

Agenda
Finance and Administration Committee
West Olive Administration Building
12220 Fillmore, West Olive, MI 49460
Tuesday, June 21, 2011
9:30 a.m.

Consent Items:

1. Approval of the Agenda
2. Approval of Minutes from the May 17, 2011 Meeting.

Action Items:

3. Budget Adjustments Greater than \$50,000
Suggested Motion:
To approve budget adjustments #342, #343 and #360.
4. Monthly Budget Adjustments
Suggested Motion:
To approve and forward to the Board of Commissioners the appropriation changes greater than \$50,000 and those approved by the Administrator and Fiscal Services Director for \$50,000 or less which changed the total appropriation from the amended budget for the month of May 2011.
5. Statement of Review
Suggested Motion:
To approve the Statement of Review for the month of May 2011.
6. Treasurer's Annual "Balance in Land Sale Proceeds Account" Report
Suggested Motion:
To receive for information and forward to the Board of Commissioners the Annual "Balance in Land Sale Proceeds Account" Report.
7. Ottawa County Drain Commission's Annual Financial Report – Vredeveld Haefner LLC
Suggested Motion:
To receive for information and forward to the Board of Commissioners the Ottawa County Drain Commission's Annual Financial Report for the year ended December 31, 2010.
8. County of Ottawa Annual Financial Report – Vredeveld Haefner LLC
Suggested Motion:
To receive for information and forward to the Board of Commissioners the Comprehensive Annual Financial Report (CAFR) of the County of Ottawa for the year ended December 31, 2010.
9. County of Ottawa's Single Audit Report – Vredeveld Haefner LLC
Suggested Motion:
To receive for information and forward to the Board of Commissioners the County of Ottawa's Single Audit Report for the year ended December 31, 2010.

10. Personnel Request to Downgrade a Community Mental Health (CMH) Programmer/Analyst (06A) to Programmer (04A)
Suggested motion:
To approve and forward to the Board of Commissioners the proposal from the Information Technology Department and Community Mental Health to downgrade one (1) FTE Programmer/Analyst Unclassified (06A) position supporting CMH to one (1) FTE Programmer Unclassified (04A) at a savings of \$11,407.00.
11. Community Mental Health Personnel Request to Create One (1) Mental Health Clinician
Suggested Motion:
To approve and forward to the Board of Commissioners the request from Community Mental Health to create one (1) FTE Mental Health Clinician, (Unclassified, Paygrade 14, C Step) at a cost of \$34,089.00. Funding to come from Medicaid Funds.
12. Community Mental Health Personnel Request to Create One (1) Mental Health Specialist
Suggested Motion:
To approve and forward to the Board of Commissioners the request from Community Mental Health to create one (1) FTE Mental Health Specialist (Unclassified, Paygrade 12, C Step) at a cost of \$29,352.00. Funding to come from Medicaid Funds.
13. Community Mental Health Personnel Request to Create One (1) Mental Health Clerk
Suggested Motion:
To approve and forward to the Board of Commissioners the request from Community Mental Health to create one (1) FTE Mental Health Clerk (Temporary Unbenefitted) at a cost of \$8,095.00. Funding to come from Medicaid Funds.
14. Spring Lake Township 2011 Wastewater System Pump Station Improvements and Refunding
Suggested Motion:
To approve and forward to the Board of Commissioners the Resolution authorizing the County Road Commission to issue Act 342 Bonds in the not-to-exceed amount of \$1,360,000 to finance the Spring Lake 2011 Wastewater System Pump Station Improvements Project and Refund the 1999 Bond Issue.
15. Study with the City of Grand Haven to Implement Collaborated Services
Suggested Motion:
To approve and forward to the Board of Commissioners a proposal from Plante and Moran, PLLC to study and implement collaborative services with the City of Grand Haven including Finance, Assessing, Treasury and Information Technology.

Discussion Items:

16. Treasurer's Financial Month End Update for May 2011

Adjournment

Comments on the day's business are to be limited to three (3) minutes.

FINANCE AND ADMINISTRATION COMMITTEE

Proposed Minutes

DATE: May 17, 2011

TIME: 9:30 a.m.

PLACE: Fillmore Street Complex

PRESENT: Robert Karsten, Joseph Baumann, Donald Disselkoen, Dennis Swartout

ABSENT: Roger Rycenga

STAFF & GUESTS: Marie Waalkes, Human Resources Director; Sherri Sayles, Deputy Clerk; Robert Spaman, Fiscal Services Director; Alan Vanderberg, Administrator; Kevin Bowling, Circuit Court Administrator; Sandra Metcalf, Juvenile Services; Bradley Slagh, Treasurer; Greg Rappleye, Corporate Counsel; Karen Becker, CMH; Lisa Stefanovsky, Health Officer

SUBJECT: CONSENT ITEMS

FC 11-058 Motion: To approve the agenda of today as presented and amended adding Action Item 12A – Public Health Department Personnel Request to Increase a .75 FTE to a .8 FTE Environmental Health Specialist.
Moved by: Karsten UNANIMOUS

Approve by consent the minutes of the May 10, 2011, meeting as presented.

**SUBJECT: CIRCUIT COURT/JUVENILE SERVICES
PERSONNEL REQUEST FOR A CONTRACTUAL
TREATMENT SPECIALIST**

FC 11-059 Motion: To approve and forward to the Board of Commissioners a request from the Circuit Court/Juvenile Services for a .5 FTE Treatment Specialist Position through Outside Temporary Services (contractual, unbenefitted) at a cost of \$17,600. Position funded from a Grant through 9/30/2011.
Moved by: Karsten UNANIMOUS

SUBJECT: MONTHLY BUDGET ADJUSTMENTS

FC 11-060 Motion: To approve and forward to the Board of Commissioners the appropriation changes greater than \$50,000 and those approved by the Administrator and Fiscal Services Director for \$50,000 or less which

changed the total appropriation from the amended budget for the month of April 2011.

Moved by: Disselkoen UNANIMOUS

SUBJECT: STATEMENT OF REVIEW FOR APRIL

FC 11-061 Motion: To approve the Statement of Review for the month of April, 2011.

Moved by: Karsten UNANIMOUS

SUBJECT: TAX ALLOCATION RECOMMENDATION

FC 11-062 Motion: To approve and forward to the Board of Commissioners the recommendation that the Ottawa County millage allocation remains at 4.440 mills.

Moved by: Disselkoen UNANIMOUS

SUBJECT: RESOLUTION TO APPROVE THE 2011 MILLAGE RATE FOR OTTAWA COUNTY

FC 11-063 Motion: To approve and forward to the Board of Commissioners the Resolution to approve the 2011 Millage Rate for Ottawa County of 3.6 mills.

Moved by: Disselkoen UNANIMOUS

SUBJECT: RESOLUTION TO APPROVE THE 2011 MILLAGE RATE FOR E-911

FC 11-064 Motion: To approve and forward to the Board of Commissioners the Resolution to approve the 2011 Millage Rate for E-911 of .4400 mills.

Moved by: Baumann UNANIMOUS

SUBJECT: RESOLUTION TO APPROVE THE 2011 MILLAGE RATE FOR PARKS

FC 11-065 Motion: To approve and forward to the Board of Commissioners the Resolution to approve the 2011 Millage Rate for Parks of .3165 mills.

Moved by: Disselkoen UNANIMOUS

SUBJECT: ESTABLISH A NEW FINANCING TOOL TO FACILITATE A MOVE FROM A DEFINED BENEFIT (DB) PLAN TO A DEFINED CONTRIBUTION (DC) PLAN FOR NEW EMPLOYEES

FC 11-066 Motion: To approve and forward to the Board of Commissioners establishment of a new financing tool for the transfer of new hires from the current MERS Defined Benefit Plan to a MERS Defined Contribution Plan and to seed the new financing tool with a transfer from the Health Insurance Fund on the amount of \$400,000.

Moved by: Karsten

UNANIMOUS

SUBJECT: COMMUNITY MENTAL HEALTH PERSONNEL
REQUEST TO CREATE TWO (2) MENTAL
HEALTH NURSES

FC 11-067 Motion: To approve and forward to the Board of Commissioners the request from Community Mental Health to create two (2) FTE's Mental Health Nurses (Group T, Paygrade 13, C Step) at a cost of \$127,100.00. Funding to come from Medicaid Funds.

Moved by: Karsten

UNANIMOUS

SUBJECT: PURCHASE OF MILITARY SERVICE CREDITS
POLICY

FC 11-068 Motion: To approve and forward to the Board of Commissioners the Purchase of Military Service Credits Policy (HR-16) for review and comment.

Moved by: Disselkoen

FC 11-069 Motion: To table Motion FC 11-068 and forward to the full Board of Commissioners for discussion.

Moved by: Karsten

UNANIMOUS

SUBJECT: PUBLIC HEALTH DEPARTMENT PERSONNEL
REQUEST TO INCREASE A .75 FTE TO A .8 FTE
ENVIRONMENTAL HEALTH SPECIALIST

FC 11-070 Motion: To approve and forward to the Board of Commissioners the request from the Public Health Department to increase (1) .75 FTE Environmental Health Specialist (Group T, Paygrade 14) to a .8 FTE Environmental Health Specialist, at a cost of \$21,389.00. Funding to come from a grant through the Michigan Department of Environmental Quality. Position to unset September 2012.

Moved by: Karsten

UNANIMOUS

SUBJECT: DISCUSSION ITEMS

1. Treasurer's Financial Month End Update for April 2011 – Bradley Slagh presented the April 2011 Month End Financial Update.
2. The Administrator reported the Pension Enhancement for the POAM Non-312 will be going directly to the Board instead of Finance and Administration Committee as required by MERS. This enhancement was agreed upon during contract negotiations.
3. Lisa Stefanovsky briefly updated the Committee on this summer's beach monitoring. Mr. Swartout asked her to give a brief update at the next Board Meeting.
4. Bob Spaman attended the Revenue Conference yesterday. The economic forecast looks good for Michigan. No specifics were mentioned on revenue sharing.

SUBJECT: ADJOURNMENT

The meeting adjourned at 10:32 a.m.

Action Request



Committee: Finance and Administration Committee

Meeting Date: 6/21/2011

Requesting Department: Fiscal Services

Submitted By: Bob Spaman

Agenda Item: Budget Adjustments Greater than \$50,000

SUGGESTED MOTION:

To approve budget adjustments #342, #343 and #360.

SUMMARY OF REQUEST:

Approve budget adjustments processed during the month for appropriation changes and line item adjustments.

Mandated action required by PA 621 of 1978, the Uniform Budget and Accounting Act.

Compliance with the Ottawa County Operating Budget Policy.

FINANCIAL INFORMATION:

Total Cost: \$0.00 General Fund Cost: \$0.00 Included in Budget: Yes No

If not included in budget, recommended funding source:

ACTION IS RELATED TO AN ACTIVITY WHICH IS:

Mandated Non-Mandated New Activity

ACTION IS RELATED TO STRATEGIC PLAN:

Goal: 1: To Maintain and Improve the Strong Financial Position of the County.

Objective:

- 1: Advocate on legislative issues to maintain and improve the financial position of the County.
- 2: Implement processes and strategies to deal with operational budget deficits.
- 3: Reduce the negative impact of rising employee benefit costs on the budget.
- 4: Maintain or improve bond ratings.

ADMINISTRATION RECOMMENDATION: Recommended Not Recommended Without Recommendation

County Administrator: **Alan G. Vanderberg**

Digitally signed by Alan G. Vanderberg
DN: cn=Alan G. Vanderberg, o=US, ou=County of Ottawa, ou=Administrator's Office, email=avanderberg@ottawa.org
Reason: I am approving this document
Date: 2011.06.16 09:19:56 -0400

Committee/Governing/Advisory Board Approval Date:

Budget Adjustments Over \$50,000

BA Number	Fund	Department	Explanation	Adjustment
342	Mental Health	Mentally Ill Adult	Adjust Outpatient Contractual services based on current demand and available funding.	\$ 136,660
343	Child Care - Circuit Court	Circuit Court - Juvenile Services	To cover the cost of services provided by Solid Design Software.	\$ 140,000
360	Parks	Parks & Recreation	Purchase of Veitkamp Property - Musketawa Trail Extension	\$ 500,000

Action Request



Committee: Finance and Administration Committee

Meeting Date: 6/21/2011

Requesting Department: Fiscal Services

Submitted By: Bob Spaman

Agenda Item: Monthly Budget Adjustments

SUGGESTED MOTION:

To approve and forward to the Board of Commissioners the appropriation changes greater than \$50,000 and those approved by the Administrator and Fiscal Services Director for \$50,000 or less which changed the total appropriation from the amended budget for the month of May 2011.

SUMMARY OF REQUEST:

Approve budget adjustments processed during the month for appropriation changes and line item adjustments.

Mandated action required by PA 621 of 1978, the Uniform Budget and Accounting Act.

