(2) County assesses property at approximately 50% of the actual value.

(3) For taxes levied in 1995, and each year thereafter, the legislature shall provide for the taxable value of each parcel of property not to increase by more than the increase in the immediately preceding general price level (CPI), or 5%, whichever is less, until such time as ownership of the property is transferred. When ownership of the parcel is transferred, the parcel shall be assessed at the applicable proportion of the current true cash value.



**County of Ottawa**  
**Direct and Overlapping Property Tax Rates (per \$1,000 of Taxable Value)**  
**Last Ten Calendar Years**

	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>County Direct Rates</b>										
Operating	3.5000	3.4000	3.4000	4.6666	4.6666	4.7666	3.6000	3.6000	3.6000	3.6000
Parks	0.3229	0.3208	0.3182	0.3174	0.3168	0.3165	0.3165	0.3165	0.3165	0.3165
E-911	0.4493	0.4464	0.4429	0.4419	0.4411	0.4407	0.4407	0.4407	0.4400	0.4400
<b>Total Direct Rate (1)</b>	<b>4.2722</b>	<b>4.1672</b>	<b>4.1611</b>	<b>5.4259</b>	<b>5.4245</b>	<b>5.5238</b>	<b>4.3572</b>	<b>4.3572</b>	<b>4.3565</b>	<b>4.3565</b>
<b>City and Village Rates</b>										
Coopersville	15.2700	15.1222	14.9036	14.9939	14.7991	14.9025	15.1987	14.4594	14.4928	14.5294
Ferrysburg	11.9899	11.9864	11.9788	11.9788	11.9788	11.5828	11.5027	10.3377	10.2377	10.1377
Grand Haven	12.7319	12.8663	13.2423	13.0859	13.0859	13.1853	14.3642	14.3609	14.6124	15.3612
Holland	15.6662	15.5895	15.5695	15.5396	15.4996	15.6497	15.9894	15.9904	16.3913	16.3350
Hudsonville	12.2369	12.2342	12.2322	12.2322	11.2226	11.2050	11.2623	11.2639	11.2848	11.2779
Zeeland	12.3852	11.3854	11.3854	11.3854	11.3854	11.3854	11.4854	11.2354	11.2354	11.2354
Spring Lake Village	12.1619	13.1619	13.1619	13.0619	11.9619	11.8619	11.8619	11.6619	11.6619	11.6619
<b>Township Rates</b>	<b>1.03-8.11</b>	<b>1.0-8.02</b>	<b>1.21-8.02</b>	<b>1.21-8.08</b>	<b>1.35-8.12</b>	<b>1.35-8.12</b>	<b>1.35-7.97</b>	<b>1.35-7.97</b>	<b>1.45-6.75</b>	<b>1.45-6.75</b>
<b>School Rates</b>										
Homestead	3.34 - 9.23	3.28 - 9.21	3.10 - 9.25	3.00 - 9.25	3.00 - 9.25	3.00 - 9.25	2.8 - 9.25	3.0 - 9.25	2.97 - 9.25	2.97 - 9.25
Non-Homestead	21.34 - 26.68	21.28 - 27.21	21.10 - 27.25	21.00 - 26.96	21.00 - 26.78	21.00 - 26.78	20.80 - 27.25	21.00 - 27.25	20.97 - 27.25	20.97 - 27.25

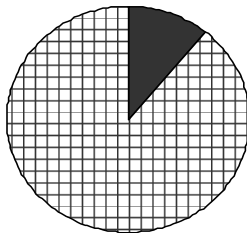
(1) In October of 2004, the State of Michigan suspended State Revenue Sharing payments to counties. To assist counties in preventing the loss of key services, the county property tax levy was gradually moved up from December to July over three years. Effective December 2004 through 2006 tax collection, one third of the levy was placed into a County managed Revenue Sharing Reserve Fund (RSRF), and the County withdrew an amount equal to what we would have received in 2004, plus an annual increase equal to CPI (Consumer Price Index).

**COUNTY OF OTTAWA  
PRINCIPAL TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	Type of Business	2011			2002		
		Taxable Assessed Valuation (1)	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Valuation (1)	Rank	Percentage of Total County Taxable Assessed Value
Consumers Energy	Utility	\$680,863,877	1	7.24%	\$317,260,520	1	4.42%
Gentex Corporation	Automotive Components	114,105,786	2	1.21%			
Mead Johnson and Co.	Food Products	54,149,996	3	0.58%			
Herman Miller Inc.	Office Furniture	47,149,065	4	0.50%	82,119,681	2	1.14%
Leprino Foods Inc.	Cheese Production	35,031,285	5	0.37%			
Michigan Electric Transmission	Utility	19,466,682	6	0.21%			
Johnson Controls Interiors	Automotive Components	18,661,207	7	0.20%	39,015,861	5	0.54%
Bil Mar Foods Inc./Sara Lee	Food Products	18,417,829	8	0.20%	30,547,217	8	0.43%
Request Foods	Food Products	17,021,000	9	0.18%			
Macatawa Bank	Bank	15,880,430	10	0.17%			
Parke-Davis Co.	Pharmaceutical				57,355,518	3	0.80%
Delphi Automotive	Automotive Components				37,347,054	6	0.52%
Meijer	Retail Store				23,325,021	9	0.32%
Donnelly Corp.	Automotive Components				42,943,541	4	0.60%
Shape Corp.	Metal Extrusion				32,062,390	7	0.45%
Semco	Gas Pipeline				21,205,351	10	0.30%
		<u>\$1,020,747,157</u>		<u>10.86%</u>	<u>\$683,182,154</u>		<u>9.52%</u>

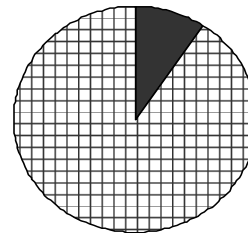
Source: Ottawa County Equalization Department. The 2011 and 2002 total Taxable Values were \$9,405,987,828 and \$7,179,278,659.

**Concentration of Taxpayers  
in Ottawa County - 2011**



■ Top Ten Taxpayers    ▣ All Other Taxpayers

**Concentration of Taxpayers  
in Ottawa County - 2002**



■ Top Ten Taxpayers    ▣ All Other Taxpayers

**County of Ottawa  
Property Tax Levies and Collections  
Last Ten Calendar Years**

<b>Fiscal Year Ended Dec 31,</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2002	\$28,526,677	\$27,050,217	94.82%	\$1,306,377	\$28,356,594	99.40%
2003	29,917,491	28,520,096	95.33%	1,221,451	29,741,547	99.41%
2004	31,476,092	30,124,717	95.71%	1,186,588	31,311,305	99.48%
2005	35,555,328	34,244,434	96.31%	1,308,774	35,553,208	99.99%
2005/2006 (1)	36,588,240	35,249,126	96.34%	1,339,114	36,588,240	100.00%
2006	38,982,510	37,412,013	95.97%	1,431,298	38,843,311	99.64%
2007	41,867,866	40,269,739	96.18%	1,519,725	41,789,464	99.81%
2008	43,144,926	41,437,107	96.04%	1,611,711	43,048,818	99.78%
2009	43,598,505	42,093,132	96.55%	1,323,082	43,416,214	99.58%
2010	41,800,971	40,617,242	97.17%	605,193	41,222,435	98.62%
2011	40,967,095	39,933,281	97.48%	n/a	n/a	n/a

(1) Tax levy date is December 1 of each year until calendar year 2005, at which time a shift in the tax levy from December 1 to July 1 over a three-year period began in accordance with State of Michigan legislation. In 2005, 1/3 of the total levy was for 2005 operations, 1/3 was for 2006 operations and 1/3 of the total levy was for the Revenue Sharing Reserve Fund. In 2006, 2/3 of the total levy was for 2006 operations and 1/3 was for the Revenue Sharing Reserve Fund. All of the amount levied in 2007 was for 2007 operations.