Compliance with the Ottawa County Operating Budget Policy.

FINANCIAL INFORMATION:

Total Cost: \$0.00 General Fund Cost: \$0.00 Included in Budget: Yes No

If not included in budget, recommended funding source:

ACTION IS RELATED TO AN ACTIVITY WHICH IS:

Mandated Non-Mandated New Activity

ACTION IS RELATED TO STRATEGIC PLAN:

Goal: 1: To Maintain and Improve the Strong Financial Position of the County.

Objective:

- 1: Advocate on legislative issues to maintain and improve the financial position of the County.
- 2: Implement processes and strategies to deal with operational budget deficits.
- 3: Reduce the negative impact of rising employee benefit costs on the budget.
- 4: Maintain or improve bond ratings.

ADMINISTRATION RECOMMENDATION: Recommended Not Recommended Without Recommendation

County Administrator: **Alan G. Vanderberg**

Digitally signed by Alan G. Vanderberg
DN: cn=Alan G. Vanderberg, o=US, ou=County of Ottawa, ou=Administrator's Office, email=avanderberg@miottawa.org
Reason: I am approving this document.
Date: 2011.06.16 09:21:15 -0400

Committee/Governing/Advisory Board Approval Date: Pick from list

County of Ottawa
Fiscal Services Department
Changes to Total Appropriations and Adjustments
Budget Adjustments From Date: 5/01/2011 Thru 5/31/2011

Adjustment Number	G/L Date	Fund	Dept	Sub Dept	Account Number	Account Name	Adjustment Amount
<u>ADJUST TO CONTRACT</u>							
BA 243	5/18/2011	2170	1493		5410.0040	State of MI - Judicial	41,651.00
BA 243	5/18/2011	2170	1493		7040.0000	Salaries - Regular	12,595.00
BA 243	5/18/2011	2170	1493		7150.0000	Social Security	600.00
BA 243	5/18/2011	2170	1493		7160.0000	Hospitalization	13,038.00
BA 243	5/18/2011	2170	1493		7160.0020	OPEB - Health Care	200.00
BA 243	5/18/2011	2170	1493		7180.0000	Retirement & Sick Leave	1,400.00
BA 243	5/18/2011	2170	1493		7180.0010	457 Plan Contribution	300.00
BA 243	5/18/2011	2170	1493		7190.0000	Dental Insurance	726.00
BA 243	5/18/2011	2170	1493		7220.0000	Unemployment	20.00
BA 243	5/18/2011	2170	1493		7230.0000	Optical Insurance	167.00
BA 243	5/18/2011	2170	1493		7390.0000	Operational Supplies	7,170.00
BA 243	5/18/2011	2170	1493		8600.0000	Travel - Mileage	4,800.00
BA 243	5/18/2011	2170	1493		8610.0000	Conferences & Othr Travel	675.00
<u>MISC REVENUES</u>							
BA 252	5/03/2011	2081	7510		6670.0010	Rent - Concessions	20,000.00
BA 252	5/03/2011	2081	7510		6760.0000	Reimbursements	1,048.00
BA 252	5/03/2011	2081	7510		8080.0000	Service Contracts	20,000.00
<u>MDA GRANT-IMRPV AWARD</u>							
BA 253	5/03/2011	2210	6021		5550.0000	State Of MI - Health	12,300.00
BA 253	5/03/2011	2210	6021		7300.0000	Postage	1,210.00
BA 253	5/03/2011	2210	6021		7390.0000	Operational Supplies	6,100.00
<u>EST BUD FOR BROWNFIELD</u>							
BA 259	5/03/2011	2430	7280		6070.0000	Chrgs. For Serv. - Fees	1,500.00
BA 259	5/03/2011	2430	7280		7270.0000	Office Supplies	200.00
BA 259	5/03/2011	2430	7280		8080.0000	Service Contracts	1,300.00
<u>MICRO OFCE 10 LICENSE</u>							
BA 260	5/03/2011	2560	2360		7270.0000	Office Supplies	2,100.00
<u>ADJ BDG FOR FINAL EXP</u>							
BA 265	5/03/2011	2744	7296		5610.0000	State Of Mich - Welfare	5,576.00
BA 265	5/03/2011	2744	7296		8430.0000	Client Assistance Pymts	5,576.00
<u>TO ESTABLISH BUDGET F</u>							

County of Ottawa
Fiscal Services Department
Changes to Total Appropriations and Adjustments
Budget Adjustments From Date: 5/01/2011 Thru 5/31/2011

Adjustment Number	G/L Date	Fund	Dept	Sub Dept	Account Number	Account Name	Adjustment Amount
<u>TO ESTABLISH BUDGET F</u>							
BA 271	5/09/2011	2220	6493	3241	5170.0050	Medicaid - Capitated	17,630.00-
BA 271	5/09/2011	2220	6495	5020	7160.0000	Hospitalization	3,800.00-
BA 271	5/09/2011	2220	6495	5022	7160.0000	Hospitalization	7,000.00-
BA 271	5/09/2011	2220	6495	5023	7040.0000	Salaries - Regular	14,000.00-
BA 271	5/09/2011	2220	6495	5023	7160.0000	Hospitalization	8,000.00-
BA 271	5/09/2011	2220	6495	5023	7210.0000	Longevity	750.00-
BA 271	5/09/2011	2220	6495	5029	7160.0000	Hospitalization	15,000.00-
BA 271	5/09/2011	2220	6495	5030	7160.0000	Hospitalization	11,000.00-
BA 271	5/09/2011	2220	6495	5031	7040.0000	Salaries - Regular	48,043.00
BA 271	5/09/2011	2220	6495	5031	7150.0000	Social Security	3,676.00
BA 271	5/09/2011	2220	6495	5031	7160.0000	Hospitalization	7,200.00
BA 271	5/09/2011	2220	6495	5031	7160.0020	OPEB - Health Care	600.00
BA 271	5/09/2011	2220	6495	5031	7170.0000	Life Insurance	99.00
BA 271	5/09/2011	2220	6495	5031	7180.0000	Retirement & Sick Leave	5,545.00
BA 271	5/09/2011	2220	6495	5031	7180.0010	457 Plan Contribution	490.00
BA 271	5/09/2011	2220	6495	5031	7190.0000	Dental Insurance	461.00
BA 271	5/09/2011	2220	6495	5031	7200.0000	Worker'S Compensation	112.00
BA 271	5/09/2011	2220	6495	5031	7210.0000	Longevity	250.00
BA 271	5/09/2011	2220	6495	5031	7220.0000	Unemployment	73.00
BA 271	5/09/2011	2220	6495	5031	7230.0000	Optical Insurance	82.00
BA 271	5/09/2011	2220	6495	5031	7240.0000	Disability Insurance	149.00
BA 271	5/09/2011	2220	6495	5031	7270.0000	Office Supplies	200.00
BA 271	5/09/2011	2220	6495	5031	7300.0000	Postage	50.00
BA 271	5/09/2011	2220	6495	5031	7390.0000	Operational Supplies	3,500.00
BA 271	5/09/2011	2220	6495	5031	8080.0000	Service Contracts	1,200.00
BA 271	5/09/2011	2220	6495	5031	8500.0000	Telephone	1,000.00
BA 271	5/09/2011	2220	6495	5031	8610.0000	Conferences & Other Travel	1,200.00
BA 271	5/09/2011	2220	6495	5031	8650.0000	Gas And Oil	150.00
BA 271	5/09/2011	2220	6495	5031	8660.0000	Vehicle Repairs & Maint.	250.00
BA 271	5/09/2011	2220	6495	5031	8680.0000	Vehicle Insurance	350.00
BA 271	5/09/2011	2220	6495	5031	9390.0000	Building Rental	2,000.00
BA 271	5/09/2011	2220	6495	5031	9400.0000	Equipment Rental	500.00
<u>BS&A ANNL SVRC/SUPERT</u>							
BA 274	5/09/2011	1010	2530		5740.0000	State Revenue Sharing	3,170.00-
BA 274	5/09/2011	1010	2530		8080.0000	Service Contracts	3,170.00
<u>TO ALLW REQ FDS DNATN</u>							
BA 275	5/09/2011	1010	4260		6750.0010	Donations	250.00-
BA 275	5/09/2011	1010	4260		7390.0000	Operational Supplies	250.00

Adjustment Number	G/L Date	Fund	Dept	Sub Dept	Account Number	Account Name	Adjustment Amount
REV RCVD FROM STATE							
REV RCVD FROM STATE							
BA 279	5/09/2011	2210	6055		6070.0020	Medical Record Fees	15.00-
BA 279	5/09/2011	2210	6055		8100.0000	Bank Service Charges	15.00
<u>BS&A ANNL SVC SUPPORT</u>							
BA 281	5/09/2011	2550	2530		8080.0000	Service Contracts	10.00
<u>PUR ADDL SFTWRE MODLS</u>							
BA 282	5/09/2011	2560	2360		9770.0020	Software	35,300.00
<u>SPNT MORE THAN ESTMTD</u>							
BA 291	5/18/2011	2210	6022		5550.0000	State Of MI - Health	300.00-
BA 291	5/18/2011	2210	6022		7390.0000	Operational Supplies	300.00
<u>ADJ EOY ANTICIPD COST</u>							
BA 295	5/18/2011	2601	2320		6710.0000	Other Revenue	228.00-
BA 295	5/18/2011	2601	2320		7280.0000	Printing & Binding	650.00-
BA 295	5/18/2011	2601	2320		8600.0000	Travel - Mileage	500.00
BA 295	5/18/2011	2601	2320		9400.0000	Equipment Rental	150.00
<u>METH LAB CLEAN UP</u>							
BA 305	5/23/2011	1010	3100		5050.0000	Fed. Grants-Public Safety	1,142.00-
BA 305	5/23/2011	1010	3100		7390.0000	Operational Supplies	1,142.00
<u>INC EXP FOR MCRSFT 10</u>							
BA 307	5/23/2011	2560	2360		7390.0000	Operational Supplies	2,500.00
<u>INC BDG BY STATE EXCS</u>							
BA 308	5/23/2011	2740	7430		5610.0020	Cost Pool Revenue	360.00-
BA 308	5/23/2011	2740	7431	1120	7170.0000	Life Insurance	50.00
BA 308	5/23/2011	2740	7431	1120	7200.0000	Worker's Compensation	30.00
BA 308	5/23/2011	2740	7431	1120	7220.0000	Unemployment	50.00
BA 308	5/23/2011	2740	7431	1120	8610.0000	Conferences & Other Travel	200.00
BA 308	5/23/2011	2740	7431	1120	9400.0000	Equipment Rental	30.00

Date 6/08/11
Time 12:13:54

County of Ottawa
Fiscal Services Department
Changes to Total Appropriations and Adjustments
Budget Adjustments From Date: 5/01/2011 Thru 5/31/2011

Page 4
BUD101R
BRADTWELL

Adjustment Number	G/L Date	Fund	Dept	Sub Dept	Account Number	Account Name	Adjustment Amount
INC BDG BY STATE EXCS							
INC BDG BY STATE EXCS							
BA 312	5/23/2011	2742	7430		5610.0030	II A Revenue	3,249.00-
BA 312	5/23/2011	2742	7433	2320	7040.0000	Salaries - Regular	3,492.00
BA 312	5/23/2011	2742	7433	2320	8080.0000	Service Contracts	50.00
BA 312	5/23/2011	2742	7433	2320	8300.0000	Memberships & Dues	25.00
BA 312	5/23/2011	2742	7433	2320	9010.0000	Advertising	318.00-

Action Request



Committee: Finance and Administration Committee

Meeting Date: 6/21/2011

Requesting Department: Fiscal Services

Submitted By: Bob Spaman

Agenda Item: Statement of Review

SUGGESTED MOTION:

To approve the Statement of Review for the month of May 2011.

SUMMARY OF REQUEST:

Per Diem and mileage payments to Commissioners per the Officers Compensation Commission

FINANCIAL INFORMATION:

Total Cost: \$0.00 General Fund Cost: \$0.00 Included in Budget: Yes No

If not included in budget, recommended funding source:

ACTION IS RELATED TO AN ACTIVITY WHICH IS:

Mandated Non-Mandated New Activity

ACTION IS RELATED TO STRATEGIC PLAN:

Goal: 1: Maintain and Improve the Strong Financial Position of the County.

Objective:

- 1: Advocate on legislative issues to maintain and improve the financial position of the County.
- 2: Implement processes and strategies to deal with operational budget deficits.
- 3: Reduce the negative impact of rising employee benefit costs on the budget.
- 4: Maintain or improve bond ratings.