**COUNTY OF OTTAWA  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

Fiscal Year	General Obligation Bonds	Parks & Recreation Land Contract	Capital Leases	Total (1)	Percent of Personal Income	Personal Income (2)	(rounded)	Population (2)	Direct Per Capita Debt	Assessed Value (3)	Bonds Percent of Assessed Value
							Per Capita Personal Income (2)				
2002	\$19,530,000	\$336,242	n/a	\$19,866,242	0.29%	\$6,816,596	\$27,672	246,332	80.65	\$8,556,637,343	0.23%
2003	18,190,000	284,781	n/a	18,474,781	0.26%	7,089,238	28,445	249,228	74.13	9,156,139,786	0.20%
2004	16,795,000	228,737	n/a	17,023,737	0.23%	7,457,194	29,554	252,323	67.47	9,735,663,464	0.17%
2005	23,230,000	167,703	n/a	23,397,703	0.30%	7,784,704	30,611	254,312	92.00	10,345,422,434	0.22%
2006	21,510,000	101,232	n/a	21,611,232	0.26%	8,220,749	32,006	256,851	84.14	11,028,221,992	0.20%
2007	29,680,000	28,840	\$106,239	29,815,079	0.36%	8,377,588	32,370	258,808	115.20	11,719,793,894	0.25%
2008	27,445,000	n/a	70,826	27,515,826	0.32%	8,568,552	32,843	260,891	105.47	11,997,727,095	0.23%
2009	25,110,000	n/a	79,204	25,189,204	0.30%	8,470,102	32,334	261,957	96.16	11,706,359,624	0.21%
2010	23,075,000	n/a	47,391	23,122,391	0.26%	8,732,000	33,101	263,801	87.65	10,990,874,852	0.21%
2011	20,965,000	91,500	11,999	21,068,499	n/a	n/a	n/a	266,300	79.12	10,491,709,804	0.20%

- (1) Does not include the landfill reclamation and compensated absences.  
Does not include Component Units, certain debt issued by Component Units is guaranteed by the County.
- (2) Bureau of Economic Analysis, U.S. Department of Commerce - Personal Income (Thousands of Dollars) adjusted annually.
- (3) County assesses property at approximately 50% of the actual value.

**COUNTY OF OTTAWA**

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT**

**December 31, 2011**

	<u>Net Debt Outstanding</u>	<u>Percentage Applicable To County of Ottawa</u>	<u>Amount Applicable To County of Ottawa</u>
<b>Direct:</b>			
County at large	\$20,965,000	100.0%	\$20,965,000
Land Contract	\$91,500	100.0%	\$91,500
Capital Leases	<u>\$11,999</u>	100.0%	<u>\$11,999</u>
Total Direct	<u>\$21,068,499</u>		<u>\$21,068,499</u>
<b>Overlapping:</b>			
Townships Debt Guaranteed by County (1)	\$108,392,526	100.0%	\$108,392,526
School districts	\$947,915,140	80.0%	\$758,215,195
Cities and villages (1)	\$86,044,846	87.2%	\$75,063,686
Grand Rapids Community College	\$48,885,000	1.4%	\$669,725
Library	\$10,090,000	100.0%	\$10,090,000
Holland Area Swimming Pool	<u>\$5,430,000</u>	66.5%	<u>\$3,610,950</u>
Total Overlapping	<u>\$1,206,757,512</u>		<u>\$956,042,082</u>
<b>Grand Total</b>	<u><u>\$1,227,826,011</u></u>		<u><u>\$977,110,581</u></u>