ADMINISTRATION RECOMMENDATION: Recommended Not Recommended Without Recommendation

County Administrator: Alan G. Vanderberg

Digitally signed by Alan G. Vanderberg
DN: cn=Alan G. Vanderberg, o=County of Ottawa, ou=Administrator's Office, email=avanderberg@ottawa.org
Reason: I am approving this document
Date: 2011.06.16 09:22:29 -0400

Committee/Governing/Advisory Board Approval Date:

STATEMENT OF REVIEW FOR THE MONTH OF: May

Baumann	<u>✓</u>
DeJong	<u>✓</u>
Disselkoen	<u>✓</u>
Holtrop	<u>✓</u>
Holtvluwer	<u>✓</u>
Karsten	<u>✓</u>
Kuyers	<u>✓</u>
Ruiter	<u>✓</u>
Rycenga	<u>✓</u>
Swartout	<u>✓</u>
Visser	<u>✓</u>

**Board of Commissioners
Per Diem and Mileage Voucher**

Commissioner: **Joseph Baumann** For the month beginning May 01, 2011
Status: **Submitted to Fiscal Services**

Date	Time	Purpose	Mileage	Per Diem
05/04/2011	03:00 PM - 04:00 PM	Road Commission 100 yr open house - mileage only	34.0	-
05/05/2011	05:30 PM - 06:30 PM	Reapportionment meeting - mileage only	26.0	-
05/10/2011	01:00 PM - 01:30 PM	Finance & Administration Committee	26.0	\$40.00
-	01:30 PM - 03:00 PM	Board of Commissioners Meeting	.0	-
-	03:00 PM - 04:00 PM	Board of Commissioners Work Session	.0	-
05/11/2011	07:00 PM - 08:00 PM	Reapportionment meeting - mileage only	26.0	-
05/17/2011	09:30 AM - 11:00 AM	Finance & Administration Committee	26.0	\$40.00
05/23/2011	12:00 PM - 01:30 PM	Macatawa Area Coordinating Council Policy Board	8.0	\$40.00
05/24/2011	01:30 PM - 03:00 PM	Board of Commissioners Meeting	26.0	\$40.00
-	05:30 PM - 06:30 PM	Reapportionment Meeting - mileage only	26.0	-
-	-	-	-	-
Total Per Diem:				\$160.00
Total Mileage:			198.0	\$100.98
Total Voucher:				\$260.98

06/08/2011

1010-1010

Revision History

Created by Joseph Baumann on 06/01/2011 10:50:11 PM

**Board of Commissioners
Per Diem and Mileage Voucher**

Commissioner: **Greg DeJong** For the month beginning May 01, 2011
Status: **Submitted to Fiscal Services**

Date	Time	Purpose	Mileage	Per Diem
05/04/2011	06:00 PM - 07:00 PM	open house - mileage only	36.0	-
05/05/2011	07:00 PM - 07:30 PM	Polkton Twp board meeting - mileage only	12.5	-
05/09/2011	07:15 PM - 07:30 PM	Chester Township board meeting - mileage only	30.1	-
05/10/2011	01:30 PM - 02:50 PM	Board of Commissioners Meeting	32.0	\$40.00
-	03:00 PM - 03:42 PM	Board of Commissioners Work Session	.0	-
-	07:00 PM - 07:30 PM	Tallmadge Twp board mtg - mileage only	19.8	-
05/11/2011	08:30 AM - 10:00 AM	Health & Human Services Committee	32.0	\$40.00
-	07:00 PM - 07:30 PM	Re-apportionment mtg - Fillmore Complex - mileage only	21.5	-
05/23/2011	07:00 PM - 07:30 PM	City of Coopersville council mtg - mileage only	15.6	-
05/24/2011	01:30 PM - 02:45 PM	Board of Commissioners Meeting	32.0	\$40.00
05/31/2011	06:45 PM - 08:15 PM	Citizen's budget hearing - mileage only	12.5	-
-	-	-	-	-
Total Per Diem:				\$120.00
Total Mileage:			244.0	\$124.46
Total Voucher:				\$244.46

06/08/2011

1010-1010

Revision History

Created by Greg DeJong on 05/10/2011 10:06:56 AM
Modified by Greg DeJong on 05/11/2011 02:20:58 PM
Modified by Greg DeJong on 06/01/2011 01:15:49 PM
Modified by Elizabeth Lyyski on 06/08/2011 10:23:23 AM

**Board of Commissioners
Per Diem and Mileage Voucher**

Commissioner: **Donald Disselkoen** For the month beginning May 01, 2011
Status: **Submitted to Fiscal Services**

Date	Time	Purpose	Mileage	Per Diem
05/03/2011	11:00 AM - 11:30 AM	Meeting with Michael Brashears - mileage only	6.0	-
-	03:30 PM - 04:30 PM	Ottawa County Road Commission Open House - mileage only	38.0	-
05/09/2011	11:30 AM - 12:45 PM	West Michigan Airport Authority (Tulip City Airport)	11.0	\$40.00
05/10/2011	01:00 PM - 01:14 PM	Finance & Administration Committee	.0	\$40.00
-	01:30 PM - 02:50 PM	Board of Commissioners Meeting	23.0	-
-	03:00 PM - 03:42 PM	Board of Commissioners Work Session	.0	-
05/11/2011	08:00 AM - 04:00 PM	MDOT Asset Management Council	.0	\$70.00
05/12/2011	08:00 AM - 04:00 PM	MDOT Asset Management Council	.0	\$70.00
05/17/2011	09:30 AM - 10:32 AM	Finance & Administration Committee	23.0	\$40.00
05/19/2011	02:00 PM - 03:15 PM	CMH Board Executive Committee	6.0	\$40.00
05/20/2011	09:30 AM - 11:15 AM	West Michigan Regional Planning Committee	58.0	\$40.00
05/23/2011	06:00 PM - 07:00 PM	Community Mental Health Board	23.0	\$40.00
05/24/2011	01:30 PM - 02:45 PM	Board of Commissioners Meeting	23.0	\$40.00
05/25/2011	07:30 AM - 08:45 AM	West Michigan Airport Authority (Tulip City Airport)	6.0	\$40.00
-	09:30 AM - 11:00 AM	CEDS Meeting - mileage only	58.0	-
05/26/2011	10:00 AM - 12:15 PM	MDOT Asset Management Council	.0	\$40.00
05/31/2011	10:45 AM - 11:15 AM	Lakeshore Coordinating Council	46.0	\$40.00
-	-	-	-	-
Total Per Diem:				\$540.00
Total Mileage:			321.0	\$163.71
Total Voucher:				\$703.71

06/08/2011

Revision History

Created by Elizabeth Lyyski on 06/08/2011 10:22:12 AM

Per diem

-2220-6495-5020	\$40
-5029	40
1010-1010	460
	\$540

Mileage

17.5mi	= \$8.93
17.5mi	= 8.93
286mi	= 145.85
	\$163.71

**Board of Commissioners
Per Diem and Mileage Voucher**

Commissioner: **James Holtrop** For the month beginning May 01, 2011
Status: **Submitted to Fiscal Services**

Date	Time	Purpose	Mileage	Per Diem
05/09/2011	09:00 AM - 10:00 AM	Elected officials meeting - mileage only	37.0	-
05/10/2011	01:30 PM - 02:50 PM	Board of Commissioners Meeting	37.0	\$40.00
-	03:00 PM - 03:42 PM	Board of Commissioners Work Session	.0	-
-	07:00 PM - 07:45 PM	Hudsonville City Commission Meeting - mileage only	2.0	-
05/11/2011	08:30 AM - 10:00 AM	Health & Human Services Committee	37.0	\$40.00
-	07:00 PM - 07:15 PM	Reapportionment Committee meeting - mileage only	37.0	-
05/18/2011	05:30 PM - 06:15 PM	Reapportionment Committee meeting - mileage only	37.0	-
05/19/2011	08:00 AM - 09:15 AM	Breakfast with township officials - mileage only	2.0	-
05/23/2011	02:00 PM - 03:15 PM	Quadrant meeting - mileage only	2.0	-
05/24/2011	01:30 PM - 02:45 PM	Board of Commissioners Meeting	37.0	\$40.00
-	05:30 PM - 05:58 PM	Reapportionment Committee - mileage only	37.0	-
05/26/2011	10:30 AM - 11:00 AM	WHTC Interview - mileage only	31.0	-
-	-	-	-	-
			Total Per Diem:	\$120.00
			Total Mileage:	296.0 \$150.96
			Total Voucher:	\$270.96

06/08/2011

Revision History

Created by James Holtrop on 05/09/2011 11:09:53 AM
 Modified by James Holtrop on 05/10/2011 08:55:47 PM
 Modified by James Holtrop on 05/11/2011 08:06:17 PM
 Modified by James Holtrop on 05/18/2011 08:02:34 PM
 Modified by James Holtrop on 05/19/2011 09:29:29 AM
 Modified by James Holtrop on 05/23/2011 05:20:11 PM
 Modified by James Holtrop on 05/26/2011 01:54:46 PM
 Modified by Elizabeth Lyyski on 06/08/2011 10:45:09 AM

1010-1010

**Board of Commissioners
Per Diem and Mileage Voucher**

Commissioner: **James Holtvluwer** For the month beginning May 01, 2011
Status: **Submitted to Fiscal Services**

Date	Time	Purpose	Mileage	Per Diem
05/04/2011	04:00 PM - 05:30 PM	Parks & Recreation Commission	32.0	\$40.00
-	05:30 PM - 06:15 PM	ROAD COMMISSION 100TH ANIVERSERY - mileage only	20.0	-
05/09/2011	03:30 PM - 04:45 PM	CMH Board QI/Planning/Program Committee	50.0	\$40.00
05/10/2011	01:30 PM - 02:50 PM	Board of Commissioners Meeting	32.0	\$40.00
-	03:00 PM - 03:42 PM	Board of Commissioners Work Session	.0	-
05/11/2011	08:30 AM - 10:00 AM	Health & Human Services Committee	32.0	\$40.00
-	07:00 PM - 07:20 PM	Reapportionment Committee - mileage only	32.0	-
05/12/2011	09:30 AM - 10:21 AM	Planning and Policy Committee	32.0	\$40.00
05/18/2011	03:00 PM - 05:00 PM	Parks & Rec Public Relations Committee	32.0	\$40.00
05/23/2011	06:00 PM - 07:30 PM	Community Mental Health Board	32.0	\$40.00
05/24/2011	01:30 PM - 02:45 PM	Board of Commissioners Meeting	32.0	\$40.00
05/25/2011	03:00 PM - 04:30 PM	Parks & Rec Planning Committee	32.0	\$40.00
-	-	-	-	-
Total Per Diem:				\$360.00
Total Mileage:			358.0	\$182.58
Total Voucher:				\$542.58

06/08/2011

Revision History

Created by James Holtvluwer on 05/06/2011 11:41:24 AM
Modified by James Holtvluwer on 05/10/2011 11:12:49 AM
Modified by James Holtvluwer on 05/13/2011 05:05:52 PM
Modified by James Holtvluwer on 05/24/2011 08:51:25 PM
Modified by James Holtvluwer on 05/26/2011 01:47:32 PM
Modified by Elizabeth Lyyski on 06/08/2011 10:48:49 AM

Per diem

$$2081 - 7510 = \$120$$

$$2220 - 6495 - 5020 = 40$$

$$- 5029 = 40$$

$$1010 - 1010 = 160$$

\$ 360

Mileage

$$96 \text{ mi} = 448.96$$

$$41 \text{ mi} = 20.91$$

$$41 \text{ mi} = 20.91$$

$$180 \text{ mi} = 91.80$$

182.58

**Board of Commissioners
Per Diem and Mileage Voucher**

Commissioner: **Philip Kuyers** For the month beginning May 01, 2011
Status: **Submitted to Fiscal Services**

Date	Time	Purpose	Mileage	Per Diem
05/04/2011	04:00 PM - 05:30 PM	Parks & Recreation Commission	2.0	\$40.00
05/10/2011	01:30 PM - 02:50 PM	Board of Commissioners Meeting	2.0	\$40.00
-	03:00 PM - 03:42 PM	Board of Commissioners Work Session	.0	-
05/11/2011	07:00 PM - 07:20 PM	Reapportionment Committee - mileage only	2.0	-
05/18/2011	05:30 PM - 06:18 PM	Reapportionment Committee - mileage only	2.0	-
05/24/2011	11:00 AM - 11:30 AM	Drain Board PA 20	2.0	\$40.00
-	01:30 PM - 02:45 PM	Board of Commissioners Meeting	2.0	-
-	05:30 PM - 05:58 PM	Reapportionment Committee - mileage only	2.0	-
05/26/2011	09:30 PM - 11:30 PM	Parks & Rec Finance & Personnel Committee	2.0	\$40.00
-	-	-	-	-
Total Per Diem:				\$160.00
Total Mileage:			16.0	\$8.16
Total Voucher:				\$168.16

06/08/2011

Revision History

Created by Philip Kuyers on 05/04/2011 09:36:04 PM
Modified by Philip Kuyers on 05/23/2011 09:55:28 PM
Modified by Philip Kuyers on 05/31/2011 09:38:27 PM
Modified by Elizabeth Lyyski on 06/08/2011 10:56:30 AM