(1) Includes county-issued bonds paid by local municipalities

COUNTY OF OTTAWA

RATIO OF NET GENERAL OBLIGATION DEBT OUTSTANDING AND LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Assessed Value of Property	\$ 10,491,709,804	\$ 10,990,874,852	\$ 11,706,359,624	\$ 11,997,727,095	\$ 11,719,793,894	\$ 11,028,221,992	\$ 10,345,422,434	\$ 9,735,663,464	\$ 9,156,139,786	\$ 8,556,637,343
Debt Limit 10% of Assessed Value	1,049,170,980	1,099,087,485	1,170,635,962	1,199,772,710	1,171,979,389	1,102,822,199	1,034,542,243	973,566,346	915,613,979	855,663,734
Amount of Debt Applicable to Limit General Obligation Bond Debt (1)	142,323,501	144,734,501	132,700,501	122,843,501	131,383,236	89,765,533	96,122,533	92,044,536	94,911,536	103,277,895
Other Debt	103,499	-	-	-	28,840	101,232	167,703	228,737	284,781	336,242
Less: Resources Restricted to Paying Principal	(636,892)	(684,327)	(225,925)	(147,515)	(167,828)	(1,448,703)	(1,433,484)	(1,303,300)	(2,104,346)	(1,453,457)
Total Net debt applicable to Limit	141,790,108	144,050,174	132,474,576	122,695,986	131,244,248	88,418,062	94,856,752	90,969,973	93,091,971	102,160,680
Legal Debt Margin	\$ 907,380,872	\$ 955,037,311	\$ 1,038,161,386	\$ 1,077,076,724	\$ 1,040,735,141	\$ 1,014,404,137	\$ 939,685,491	\$ 882,596,373	\$ 822,522,008	\$ 753,503,054
Total Net Debt applicable to the Limit as a percentage of Debt Limit	13.51%	13.11%	11.32%	10.23%	11.20%	8.02%	9.17%	9.34%	10.17%	11.94%
Ratio of Net General Obligation Debt to Assessed Value of Property	1.351%	1.311%	1.132%	1.023%	1.120%	0.802%	0.917%	0.934%	1.017%	1.194%
Debt Per Capita of Total Net General Obligation Debt	\$532.45	\$546.06	\$505.71	\$470.30	\$507.11	\$344.24	\$372.99	\$360.53	\$373.52	\$414.73

(1) The County guarantees the Bonded Debt of Public Utilities as well as the Munn Drain which is included in 2010, they do not guarantee the Bonded Debt of the Nunica Drain bond of the Drain Commissioner. Consequently, these amounts are not included in the above total for General Obligation Bonded Debt.

Note: Under State of Michigan law, the County's outstanding debt should not exceed 10% of state equalized value less amounts available for repaying the applicable bonds.

**County Of Ottawa  
Demographic and Economic Statistics  
Last Ten Calendar Years**

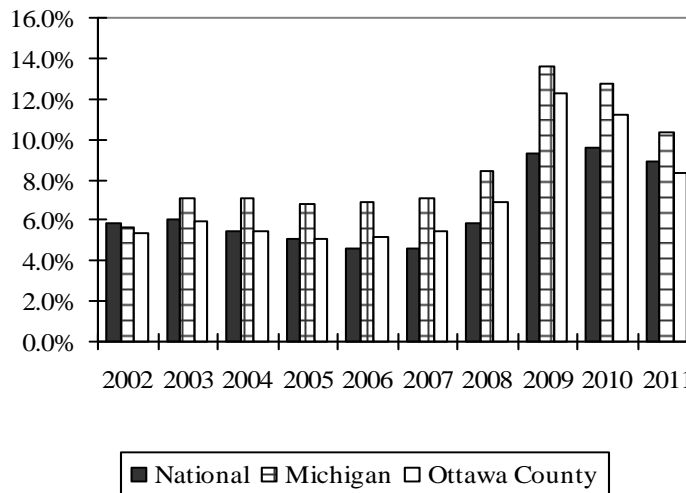
<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Personal Income (thousands of dollars) (1)</b>	<b>Per Capita Income (1)</b>	<b>Median Age (2)</b>	<b>School Enrollment (3)</b>	<b>Unemployment Rate (4)</b>
2002	246,332	\$6,816,596	\$27,672	32.6	55,293	5.4%
2003	249,228	7,089,238	28,445	32.9	55,060	5.9%
2004	252,323	7,457,194	29,554	33.1	55,696	5.5%
2005	254,312	7,784,704	30,611	33.5	55,575	5.1%
2006	256,851	8,220,749	32,006	33.8	55,412	5.3%
2007	258,808	8,377,588	32,370	34.1	55,032	5.6%
2008	260,891	8,568,552	32,843	34.2	54,662	6.9%
2009	261,957	8,470,102	32,334	34.6	55,068	12.1%
2010	263,801	8,732,000	33,101	34.5	55,233	11.2%
2011	266,300	n/a	n/a	n/a	n/a	8.3%

n/a: Information is unavailable.