Per diem
2081-7510 = \$40
1010-1010 = 120
\$160

Mileage
2mi = \$1.02
14mi = 7.14
\$8.16

**Board of Commissioners
Per Diem and Mileage Voucher**

Commissioner: **Jane Ruitter** For the month beginning May 01, 2011
Status: **Submitted to Fiscal Services**

Date	Time	Purpose	Mileage	Per Diem
05/10/2011	01:30 PM - 02:50 PM	Board of Commissioners Meeting	30.0	\$40.00
-	03:00 PM - 03:42 PM	Board of Commissioners Work Session	.0	-
05/12/2011	09:30 AM - 10:30 AM	Planning and Policy Committee	30.0	\$40.00
05/19/2011	07:30 AM - 08:30 AM	Community Corrections Advisory Board	30.0	\$40.00
05/24/2011	01:30 PM - 02:45 PM	Board of Commissioners Meeting	30.0	\$40.00
-	-	-	-	-
			Total Per Diem:	\$160.00
			Total Mileage:	120.0 \$61.20
			Total Voucher:	\$221.20

06/08/2011

Revision History

Created by Jane Ruitter on 05/12/2011 04:08:55 PM
Modified by Jane Ruitter on 05/19/2011 10:35:58 AM
Modified by Elizabeth Lyyski on 06/08/2011 10:58:19 AM

1010-1010

**Board of Commissioners
Per Diem and Mileage Voucher**

Commissioner: **Roger Rycenga** For the month beginning May 01, 2011
Status: **Submitted to Fiscal Services**

Date	Time	Purpose	Mileage	Per Diem
05/09/2011	09:00 AM - 09:50 AM	Veterans' Affairs Committee	14.0	\$40.00
05/10/2011	01:00 PM - 01:14 PM	Finance & Administration Committee	.0	\$40.00
-	01:30 PM - 02:50 PM	Board of Commissioners Meeting	14.0	-
-	03:00 PM - 03:42 PM	Board of Commissioners Work Session	.0	-
05/11/2011	07:00 PM - 07:20 PM	Reapportionment Committee - mileage only	14.0	-
05/12/2011	09:30 AM - 10:21 AM	Planning and Policy Committee	14.0	\$40.00
05/24/2011	01:30 PM - 02:45 PM	Board of Commissioners Meeting	14.0	\$40.00
-	-	-	-	-
			Total Per Diem:	\$160.00
			Total Mileage:	70.0 \$35.70
			Total Voucher:	\$195.70

06/08/2011

Revision History

Created by Elizabeth Lyyski on 06/08/2011 10:55:27 AM

1010-1010

**Board of Commissioners
Per Diem and Mileage Voucher**

Commissioner: **Dennis Swartout** For the month beginning May 01, 2011
Status: **Submitted to Fiscal Services**

Date	Time	Purpose	Mileage	Per Diem
05/01/2011	01:00 PM - 01:30 PM	Tax Allocation Board	26.0	\$40.00
05/10/2011	01:00 PM - 01:14 PM	Finance & Administration Committee	.0	\$40.00
-	01:30 PM - 02:50 PM	Board of Commissioners Meeting	26.0	-
-	03:00 PM - 03:42 PM	Board of Commissioners Work Session	.0	-
05/12/2011	09:30 AM - 10:21 AM	Planning and Policy Committee	26.0	\$40.00
05/16/2011	01:00 PM - 01:30 PM	Tax Allocation Board	26.0	\$40.00
05/17/2011	09:30 AM - 10:32 AM	Finance & Administration Committee	26.0	\$40.00
05/24/2011	11:00 AM - 11:30 AM	Drain Board PA 20	26.0	\$40.00
-	01:30 PM - 02:45 PM	Board of Commissioners Meeting	26.0	-
05/25/2011	01:00 PM - 01:30 PM	Tax Allocation Board	26.0	\$40.00
-	-	-	-	-
Total Per Diem:				\$280.00
Total Mileage:			208.0	\$106.08
Total Voucher:				\$386.08

06/08/2011

1010-1010

Revision History

Created by Dennis Swartout on 05/30/2011 08:02:39 AM

Modified by Elizabeth Lyyski on 06/08/2011 11:05:14 AM

**Board of Commissioners
Per Diem and Mileage Voucher**

Commissioner: **Stu Visser** For the month beginning May 01, 2011
Status: **Submitted to Fiscal Services**

Date	Time	Purpose	Mileage	Per Diem
05/09/2011	09:00 AM - 10:00 AM	Veterans' Affairs Committee	28.0	\$40.00
05/10/2011	01:30 PM - 03:00 PM	Board of Commissioners Meeting	28.0	\$40.00
-	03:00 PM - 03:42 PM	Board of Commissioners Work Session	.0	-
05/11/2011	08:30 AM - 10:00 AM	Health & Human Services Committee	28.0	\$40.00
-	07:00 PM - 07:20 PM	Reapportionment Committee - mileage only	28.0	-
05/12/2011	09:30 AM - 11:00 AM	Planning and Policy Committee	28.0	\$40.00
05/18/2011	10:00 AM - 11:00 AM	Local Emergency Planning Commission (LEPC)	28.0	\$40.00
-	05:30 PM - 06:18 PM	Reapportionment Committee - mileage only	28.0	-
05/24/2011	01:30 PM - 03:00 PM	Board of Commissioners Meeting	28.0	\$40.00
-	05:30 PM - 05:58 PM	Reapportionment Committee - mileage only	28.0	-
-	-	-	-	-
			Total Per Diem:	\$240.00
			Total Mileage:	252.0 \$128.52
			Total Voucher:	\$368.52

06/08/2011

1010-1010

Revision History

Created by Stu Visser on 06/01/2011 09:05:06 AM
Modified by Elizabeth Lyyski on 06/08/2011 11:07:31 AM

Action Request



Committee: Finance and Administration Committee

Meeting Date: 6/21/2011

Requesting Department: Treasurer

Submitted By: Bob Spaman

Agenda Item: Treasurer's Annual "Balance in Land Sale Proceeds Account" Report

SUGGESTED MOTION:

To receive for information and forward to the Board of Commissioners the Annual "Balance in Land Sale Proceeds Account" Report.

SUMMARY OF REQUEST:

This report from the Treasurer's office identifies the balances that resulted from the sale(s), by the County Treasurer, of tax foreclosed property as sold under Public Act 123 of 1999 through 2005 Tax Year which sales were completed in 2008.

FINANCIAL INFORMATION:

Total Cost: \$0.00 General Fund Cost: \$0.00 Included in Budget: Yes No

If not included in budget, recommended funding source:

ACTION IS RELATED TO AN ACTIVITY WHICH IS:

Mandated Non-Mandated New Activity

ACTION IS RELATED TO STRATEGIC PLAN:

Goal: 1: To Maintain and Improve the Strong Financial Position of the County.

Objective:

- 1: Maintain and improve the financial position of the County through legislative advocacy.
- 2: Implement processes and strategies to address operational budget deficits with pro-active, balanced approaches.
- 3: Approve strategies to reduce the negative impact of rising employee benefit costs on the budget.
- 4: Maintain or improve bond ratings.

ADMINISTRATION RECOMMENDATION: Recommended Not Recommended Without Recommendation

County Administrator: **Alan G. Vanderberg**

Digitally signed by Alan G. Vanderberg
DN: cn=Alan G. Vanderberg, o=OS, ou=County of Ottawa, ou=Administrator's Office, email=vanderberg@miottawa.org
Reason: I am approving this document
Date: 2011.06.16 09:28:40 -0400

Committee/Governing/Advisory Board Approval Date:



County of Ottawa

Office of the Treasurer

Bradley J. Slagh
County Treasurer

Cheryl A. Clark
Chief Deputy Treasurer

Stephen Brower
Deputy Treasurer

12220 Fillmore St., PO Box 310, West Olive, MI 49460-0310

Phone: (616) 994.4501
1-800-764-4111, ext. 4501

Fax: (616) 994.4509

Web Site: www.miottawa.org

Transmittal Cover

Date: June 9, 2010

To: Ottawa County Board of Commissioners
and Presented to June 21, 2011 Finance and Administration Committee

Subject: Annual "Balance in Land Sale Proceeds Account" Report

From: Bradley J. Slagh, County Treasurer

Members of the Finance and Administration Committee, and County Board of Commissioners

I have created and attached the annual compilation of the Balance in Land Sale Proceeds Account report as required under MCL 211.78m (8) (h). This report from the Treasurer's office identifies the balances that resulted from the sale(s), by the County Treasurer, of tax foreclosed property as sold under Public Act 123 of 1999 through 2006 Tax Year which sales were completed in 2009.

I plan to be at both the Finance and Administration meeting on June 21 and the Board Meeting on June 28 to answer any questions related to prior tax foreclosure sales or this report.

As always, if I can answer any questions outside of those meetings please contact me in our Fillmore Office at: 616.994.4505 or bslagh@miottawa.org

ANNUAL REPORT OF BALANCE IN LAND SALE PROCEEDS ACCOUNTS

In accordance with MCL 211.78m (8) (h), this written report is presented to the Board of Commissioners no later than June 30, the second calendar year after foreclosure.

Net Balance* in Land Sale Proceeds Accounts:

2002	Tax Year	\$0.00	State Foreclosed
2003	Tax Year	(\$7,476.78)	
2004	Tax Year	\$101.61	
2005	Tax Year	\$12,333.47	
2006	Tax Year	\$225,249.36	
Subtotal Proceeds:			\$230,207.66

Contingent Liabilities:

2002	Tax Year	\$0.00	
2003	Tax Year	\$0.00	
2004	Tax Year	\$0.00	
2005	Tax Year	(\$100,000.00)	
2006	Tax Year	(\$525,000.00)	
General reserve against potential claims, currently unknown:			\$0.00
Subtotal Liabilities:			(\$625,000.00)

Balance from previous reports:

Untransferred Proceeds:	\$0.00	
Liabilities reported on previous report but subsequently released:	\$0.00	
Subtotal from previous reports:		\$0.00

Available for transfer to General Fund:	(\$394,792.34)
--	-----------------------

This report is prepared by Bradley J Slagh, Ottawa County Treasurer
to be presented to the Ottawa County Board of Commissioners June 28, 2011

Detailed calculation information is available upon request.

** Net Balance is defined as the amount remaining in the account after all claims in subsections (a) through (f) are satisfied.*

LAND SALE PROCEEDS ACCOUNTS: NET PROCEEDS CALCULATIONS

Categories of claims against Land Sale Proceeds and Contingent Liabilities are specified in MCL 211.78m (8). Simplified, those categories are:

- (a) Pay all taxes, interest and fees to Delinquent Tax Revolving fund.
- (b) Pay all costs of advertising and running the auction.
- (c) Pay all costs of the forfeiture and/or foreclosure proceedings for the year, such as, costs of mailing, publication, personal service, and outside contractors, etc.
- (d) **Reimburse any shortfalls from previous years.**
- (e) Reimburse any maintenance costs including clean up, demolition, and/or environmental remediation.
- (f) If the foreclosing governmental unit is not this state, any of the following:
 - (i) Proceeds from subsequent years can be used to reimburse shortfalls from current year.
 - (ii) Pay any costs for the defense of title actions.
 - (iii) Pay any other administrative costs of forfeiture, foreclosure and/or property sales and/or management.

	2002	2003	2004	2005	2006
Gross					
Proceeds	\$0.00	\$18,294.40	\$16,255.69	\$156,121.01	\$317,740.00
Less costs:					
(a)	\$0.00	(\$36,902.66)	(\$8,785.89)	(\$138,306.97)	(\$80,908.74)
(b)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(c)	\$0.00	(\$3,745.00)	(\$6,471.94)	(\$4,105.00)	(\$6,335.00)
(d)	\$0.00	\$0.00	(\$7,476.78)	(\$7,375.17)	\$0.00
(e)	\$0.00	(\$2,968.29)	(\$896.25)	(\$1,375.57)	(\$5,246.90)
(f)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Less write					
off:	\$0.00	\$4.76	\$0.00	\$0.00	\$0.00
chargeback					
to local					
taxing					
authorities:	\$0.00	\$17,840.01	\$0.00	\$0.00	\$0.00
Net					
Proceeds:	\$0.00	(\$7,476.78)	(\$7,375.17)	\$4,958.30	\$225,249.36

LAND SALE PROCEEDS ACCOUNTS: LIABILITY CALCULATIONS

Categories of claims against Land Sale Proceeds and Contingent Liabilities are as follows in MCL 211.78m (8):

- (a) The delinquent tax revolving fund shall be reimbursed for all taxes, interest, and fees on all of the property, whether or not all of the property was sold.
- (b) All costs of the sale of property for the year shall be paid.
- (c) Any costs of the foreclosure proceedings for the year, including, but not limited to, costs of mailing, publication, personal service, and outside contractors shall be paid.
- (d) Any costs for the sale of property or foreclosure proceedings for any prior year that have not been paid or reimbursed from that prior year's delinquent tax property sales proceeds shall be paid.
- (e) Any costs incurred by the foreclosing governmental unit in maintaining property foreclosed under section 78k before the sale under this section shall be paid, including costs of any environmental remediation.
- (f) If the foreclosing governmental unit is not this state, any of the following:
 - (i) Any costs for the sale of property or foreclosure proceedings for any subsequent year that are not paid or reimbursed from that subsequent year's delinquent tax property sales proceeds shall be paid from any remaining balance in any prior year's delinquent tax property sales proceeds account.
 - (ii) Any costs for the defense of title actions.
 - (iii) Any costs incurred in administering the foreclosure and disposition of property forfeited for delinquent taxes under this act.