Sources:

- (1) U.S. Department of Commerce, Bureau of Economic Analysis, updated with most recent census figures
- (2) U.S. Census Bureau, updated with most recent census figures
- (3) Audited Membership Count, Ottawa Area Intermediate School District
- (4) U.S. Department of Labor, Bureau of Labor Statistics, updated with most recent census figures

**National, State and County  
Unemployment Rates**



**COUNTY OF OTTAWA  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

Employer	Type of Business	2011			2002		
		Employees (1)	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Herman Miller	Office Furniture	3,530	1	3.2%	4,607	2	4.1%
Johnson Controls (2)	Automotive Interior Parts	3,350	2	3.1%	5,230	1	4.6%
Gentex Corporation	Automotive Mirrors	3,199	3	2.9%	1,871	6	1.7%
Grand Valley State University (3)	Higher Education	3,196	4	2.9%	1,887	4	1.7%
Holland Hospital	Health Care	1,983	5	1.8%	1,523	8	1.4%
Haworth (2)	Office Furniture	1,955	6	1.8%	1,886	5	1.7%
Shape Corporation	Metal Roll Forming	1,442	7	1.3%	1,038	10	0.9%
Magna Mirrors (2)	Automotive Windows	1,349	8	1.2%	2,147	3	1.9%
Jenison Public Schools	Education	1,319	9	1.2%			0.0%
Meijer	Retailer	1,316	10	1.2%	1,688	7	1.5%
County of Ottawa	Government				1,134	9	1.0%
		<u>22,639</u>		<u>20.7%</u>	<u>23,011</u>		<u>20.3%</u>

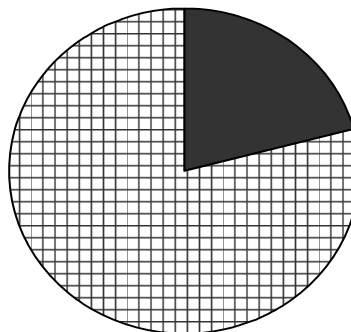
Source: Ottawa County Economic Development Office, Inc. and State of Michigan Total employment in 2011 was 109,400 and in 2002 was 113,100.

(1) Excludes temporary employment agencies

(2) Facilities located within Ottawa County and/or the City of Holland portion of Allegan County

(3) Non-student employees; also includes Grand Rapids & Muskegon

**Concentration of Employers in Ottawa County**



■ Top Ten Employers    ▨ All Other Employers



**COUNTY OF OTTAWA  
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Legislative	11.000	11.000	11.000	11.000	11.000	11.000	11.000	11.000	11.000	13.000
Judicial	128.185	125.025	132.075	126.775	125.775	127.900	127.175	129.727	142.975	149.975
General Government	164.482	166.075	180.500	179.650	180.150	181.150	181.750	175.350	172.350	166.975
Public Safety	219.870	219.893	222.200	218.950	217.200	211.200	210.490	204.800	205.100	182.100
Public Works	3.720	4.420	4.720	4.720	4.720	4.600	4.600	2.600	2.590	2.090
Health and welfare	350.175	342.755	366.954	375.455	382.455	393.160	397.800	376.100	361.860	362.620
Community and economic development	5.850	5.950	6.950	6.950	6.950	6.950	6.950	6.950	7.950	7.950
Culture and recreation	16.000	15.000	15.000	13.000	13.000	12.000	12.000	10.000	9.540	9.540
<b>Total</b>	<b>899.282</b>	<b>890.118</b>	<b>939.399</b>	<b>936.500</b>	<b>941.250</b>	<b>947.960</b>	<b>951.765</b>	<b>916.527</b>	<b>913.365</b>	<b>894.250</b>