Tax Year	Cate-gory	Property Number	Liability Description	Amount
2002	None			\$ -
Tax year subtotal:				\$ -
2003	None			\$ -
Tax year subtotal:				\$ -
2004	None			\$ -
Tax year subtotal:				\$ -
2005		70-16-13-460-016	Former property owner has threatened to sue county and treasurer. (To be dropped if not filing by September of 2010)	\$ 50,000
		70-17-18-397-001	Potential legal action. Prior tax payer may file suit for unconstitutional tax, fees and interest.	\$ 50,000
Tax year subtotal:				\$ 100,000
2006		70-08-33-300-022	Mtg holder notified. Mtg holder did not pay taxes. Potential legal action	\$ 25,000
		70-09-26-202-024	Mtg holder notified. Mtg holder did not pay taxes. Potential legal action	\$ 25,000
		70-15-36-379-023	Mtg holder notified. Mtg holder did not pay taxes. Potential legal action	\$ 25,000
		70-16-13-461-018	Former property owner has threatened to sue county and treasurer. (To be dropped if not filing by September of 2011)	\$ 50,000
		70-16-32-101-010	Mtg holder notified. Mtg holder did not pay taxes. Potential legal action	\$ 25,000
		70-16-32-105-003	Mtg holder notified. Mtg holder did not pay taxes. Potential legal action	\$ 25,000
		70-16-33-301-007	Oil company contamination in ground from holding tanks. Years of potential clean up and cost for tests to be run.	\$ 300,000
		70-17-30-330-009	Mtg holder notified. Mtg holder did not pay taxes. Potential legal action	\$ 25,000
		70-17-36-300-008	Mtg holder notified. Mtg holder did not pay taxes. Potential legal action	\$ 25,000
Tax year subtotal:				\$ 525,000

Action Request



Committee: Finance and Administration Committee

Meeting Date: 6/21/2011

Requesting Department: Fiscal Services

Submitted By: Bob Spaman

Agenda Item: Ottawa County Drain Commission's Annual Financial Report-Vredeveld Haefner LLC

SUGGESTED MOTION:

To receive for information and forward to the Board of Commissioners the Ottawa County Drain Commission's Annual Financial Report for the year ended December 31, 2010.

SUMMARY OF REQUEST:

The Uniform Budgeting and Accounting Act require that all local units of government complete an annual financial audit. A copy of the audit is submitted to the State of Michigan.

FINANCIAL INFORMATION:

Total Cost: \$0.00 General Fund Cost: \$0.00 Included in Budget: Yes No

If not included in budget, recommended funding source:

ACTION IS RELATED TO AN ACTIVITY WHICH IS:

Mandated Non-Mandated New Activity

ACTION IS RELATED TO STRATEGIC PLAN:

Goal: 1: To Maintain and Improve the Strong Financial Position of the County.

Objective:

- 1: Maintain and improve the financial position of the County through legislative advocacy.
- 2: Implement processes and strategies to address operational budget deficits with pro-active, balanced approaches.
- 3: Approve strategies to reduce the negative impact of rising employee benefit costs on the budget.
- 4: Maintain or improve bond ratings.

ADMINISTRATION RECOMMENDATION: Recommended Not Recommended Without Recommendation

County Administrator: **Alan G. Vanderberg**

Digitally signed by Alan G. Vanderberg
DN: cn=Alan G. Vanderberg, o=US, ou=County of Ottawa, ou=Administrator's Office, email=avanderberg@mottawa.org
Reason: I am approving this document
Date: 2011.06.16 09:32:15 -0400

Committee/Governing/Advisory Board Approval Date:

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER

(a Component Unit of Ottawa County)

Ottawa County, Michigan

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2010



Vredeveld Haefner LLC

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER
(a Component Unit of Ottawa County)

TABLE OF CONTENTS

FINANCIAL SECTION	<u>PAGE</u>
Independent Auditors' Report	1-2
Management Discussion and Analysis	3-7
Basic Financial Statements	
Government-wide and Fund Financial Statements	
Statement of Net Assets and Governmental Funds Balance Sheet	10-11
Reconciliation of Fund Balances on the Balance Sheet for the Governmental Funds to the Net Assets of Governmental Activities on the Statement of Net Assets	13
Statement of Activities and Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances	14-15
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities	16
Notes to Financial Statements	17-24
Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Chapter 6 Drain	25
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Chapter 20 Drain	26
Nonmajor Governmental Fund Financial Statements and Schedules	
Combining Balance Sheet	27
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	28
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Chapter 21 Drain – Bliss	29
CONTROL AND COMPLIANCE SECTION	
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	31



Vredeveld Haefner LLC

CPA's and Consultants

4001 Granada Ct.

Grand Rapids, MI 49534

FAX (616) 828-0307

INDEPENDENT AUDITORS' REPORT

Douglas J. Vredeveld, CPA

(616) 446-7474

Peter S. Haefner, CPA

(616) 460-9388

May 18, 2011

Ottawa County Office of the Drain Commissioner
Board of County Commissioners
West Olive, Michigan

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Ottawa County Office of the Drain Commissioner (the Drain Commission), a component unit of Ottawa County, Michigan, as of and for the year ended December 31, 2010, which collectively comprise the Drain Commission's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the Drain Commission. Our responsibility is to express opinions on these financial statements based on our audit.

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 significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Ottawa County Office of the Drain Commissioner as of December 31, 2010, and the respective changes in financial position 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 our report dated May 18, 2011, on our consideration of the Drain Commission'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 is important for 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 3 through 7 and the required supplementary information on pages 25 and 26 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 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 about 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 Ottawa County Office of the Drain Commissioner's basic financial statements. The combining and individual fund financial statements 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 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, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Ordeuxeld Haefner LLC

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of the *Ottawa County Office of the Drain Commissioner*, we offer readers of the financial statements this narrative overview and analysis of the financial activities for the fiscal year ended December 31, 2010.

Financial Highlights

- The assets of the Office of the Drain Commissioner exceeded its liabilities at the close of the most recent fiscal year by \$26,305,831 (*net assets*). Of this amount, \$2,864,551 is unrestricted and may be used to meet ongoing obligations. Most of the balance is restricted for the investment in capital assets net of related debt (i.e., infrastructure).
- The Office of the Drain Commissioner's total net assets increased by \$3,177,594. Fund balance only increased by \$364,289 as numerous drains underwent repairs caused by storm damage.
- The Office of the Drain Commissioner's total debt increased by \$1,365,633.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Office of the Drain Commissioner's financial statements. The basic financial statements comprise three components: 1) government wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

To simplify financial reporting and improve readability, the government-wide financial statements and the fund statements have been combined to report the statement of net assets and governmental funds balance sheet on a single page and the statement of activities and governmental funds revenues, expenditures and changes in fund balance on a single page. This report also contains other supplementary information in addition to the basic financial statements themselves. Note that Ottawa County's government-wide financial statements are not presented herein because the Office of the Drain Commissioner is a component unit of the County. The County presents their financial statements in a separately issued comprehensive annual financial report.

The *statements of net assets* present information on all of the Office of the Drain Commissioner'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 Office of the Drain Commissioner's financial position is improving or deteriorating.

The *statements of revenues, expenses and changes in net assets* present information showing how the Office of the Drain Commissioner'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. These statements can be found on pages 10-16 of this report.

The Office of the Drain Commissioner does not have any business-type activities.

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 Office of the Drain Commissioner, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Office of the Drain Commissioner maintains seven individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the Chapter 6 Drains and the Chapter 20 Drains which are considered to be major 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 funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between the *governmental funds* and *governmental activities*.

Information is presented in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balance for the general fund which is considered to be major fund.

Proprietary funds. The Office of the Drain Commissioner does not utilize proprietary or fiduciary funds.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found beginning on page 17 of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents budgetary comparison schedules for the Office of the Drain Commissioner's major funds.

FINANCIAL MANAGEMENT AND CONTROL

The 2010 financial statement reflects one year of the Office of the Drain Commissioner's operations. The financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Fund Accounting

The Office of the Drain Commissioner uses funds (i.e., a separate accounting entity with a self-balancing set of accounts) to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Budgetary Control

A detailed budget is presented to the County (Primary Government) Board for approval on an annual basis.

Financial Analysis

As the following table demonstrates, the Office of the Drain Commissioner's assets exceeded its liabilities by \$26,305,831 at December 31, 2010:

Office of the County Drain Commissioner Net Assets

	<u>2010</u>	<u>2009</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Current assets	\$ 2,775,457	\$ 1,077,447	\$ 1,698,010	157.6%
Non-current assets:				
Capital assets, net of accumulated depreciation	24,429,247	22,605,105	1,824,142	8.1%
Other non-current assets	<u>1,775,837</u>	<u>205,654</u>	<u>1,570,183</u>	763.5%
Total assets	<u>28,980,541</u>	<u>23,888,206</u>	<u>5,092,335</u>	21.3%
Current liabilities	916,111	367,003	549,108	149.6%
Non-Current liabilities	<u>1,758,599</u>	<u>392,966</u>	<u>1,365,633</u>	347.5%
Total liabilities	<u>2,674,710</u>	<u>759,969</u>	<u>1,914,741</u>	251.9%
Net Assets:				
Invested in capital assets, net of related debt	22,149,148	22,212,139	(62,991)	-0.3%
Restricted	1,292,132	820,941	471,191	57.4%
Unrestricted	<u>2,864,551</u>	<u>95,157</u>	<u>2,769,394</u>	2910.3%
Total Net Assets	<u>\$ 26,305,831</u>	<u>\$ 23,128,237</u>	<u>\$ 3,177,594</u>	13.7%

Net assets of the Office of the Drain Commissioner increased by \$3,177,594. The increase in net assets is primarily the result of the timing difference between when infrastructure is purchased/constructed and when depreciation is recorded on the infrastructure.

Ottawa County Drain Commissioner's Statement of Activities

	<u>Governmental Activities</u>	
	<u>2010</u>	<u>2009</u>
Revenues		
Program revenue:		
Capital grants/special assessments	\$5,086,844	\$2,109,401
General revenues:		
Investment earnings	18,878	15,068
Total revenues	<u>5,105,722</u>	<u>2,124,469</u>
Expenses:		
Public works	1,902,089	2,079,058
Debt Service	26,039	21,276
Total expenses	<u>1,928,128</u>	<u>2,100,334</u>
Increase (decrease) in net assets	3,177,594	24,135
Net assets, beginning of year	<u>23,128,237</u>	<u>23,104,102</u>
Net assets, end of year	<u><u>\$26,305,831</u></u>	<u><u>\$23,128,237</u></u>

Revenues and expenditures vary significantly from year to year depending on the number and magnitude of petitions made. 2010 revenue continued high as petitions resulting from the 2008 and 2009 storms were addressed.

Pension Funds/Other Post Employment Benefits

The Office of the Drain Commissioner has no employees; as such, it contracts for all administrative, accounting, and financial reporting services with Ottawa County and other outside entities.

Budget Highlights

Difference between budgeted and actual revenues and expenditures are due primarily to timing issues. It is difficult to determine how far a project will be by year end, so variances are expected.

Capital Asset and Debt Administration

The Office of the Drain Commissioner's investment in capital assets as of December 31, 2010, all of which is infrastructure, amounted to \$24,429,247 (net of accumulated depreciation). The total increase in the Office of the Drain Commissioner's investment in capital assets for the current fiscal year is 10.3%.

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

- Further construction/improvement on the Munn drain occurred in 2010. Approximately \$620,000 was expended and \$495,000 in bonded debt was issued to support the project.
- Significant progress was made on the Park West drain project (\$464,000). The Office

anticipates the issuance of bonds for the \$6 million project during 2012.

- Other major projects included the No. 30 drain (\$480,000) and the Post drain (\$220,000).

Additional information on the Office of the Drain Commissioner's capital assets can be found in note 6 on page 22 of this report.

Long-term debt. At the end of the current fiscal year, the Office of the Drain Commissioner had total general obligation bonds outstanding of \$564,199 and notes payable of \$1,194,400. Of this amount, \$564,199 of the bonds are backed by the County's full faith and credit.

The Office of the Drain Commissioner's bonded debt increased by \$299,233 (112.9 %) with issuance of \$495,000 in bonds for the Munn Drain. However, the remaining balance on the Vincent Drain bonds, \$190,000 was paid off (early) in 2010.

The Ottawa County Drain Commissioner also has various notes payable for which the benefiting drainage district has pledged its full faith and credit. During 2010, \$1,164,000 in notes were issued and \$97,600 in existing notes were paid. More debt has been issued in 2010 for two reasons: 1) there has been a higher level of activity due to two very destructive storms in both 2008 and 2009 and 2) municipalities that would previously have paid cash are unable to due to economic difficulties.

Additional information on the Office of the Drain Commissioner's debt activity can be found in note 7 on page 23 of this report.

Economic Factors and Next Year's Budget

Special assessments for drain projects are not based on property values, so the issues many governments are facing due to declining property values do not apply to the Office of the Drain Commissioner directly. However, because most projects are paid in part by cash-strapped municipalities, the Office anticipates higher borrowing in the future.

Requests for Information

This financial report is designed to provide a general overview of the Ottawa County Office of the Drain Commissioner'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.

(This page left intentionally blank)

BASIC FINANCIAL STATEMENTS

STATE OF KANSAS
DEPARTMENT OF REVENUE
STATEMENT OF ASSETS
AND LIABILITIES
FOR THE YEAR ENDED
DECEMBER 31, 2010

(This page left intentionally blank)

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER
(a Component Unit of Ottawa County)

**STATEMENT OF NET ASSETS
AND GOVERNMENTAL FUNDS BALANCE SHEET**

DECEMBER 31, 2010

	<u>Special Revenue</u>		<u>Debt Service</u>	<u>Capital Projects</u>
	<u>Chapter 6 Drain</u>	<u>Chapter 20 Drain</u>	<u>Drain Debt Service</u>	<u>Revolving</u>
Assets				
Cash and investments	\$ 817,716	\$ 462,863	\$ 32,266	\$ 104,666
Due from other funds	-	-	-	-
Assessments receivable:				
Due within one year	1,248,686	15,677	41,739	-
Due after one year	1,073,060	-	702,777	-
Capital assets, net of accumulated depreciation	-	-	-	-
Total assets	<u>\$ 3,139,462</u>	<u>\$ 478,540</u>	<u>\$ 776,782</u>	<u>\$ 104,666</u>
Liabilities and fund balances				
Liabilities				
Accounts payable	\$ 195,570	\$ 2,472	\$ -	\$ 985
Accrued interest payable	-	-	-	-
Due to other funds	183,022	3,633	-	-
Due to primary government	-	-	-	-
Deferred revenue	1,827,271	-	744,516	-
Notes payable	521,500	-	-	-
Long-term liabilities:				
Due within one year	-	-	-	-
Due after one year	-	-	-	-
Total liabilities	<u>2,727,363</u>	<u>6,105</u>	<u>744,516</u>	<u>985</u>
Fund balances				
Unreserved:				
Designated for construction	-	472,435	-	-
Undesignated reported in:				
Debt service fund	-	-	32,266	-
Capital projects funds	-	-	-	103,681
Special revenue funds	412,099	-	-	-
Total fund balances	<u>412,099</u>	<u>472,435</u>	<u>32,266</u>	<u>103,681</u>
Total liabilities and fund balances	<u>\$ 3,139,462</u>	<u>\$ 478,540</u>	<u>\$ 776,782</u>	<u>\$ 104,666</u>
Net assets				
Invested in capital assets, net of related debt				
Restricted for construction				
Restricted for maintenance				
Restricted for debt service				
Unrestricted				
Total net assets				

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

<u>Nonmajor Funds</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Assets</u>
\$ 6,843	\$ 1,424,354	\$ -	\$ 1,424,354
222,863	222,863	(222,863)	-
45,001	1,351,103	-	1,351,103
-	1,775,837	-	1,775,837
-	-	24,429,247	24,429,247
<u>\$ 274,707</u>	<u>\$ 4,774,157</u>	<u>24,206,384</u>	<u>28,980,541</u>

\$ -	\$ 199,027	-	199,027
-	-	20,584	20,584
36,208	222,863	(222,863)	-
175,000	175,000	-	175,000
-	2,571,787	(2,571,787)	-
-	521,500	-	521,500
-	-	221,267	221,267
-	-	1,537,332	1,537,332
<u>211,208</u>	<u>3,690,177</u>	<u>(1,015,467)</u>	<u>2,674,710</u>

8,793	481,228	(481,228)	-
-	32,266	(32,266)	-
54,706	158,387	(158,387)	-
-	412,099	(412,099)	-
<u>63,499</u>	<u>1,083,980</u>	<u>(1,083,980)</u>	<u>-</u>
<u>\$ 274,707</u>	<u>\$ 4,774,157</u>		

22,149,148	22,149,148
481,228	481,228
54,706	54,706
756,198	756,198
<u>2,864,551</u>	<u>2,864,551</u>
<u>\$ 26,305,831</u>	<u>\$ 26,305,831</u>

(This page left intentionally blank)

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER
(a Component Unit of Ottawa County)

**RECONCILIATION OF FUND BALANCES ON THE BALANCE SHEET
FOR GOVERNMENTAL FUNDS TO NET ASSETS
ON THE STATEMENT OF NET ASSETS**

DECEMBER 31, 2010

Fund balances - total governmental funds	\$ 1,083,980
Amounts reported for <i>governmental activities</i> in the statement of net assets are different because	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	
Add - capital assets	37,639,313
Deduct - accumulated depreciation	(13,210,066)
Long-term receivables are recorded as revenue when payment is received on the governmental fund statements and as revenue when earned on the statement of activities.	
Add - deferred revenue on long-term receivables	2,571,787
Certain liabilities, such as bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
Deduct - long-term bonds and notes payable	(1,758,599)
Deduct - accrued interest on bonds and notes payable	<u>(20,584)</u>
Net assets of governmental activities	<u>\$ 26,305,831</u>

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

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER
(a Component Unit of Ottawa County)

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

FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Special Revenue</u>		<u>Debt Service</u>	<u>Capital</u>
	<u>Chapter 6</u>	<u>Chapter 20</u>	<u>Service</u>	<u>Projects</u>
	<u>Drain</u>	<u>Drain</u>	<u>Drain</u>	<u>Revolving</u>
Expenditures / expenses			<u>Debt Service</u>	
Construction and maintenance	\$ 2,933,626	\$ 41,525	\$ -	\$ 602,752
Depreciation	-	-	-	-
Principal on long-term bonds and notes	7,600	-	195,767	-
Interest and fees	<u>3,705</u>	<u>-</u>	<u>19,147</u>	<u>-</u>
Total expenditures / expenses	<u>2,944,931</u>	<u>41,525</u>	<u>214,914</u>	<u>602,752</u>
Program revenue				
Capital grants / special assessments	<u>2,078,433</u>	<u>84,762</u>	<u>73,622</u>	<u>339,206</u>
Net program revenue (expense)				
General revenue				
Interest	<u>11,006</u>	<u>5,887</u>	<u>468</u>	<u>1,010</u>
Revenues over (under) expenditures	<u>(855,492)</u>	<u>49,124</u>	<u>(140,824)</u>	<u>(262,536)</u>
Other financing sources (uses)				
Long-term debt issued	1,164,000	-	-	495,000
Payment on anticipation note	-	-	-	(90,000)
Premium	-	-	-	8,150
Transfers in	51,647	-	18,223	-
Transfers out	<u>-</u>	<u>(7,644)</u>	<u>(15,293)</u>	<u>(46,933)</u>
Total other financing sources (uses)	<u>1,215,647</u>	<u>(7,644)</u>	<u>2,930</u>	<u>366,217</u>
Net changes in fund balances / net assets	360,155	41,480	(137,894)	103,681
Fund balances / net assets				
Beginning of year	<u>51,944</u>	<u>430,955</u>	<u>170,160</u>	<u>-</u>
End of year	<u>\$ 412,099</u>	<u>\$ 472,435</u>	<u>\$ 32,266</u>	<u>\$ 103,681</u>

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

<u>Nonmajor Funds</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
\$ 54,720	\$ 3,632,623	\$ (2,934,706)	\$ 697,917
-	-	1,204,172	1,204,172
-	203,367	(203,367)	-
-	<u>22,852</u>	<u>3,187</u>	<u>26,039</u>
<u>54,720</u>	<u>3,858,842</u>	<u>(1,930,714)</u>	<u>1,928,128</u>
<u>51,080</u>	<u>2,627,103</u>	<u>2,459,741</u>	<u>5,086,844</u>
			<u>3,158,716</u>
<u>507</u>	<u>18,878</u>	<u>-</u>	<u>18,878</u>
<u>(3,133)</u>	<u>(1,212,861)</u>	<u>4,390,455</u>	
-	1,659,000	(1,569,000)	
-	(90,000)	-	
-	8,150	(8,150)	
-	69,870	(69,870)	
-	<u>(69,870)</u>	<u>69,870</u>	
<u>-</u>	<u>1,577,150</u>	<u>(1,577,150)</u>	
(3,133)	364,289	2,813,305	3,177,594
<u>66,632</u>	<u>719,691</u>	<u>22,408,546</u>	<u>23,128,237</u>
<u>\$ 63,499</u>	<u>\$ 1,083,980</u>	<u>\$ 25,221,851</u>	<u>\$ 26,305,831</u>

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER
(a Component Unit of Ottawa County)

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

FOR THE YEAR ENDED DECEMBER 31, 2010

Net changes in fund balances - total governmental funds	\$ 364,289
--	-------------------

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 capitalized (as infrastructure) and depreciated.

Add - capital outlay	2,934,706
Deduct - depreciation expense	(1,204,172)
Add - donated capital assets (infrastructure)	93,609

Bonds and notes provide current financial resources to governmental funds in the period issued, but increases long-term liabilities in the statement of net assets. Repayment of bond and note principal is an expenditure in the governmental funds, but reduces long-term liabilities in the statement of net assets.

Add - principal payments on long-term bonds and notes	203,367
Add - principal payment on bond anticipation note	-
Deduct - long-term notes issued	(1,569,000)

Certain revenues are not recognized in the funds because they do not meet the availability criteria.

Add - increase in deferred revenue on long-term receivables	2,366,132
---	-----------

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.

Deduct - premium on issuance of bond	(8,150)
Deduct - decrease in accrued interest payable	(3,187)

Change in net assets of governmental activities	\$ <u>3,177,594</u>
--	----------------------------

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

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER
(a Component Unit of Ottawa County)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Ottawa County Office of the Drain Commissioner (the Drain Commission) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies.

Reporting Entity

The Ottawa County Office of the Drain Commissioner is a discretely presented component unit of Ottawa County (the County), Michigan, and accounts for the revenues and expenditures / expenses related to construction and maintenance of drainage districts throughout the County. Each of the drainage districts established pursuant to the drain code of 1956 are separate legal entities, with the power to contract, sue and be sued, to hold, manage and dispose of real and personal property etc. The statutory drainage board of Chapter 20 drainage districts consists of the Drain Commissioner, the Chairman of the County Board of Commissioners, and the Chairman of the County Finance Committee. The statutory drainage board of Intercounty drainage districts, Chapters 6 and 21, consists of the State Director of the Department of Agriculture and the Drain Commissioner of each county in the drainage district. The County Drain Commissioner has sole responsibility to administer the drainage districts established pursuant to Chapters 4 and 8 of the Drain Code. The Drainage Board or Drain Commissioner, on behalf of the drainage districts, 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.

The criteria established under generally accepted accounting principals for determining the reporting entity includes a significant operational or financial relationship with another entity. The Drain Commission 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.

Government-wide and Fund 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 governmental activities of the primary government (the Drain Commission). *Governmental activities* are reported in total. The Drain Commission has no business-type activities. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Internally dedicated resources are reported as general revenues rather than as program revenues.

A combined financial statement is provided for the governmental funds balance sheet and the statement of net assets and the governmental funds statement of revenues, expenditures and changes in fund balances and the statement of activities.

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER
(a Component Unit of Ottawa County)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2010

The Drain Commission reports the following major governmental funds:

The *Chapter 6 Drain Special Revenue Fund* is the government's primary operating fund. It accounts for the maintenance and repair of numerous drains which can assess individual land owners, but which are usually funded by assessments of other local governments.

The *Chapter 20 Drain Special Revenue Fund* is used to account for the construction and maintenance of numerous drains which can be funded exclusively by the assessment of other municipal governments.

The *Drain Debt Service Fund* is used to account for the accumulation of resources for the payment of principal, interest and other fees on long-term debt.

The *Drain Revolving Capital Projects Fund* is used to provide short-term financing for drain activities which is subsequently reimbursed by the other drain funds.

Additionally, the Drain Commission reports the following fund types:

The *Special Revenue Fund* accounts for the revenues and related expenditures of Chapter 21 Inter-County drains.