**Source:** Ottawa County Payroll

Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

**COUNTY OF OTTAWA  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

Function/Program	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Judicial</b>										
Circuit Court										
Total Civil Cases	1,259	1,328	1,465	1,340	1,263	1,237	1,202	2,105	1,713	1,614
Total Criminal Cases	918	1,048	1,090	1,127	1,218	1,169	1,055	1,359	1,136	1,104
District Court										
Felony Cases	1,378	1,420	1,419	1,542	1,584	1,477	1,347	1,385	1,392	1,449
Misdemeanor Cases	8,630	9,314	9,646	10,301	10,606	10,317	9,714	8,889	10,695	11,634
General Civil Cases	5,672	6,292	6,367	7,067	6,532	4,918	4,341	4,625	4,142	3,544
Probate Court										
Open Cases	7,817	7,419	6,940	6,487	6,031	5,838	4,894	3,328	3,587	1,899
Juvenile Court										
Total Offenses	3,120	3,024	3,387	2,494	3,019	2,439	2,737	2,760	3,086	3,115
<b>Public Safety</b>										
Jail:										
Subjects Admitted	7,136	7,622	7,864	8,079	8,473	9,002	8,533	9,095	9,287	9,551
Average daily population	327.8	330.7	352.0	366.6	395.0	368.0	328.9	356.6	341.0	335.8
Police:										
Calls for Service	65,596	64,773	67,754	72,665	76,171	73,523	71,737	71,459	70,293	67,179
Criminal Arrests	6,989	7,748	8,616	9,177	9,755	10,122	9,890	9,412	9,615	11,075
Traffic Violations	21,423	21,321	24,886	24,170	26,283	28,011	25,937	20,272	20,657	22,557
<b>Health and welfare</b>										
Public Health										
# of Fixed Food Service Inspections	1,047	1,065	1,022	1,124	1,123	1,122	1,032	1,150	1,132	1,007
% of new entrants enrolled in school immunized	99%	99%	99%	99%	98%	n/a	n/a	n/a	n/a	n/a
Maternal/Infant Health Services										
# of Visits	3,216	3,146	3,645	4,155	4,720	4,847	4,997	4,258	7,529	10,300
# of Dental Services with Miles of Smiles and Sealant Program	9,630	8,981	8,498	8,940	7,748	8,245	7,344	6,917	8,447	9,083
Mental Health										
# of Persons Served	3,276	3,205	3,203	3,064	3,076	2,964	3,041	2,955	3,088	3,008
<b>Culture and recreation</b>										
Parks:										
# of Operating Days	101	98	101	99	100	101	101	97	100	95
Daily Permits	33,267	38,576	30,670	31,524	30,450	30,663	30,933	23,068	28,454	32,925
Annual Permits	5,845	6,420	5,431	5,115	5,925	5,638	5,850	4,218	4,857	5,470

**COUNTY OF OTTAWA  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

<b>Function/Program</b>	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>General Government</b>										
Register of Deeds:										
# of Deeds Recorded	9,559	9,633	8,933	9,428	10,173	10,156	11,625	12,452	13,549	12,145
County Clerk:										
# of Certified Copies (Births, Deaths, etc.)	17,757	19,382	19,016	21,096	21,182	19,294	19,097	18,773	21,178	22,913
County Treasurer:										
# of Receipts Written	19,581	16,729	18,357	14,239	15,172	15,477	15,271	17,950	24,199	23,892
Real Properties Returned Delinquent	5,891	6,800	7,493	7,179	7,043	6,349	6,814	6,453	6,887	7,672
Fiscal Services:										
# of A/P Checks/ACH Processed	27,529	24,330	24,399	25,278	25,678	26,517	26,891	25,471	25,633	26,188
# of Invoices Issued	10,526	11,087	10,839	15,200	11,929	11,002	10,388	8,823	8,015	7,701
Facilities Maintenance:										
# of Work Orders Processed	40,540	39,223	45,054	44,211	41,775	38,016	35,569	32,547	30,206	26,881

**Source:** Ottawa County Departments

**COUNTY OF OTTAWA  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Public Safety:</b>										
Vehicular Patrol Units	133	133	136	137	134	133	130	131	130	128
Sheriff's Substations	8	8	8	8	8	8	7	7	7	7
<b>Health and welfare</b>										
Number of Clinics	3	3	3	4	4	4	4	4	4	4
<b>Culture and recreation</b>										
Total Park Acres <sup>1</sup>	3,542	3,542	3,429	3,560	3,360	3,351	3,032	2,369	2,073	781
<b>General Government</b>										
Total Square Footage of Buildings	642,020	647,104	647,104	728,033	582,161	582,161	538,612	542,173	542,173	542,173
Number of IT Servers	62	57	49	33	28	28	24	14	11	11

**Source:** Ottawa County Departments

<sup>1</sup> Does not include Park Open Space