The *Capital Projects Funds* account for the accumulation and disbursement of resources for the maintenance of various drains.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resource as they are needed.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments and similar items are recognized as revenue as soon as all requirements have been met.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The governmental funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except that interest and assessment revenue associated with short-term notes expected to be collected within one year is also considered to be available. Assessment revenue associated with long-term debt is recognized when received. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. Exceptions to this general rule include principal and interest on long-term debt which are recognized when due.

The governmental funds are accounted for on a spending or "flow of current financial resources" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance is considered a measure of "available, spendable resources".

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER
(a Component Unit of Ottawa County)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2010

The governmental funds operating statement presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, it is said to present a summary of sources and uses of "available, spendable resources" during a period.

Budgets and Budgetary Accounting

The Office of the Drain Commissioner's procedures for establishing budgetary data are as follows:

- The Drain Commissioner submits a proposed budget for the upcoming year to the County Board of Commissioners.
- The budget is reviewed by the County Board of Commissioners and a public hearing is held. Prior to the beginning of the year, the budget is adopted by the County Board of Commissioners.
- The budgets for the budgetary funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budget amounts shown in the financial statements consist of those amounts contained in the original and amended budgets.
- The County Board of Commissioners adopts a budget for the budgetary funds by means of an appropriations act, on a departmental activity basis in summary form.
- Periodic internal reporting is on a detail basis in accordance with the state-prescribed uniform chart of accounts. The budget is prepared on the modified accrued basis of accounting. The budget was amended during the year.

Cash and Investments

Cash and investments consist of the balance of savings and pooled investment accounts. The Drain Commission invests its cash and investments through Michigan financial institutions and the Ottawa County Treasurer. Michigan law authorizes the Drain Commission to invest in:

- a. Bond, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- d. Bankers' acceptances of United States banks.
- e. Obligations of the State of Michigan and its political subdivisions that, at the time of purchase are rated as investment grade by at least one standard rating service.
- f. Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- g. External investment pools as authorized by Public Act 20 as amended.

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER
(a Component Unit of Ottawa County)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2010

Assessments Receivable

Assessments receivable consist of amounts due from individuals and other local units of government for assessments related to specific drain projects. Assessments levied by the Drain Commission are included in the December tax bill and attached as an enforceable lien as of December 1. The assessments are billed and collected by the local units of government and remitted to the County. Assessments due from the local units are offset by deferred revenue where applicable.

Capital Assets

Capital assets, which consist of infrastructure, are reported in the governmental activities column in the government-wide financial statements.

Infrastructure assets are defined by the government as assets with an initial, individual cost of more than \$25,000 and an estimated useful life in excess of two years. Such assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Only infrastructure assets acquired or donated since 1980 are included in the Drain Commission capital asset balance. Donated capital assets are valued at their estimated fair market value on the date received.

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.

Depreciation on infrastructure is computed using the straight-line method over an estimated useful life of 30 years.

Deferred Revenue

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.

Long-Term Liabilities

In the statement of net assets, long-term debt is reported as long-term liabilities.

In the fund financial statements, governmental fund types recognize the face amount of debt issued as other financing sources.

Fund Equity/Net assets

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent amounts set aside by the Drain Commission for tentative plans for future use.

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER
(a Component Unit of Ottawa County)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2010

2. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS

State law provides that the Drain Commission shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Drain Commission's actual expenditures and budgeted expenditures for the Chapter 6 and Chapter 20 special revenue funds have been shown on a departmental activity basis.

During the year ended December 31, 2010, the Drain Commission incurred expenditures in excess of the amounts appropriated as follows:

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Chapter 20 Drain			
Construction	\$40,000	\$41,525	\$(1,525)
Transfers out	-	7,644	(7,644)
Chapter 21 Drain			
Construction	50,000	54,720	(4,720)

3. CASH AND INVESTMENTS

Cash and investments reported on the financial statements consist of the following balances at year end:

	<u>Cash and Investments</u>
Savings	\$ 111,708
Ottawa County investment pool	1,312,646
Cash and investments	\$1,424,354

The savings accounts are in one financial institution located in Michigan. All accounts are in the name of the Drain Commission and a specific fund or common account. They are recorded in Drain Commission records at fair value.

Deposit risk

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Drain Commission's deposits may not be returned. As of year end, the Drain Commission's bank balance of \$111,708 was not exposed to custodial credit risk because it was insured and/or collateralized.

Investment risk

The above Ottawa County investment pool balance is held by Ottawa County at year end. The amount of investment risks can be determined for Ottawa County as a whole, but cannot be separately identified for the Drain Commission. The Ottawa County investment pool is unrated.

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER
(a Component Unit of Ottawa County)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2010

4. INTERFUND TRANSACTIONS

Interfund receivables and payables of individual funds at December 31, 2010 were as follows:

	<u>Payable Fund</u>			<u>Total</u>
	<u>Chapter 6 Drain</u>	<u>Chapter 20 Drain</u>	<u>Nonmajor Funds</u>	
Receivable Fund:				
Nonmajor governmental funds	\$183,022	\$3,633	\$36,208	\$222,863
Total	\$183,022	\$3,633	\$36,208	\$222,863

Interfund balances primarily reflect loans made from funds with cash and investments to those funds requiring temporary cash flow.

5. RELATED PARTY TRANSACTIONS

The Drain Commission assesses Ottawa County (the primary government of which the Drain Commission is a component unit) and the Ottawa County Road Commission (a component unit of Ottawa County) for drain projects. During 2010, the County paid assessments to the Drain Commission of \$50,006, with no remaining balance at December 31, 2010. There are also assessments due from the Road Commission of \$38,971, which are included in assessments receivable at year end.

6. CAPITAL ASSETS

Capital asset activity for the year was as follows:

	<u>Balance January 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2010</u>
Capital assets, being depreciated				
Infrastructure	\$34,610,999	\$3,028,314	\$ -	\$37,639,313
Less: accumulated depreciation	12,005,894	1,204,172	-	13,210,066
Capital assets, net	\$22,605,105	\$1,824,142	\$ -	\$24,429,247

Of the current year additions of \$3,028,314, \$93,609 is donated infrastructure.

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER
(a Component Unit of Ottawa County)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2010

7. DEBT

The following is a summary of long-term debt activity and balances for the year:

	<u>Balance January 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2010</u>	<u>Due Within One Year</u>
Dayton Drain Drainage District Special assessment note Series 2004, due in annual installments of \$7,600 through June 15, 2014, plus interest at 4.57%	\$ 38,000	\$ -	\$ 7,600	\$ 30,400	\$ 7,600
Vincent Drain Drainage District Vincent Drain Bonds, Series 1996, due in annual installments of \$25,000 through June 1, 2016, plus interest ranging from 7.00% to 5.20%	190,000	-	190,000	-	-
Nunica Drain Drainage District Nunica Drain Bonds, Series 2007, due in annual installments of \$5,767 through June 1, 2022, plus interest at 4.85%	74,966	-	5,767	69,199	5,767
Bond Anticipation Note Payable to County of Ottawa no later than December 31, 2010, plus interest at 1.75%	90,000	-	90,000	-	-
Munn Drainage District Munn Drain Bonds, Series 2010, due in annual installments of \$20,000 to \$25,000 through December 1, 2030, plus interest ranging from 2.00% to 4.40%	-	495,000	-	495,000	20,000
Various Drainage Districts Various Drain notes payable, due in annual installments ranging from \$11,000 to \$50,000, with due dates ranging from June 1, 2012 through June 1, 2017, plus interest ranging from 2.70% to 5.15%	-	1,164,000	-	1,164,000	187,900
Total	\$392,966	\$1,659,000	\$ 293,367	\$1,758,599	\$221,267

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER
(a Component Unit of Ottawa County)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2010

The following is a summary of future principal maturities and interest requirements:

<u>Year ending December 31:</u>	<u>Principal</u>	<u>Interest</u>
2011	\$221,267	\$44,393
2012	652,267	59,615
2013	151,767	35,762
2014	151,766	29,620
2015	144,166	23,340
2016-2020	175,835	70,938
2021-2025	136,531	39,899
2026-2030	125,000	13,452
Total	<u>\$1,758,599</u>	<u>\$317,019</u>

The following is a summary of short-term note activity and balances:

	<u>Balance January 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2010</u>	<u>Due Within One Year</u>
Various Drainage Districts					
Various Drain notes payable, principal payments ranging from \$13,000 to \$250,000, due June 1, 2011, plus interest ranging from 1.97% to 3.45%	\$ -	\$ 601,500	\$ 80,000	\$ 521,500	\$ 521,500

REQUIRED SUPPLEMENTARY INFORMATION

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER
(a Component Unit of Ottawa County)

CHAPTER 6 DRAIN
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2010

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
Revenues				
Special assessments	\$ 4,600,000	\$ 2,000,000	\$ 2,078,433	\$ 78,433
Interest	40,000	15,000	11,006	(3,994)
Total revenues	<u>4,640,000</u>	<u>2,015,000</u>	<u>2,089,439</u>	<u>74,439</u>
Expenditures				
Construction	4,600,000	3,000,000	2,933,626	66,374
Principal on long-term bonds and notes	7,600	87,600	7,600	80,000
Interest and fees	1,737	3,706	3,705	1
Total expenditures	<u>4,609,337</u>	<u>3,091,306</u>	<u>2,944,931</u>	<u>146,375</u>
Revenues over (under) expenditures	<u>30,663</u>	<u>(1,076,306)</u>	<u>(855,492)</u>	<u>220,814</u>
Other financing sources				
Bond issue	-	1,685,500	1,164,000	(521,500)
Transfers in	-	-	51,647	51,647
Total other financing sources	<u>-</u>	<u>1,685,500</u>	<u>1,215,647</u>	<u>(469,853)</u>
Net changes in fund balance	30,663	609,194	360,155	(249,039)
Fund balance, beginning of year	<u>51,944</u>	<u>51,944</u>	<u>51,944</u>	<u>-</u>
Fund balance, end of year	<u>\$ 82,607</u>	<u>\$ 661,138</u>	<u>\$ 412,099</u>	<u>\$ (249,039)</u>

Note to required supplementary information

Budgets and Budgetary Accounting

The Authority adopts an annual budget for the general fund following the GAAP basis of accounting. Unexpended appropriations lapse at year end.

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER
(a Component Unit of Ottawa County)

CHAPTER 20 DRAIN
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Special assessments	\$ 31,000	\$ 85,000	\$ 84,762	\$ (238)
Interest	<u>15,000</u>	<u>5,000</u>	<u>5,887</u>	<u>887</u>
Total revenues	46,000	90,000	90,649	649
Expenditures				
Construction	<u>30,000</u>	<u>40,000</u>	<u>41,525</u>	<u>(1,525)</u>
Revenues over (under) expenditures	16,000	50,000	49,124	(876)
Other financing sources				
Transfers out	<u>-</u>	<u>-</u>	<u>(7,644)</u>	<u>(7,644)</u>
Net changes in fund balance	16,000	50,000	41,480	(8,520)
Fund balance, beginning of year	<u>430,955</u>	<u>430,955</u>	<u>430,955</u>	<u>-</u>
Fund balance, end of year	<u>\$ 446,955</u>	<u>\$ 480,955</u>	<u>\$ 472,435</u>	<u>\$ (8,520)</u>

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER
(a Component Unit of Ottawa County)

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

DECEMBER 31, 2010

	<u>Special Revenue Chapter 21 Drain - Bliss</u>	<u>Capital Projects Drain Revolving</u>	<u>Drain Revolving</u>	<u>Total</u>
Assets				
Cash and investments	\$ -	\$ -	\$ 6,843	\$ 6,843
Due from other funds	-	175,000	47,863	222,863
Assessments receivable	<u>45,001</u>	<u>-</u>	<u>-</u>	<u>45,001</u>
Total assets	<u>\$ 45,001</u>	<u>\$ 175,000</u>	<u>\$ 54,706</u>	<u>\$ 274,707</u>
Liabilities and fund balances				
Liabilities				
Due to other funds	\$ 36,208	\$ -	\$ -	\$ 36,208
Due to primary government	<u>-</u>	<u>175,000</u>	<u>-</u>	<u>175,000</u>
Total liabilities	36,208	175,000	-	211,208
Fund balances				
Unreserved				
Undesignated	<u>8,793</u>	<u>-</u>	<u>54,706</u>	<u>63,499</u>
Total liabilities and fund balances	<u>\$ 45,001</u>	<u>\$ 175,000</u>	<u>\$ 54,706</u>	<u>\$ 274,707</u>

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER
(a Component Unit of Ottawa County)

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

FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Special Revenue Chapter 21 Drain - Bliss</u>	<u>Capital Projects Drain Revolving</u>	<u>Drain Revolving</u>	<u>Total</u>
Revenues				
Special assessments	\$ 51,080	\$ -	\$ -	\$ 51,080
Interest	-	-	507	507
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	51,080	-	507	51,587
Expenditures				
Construction	54,720	-	-	54,720
	<hr/>	<hr/>	<hr/>	<hr/>
Net changes in fund balances	(3,640)	-	507	(3,133)
Fund balances, beginning of year	12,433	-	54,199	66,632
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances, end of year	<u>\$ 8,793</u>	<u>\$ -</u>	<u>\$ 54,706</u>	<u>\$ 63,499</u>

OTTAWA COUNTY OFFICE OF THE DRAIN COMMISSIONER
(a Component Unit of Ottawa County)

CHAPTER 21 DRAIN - BLISS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2010

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
Revenues				
Special assessments	\$ 50,000	\$ 50,000	\$ 51,080	\$ 1,080
Interest	2,500	2,500	-	(2,500)
Total revenues	52,500	52,500	51,080	(1,420)
Expenditures				
Construction	50,000	50,000	54,720	(4,720)
Net changes in fund balance	2,500	2,500	(3,640)	(6,140)
Fund balance, beginning of year	12,433	12,433	12,433	-
Fund balance, end of year	\$ 14,933	\$ 14,933	\$ 8,793	\$ (6,140)

(This page left intentionally blank)

CONTROL AND COMPLIANCE



Vredeveld Haefner LLC

CPA's and Consultants
4001 Granada Ct.
Grand Rapids, MI 49534
FAX (616) 828-0307

Douglas J. Vredeveld, CPA
(616) 446-7474

Peter S. Haefner, CPA
(616) 460-9388

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

May 18, 2011

Ottawa County Office of the Drain Commissioner
Board of County Commissioners
West Olive, Michigan

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Ottawa County Office of the Drain Commissioner (the Drain Commission), a component unit of Ottawa County, Michigan, as of and for the year ended December 31, 2010, which collectively comprise the Drain Commission's basic financial statements and have issued our report thereon dated May 18, 2011. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Drain Commission's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Drain Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Drain Commission's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Drain Commission's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Drain Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Drain Commission, Board of County Commissioners, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Vredeveld Haefner LLC

(This page left intentionally blank)

Action Request



Committee: Finance and Administration Committee

Meeting Date: 6/21/2011

Requesting Department: Fiscal Services

Submitted By: Bob Spaman

Agenda Item: County of Ottawa Annual Financial Report – Vredeveld
Haefner LLC

SUGGESTED MOTION:

To receive for information and forward to the Board of Commissioners the Comprehensive Annual Financial Report (CAFR) of the County of Ottawa for the year ended December 31, 2010.

SUMMARY OF REQUEST:

The Uniform Budgeting and Accounting Act require that all local units of government complete an annual financial audit. A copy of the audit is submitted to the State of Michigan.

FINANCIAL INFORMATION:

Total Cost: \$0.00 General Fund Cost: \$0.00 Included in Budget: Yes No

If not included in budget, recommended funding source:

ACTION IS RELATED TO AN ACTIVITY WHICH IS:

Mandated Non-Mandated New Activity

ACTION IS RELATED TO STRATEGIC PLAN:

Goal: 1: To Maintain and Improve the Strong Financial Position of the County.

Objective:

- 1: Maintain and improve the financial position of the County through legislative advocacy.
- 2: Implement processes and strategies to address operational budget deficits with pro-active, balanced approaches.
- 3: Approve strategies to reduce the negative impact of rising employee benefit costs on the budget.
- 4: Maintain or improve bond ratings.

ADMINISTRATION RECOMMENDATION: Recommended Not Recommended Without Recommendation

County Administrator: **Alan G. Vanderberg**

Digitally signed by Alan G. Vanderberg
DN: cn=Alan G. Vanderberg, o=US, ou=County of Ottawa, ou=Administrator's Office, email=avanderberg@mottawa.org
Reason: I am approving this document
Date: 2011.06.16 09:37:15 -04'00'

Committee/Governing/Advisory Board Approval Date:



Vredeveld Haefner LLC

CPA's and Consultants

4001 Granada Ct.

Grand Rapids, MI 49534

FAX (616) 828-0307

Douglas J. Vredeveld, CPA

(616) 446-7474

Peter S. Haefner, CPA

(616) 460-9388

June 3, 2011

To the Board of Commissioners
County of Ottawa, Michigan

We have audited the 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 for the year ended December 31, 2010. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 6, 2011. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by County of Ottawa, Michigan are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Useful lives of capital assets, the allowance for uncollectible accounts receivable, and the valuation of the pension and other post employment benefit (OPEB) plan obligations.

Management's estimate of the useful lives and uncollectible accounts is based on previous history and the estimate of pension and OPEB plan obligations is based on an actuarial valuation of the Plan. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 3, 2011.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We also noted the following items:

Bank account reconciliation

During our audit we noted bank accounts associated with ASR were not being reconciled in a timely manner. While the County does not handle any disbursements out of this account, it is important to reconcile the account in a timely manner to ensure that ASR is handling claims properly.

Time sheets

We noted three instances where individuals recorded time in programs they did not work in. The time sheets were signed by the individual and supervisors in all cases. We recommend more care be given to both the preparation and review of time sheets to assure time is recorded into the proper programs.

Lives of Capital Assets

During our preliminary analytical review we noted several vehicles still in service despite being fully depreciated. We suggest you review the lives used for all capital assets and adjust them to more accurately reflect their estimated useful lives.

Purchasing Policy

The County has adopted and implemented a County-wide purchasing policy calling for certain procedures to be followed based on the spending level of the purchase. During our audit of the employment programs, it was noted that the County's policy has higher purchasing limits than those allowed by the State of Michigan for those programs. We also noted the purchasing policy is in the process of being adjusted to meet the State's requirements.

This information is intended solely for the use of the Board of Commissioners and management of the County of Ottawa, Michigan and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Orlando Haefner LLC

COMPREHENSIVE ANNUAL FINANCIAL REPORT

of

COUNTY OF OTTAWA

Grand Haven, Michigan

For the Year Ended December 31, 2010

BOARD OF COMMISSIONERS

2010

PHILIP KUYERS, CHAIRPERSON
JAMES HOLTROP, VICE CHAIRPERSON

DONALD DISSELKOEN
MATTHEW HEHL
JIM HOLTVLUWER
ROBERT KARSTEN
JOYCE KORTMAN

JANE RUITER
ROGER RYCENGA
GORDON SCHROTENBOER
DENNIS W. SWARTOUT

ADMINISTRATOR
ALAN G. VANDERBERG

FISCAL SERVICES DIRECTOR
ROBERT SPAMAN

COUNTY OF OTTAWA
Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2010

TABLE OF CONTENTS

INTRODUCTORY SECTION	<u>Page</u>
Letter of Transmittal	1 – 19
GFOA Certificate of Achievement	20
Organizational Chart	21
FINANCIAL SECTION	
Independent Auditors’ Report	22 - 23
Management’s Discussion and Analysis	24 - 39
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	40
Statement of Activities	41 - 42
Fund Financial Statements:	
Balance Sheet – Governmental Funds	43
Reconciliation of Fund Balances on the Balance Sheet for Governmental Funds to the Net Assets of Governmental Activities on the Statement of Net Assets	44
Statement of Revenue, Expenditures, and Changes in Fund Balances – Governmental Funds	45
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	46
Statement of Net Assets – Proprietary Funds	47
Statement of Revenue, Expenses, and Changes in Fund Net Assets – Proprietary Funds	48
Statement of Cash Flows – Proprietary Funds	49 - 50
Statement of Fiduciary Assets and Liabilities	51
Statement of Changes in Plan Net Assets	52
Notes to the Financial Statements	53 – 106
Required Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	108
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Parks and Recreation Fund	109
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Health Fund	110
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Mental Health Fund	111

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Stabilization Fund	112
Defined Benefit Pension Plans – Schedule of Funding Progress	113
Other Post Employment Benefit Plans – Scheduled of Funding Progress	114
Other Supplementary Information:	
Combining Balance Sheet – Nonmajor Governmental Funds	120 - 126
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	127 - 133
Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – All Nonmajor Governmental Funds	134 - 172
Combining Statement of Net Assets – Internal Service Funds	175 - 176
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets - Internal Service Funds	177 - 178
Combining Statement of Cash Flows – Internal Service Funds	179 - 184
Combining Statement of Fiduciary Net Assets	186
Combining Statement of Changes in Assets and Liabilities – All Agency Funds	187 - 188

STATISTICAL SECTION

Net Assets by Component	190
Changes in Net Assets	191-192
Fund Balances – Governmental Funds	193
Changes in Fund Balances – Governmental Funds	194-195
Assessed Value and Estimated Value of Taxable Property	196
Direct and Overlapping Property Tax Rates	197
Principal Taxpayers	198
Property Tax Levies and Collections	199
Ratios of Outstanding Debt	200
Computation of Direct and Overlapping Debt	201
Ratio of Net General Obligation Debt Outstanding and Legal Debt Margin	202
Demographic and Economic Statistics	203
Principal Employers	204
Full-time Equivalents	205
Operating Indicators	206-207
Capital Asset Statistics	208



County of Ottawa

Administrator's Office

Alan G. Vanderberg
County Administrator

12220 Fillmore Street, Room 310, West Olive, Michigan 49460

West Olive (616) 738-4068

Fax (616) 738-4888

Grand Haven (616) 846-8295

Grand Rapids (616) 662-3100

e-mail: avanderberg@miottawa.org

June 15, 2011

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, 2010, 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 2010 population is 263,801. 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

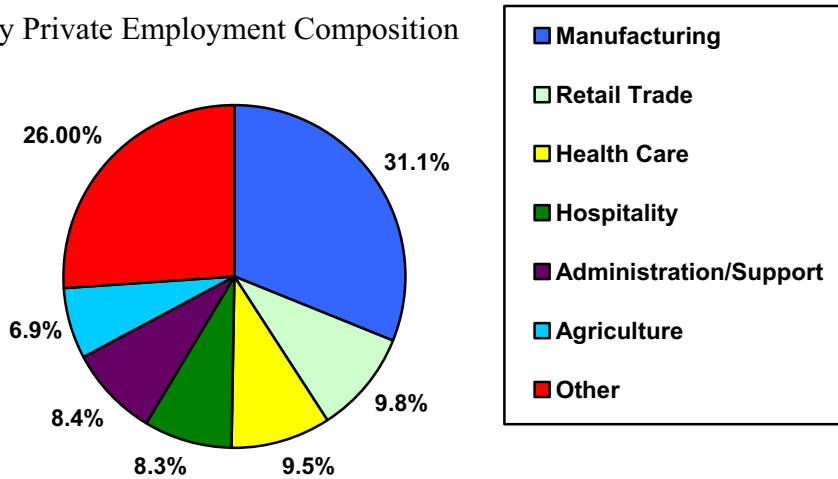
Over the span of a year, economic conditions improved. In 2010, most of the leading economic indicators for Ottawa County were headed in the right direction, and more improvements are expected in the local economy.

Employment

Composition of the Ottawa County Workforce

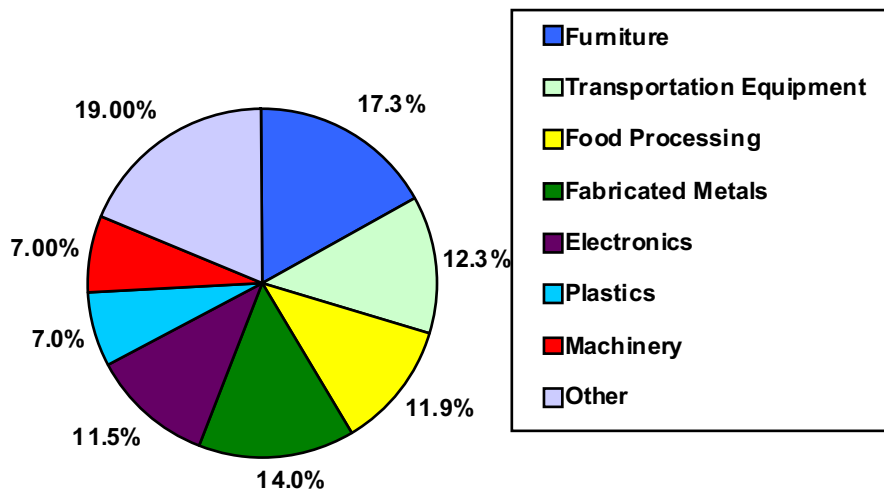
As of the third quarter of 2010, the County's total employment of 102,810 included 91,154 private jobs and 11,656 public (local, state and federal government) jobs. Of all ten sectors which comprise total private employment, manufacturing still accounts for the largest share of workers in Ottawa County at 31.1 percent. By comparison, the State's manufacturing workforce accounted for approximately 14.9 percent of the total non-farm employment in this quarter. The graph below details private employment for the major sectors:

Ottawa County Private Employment Composition



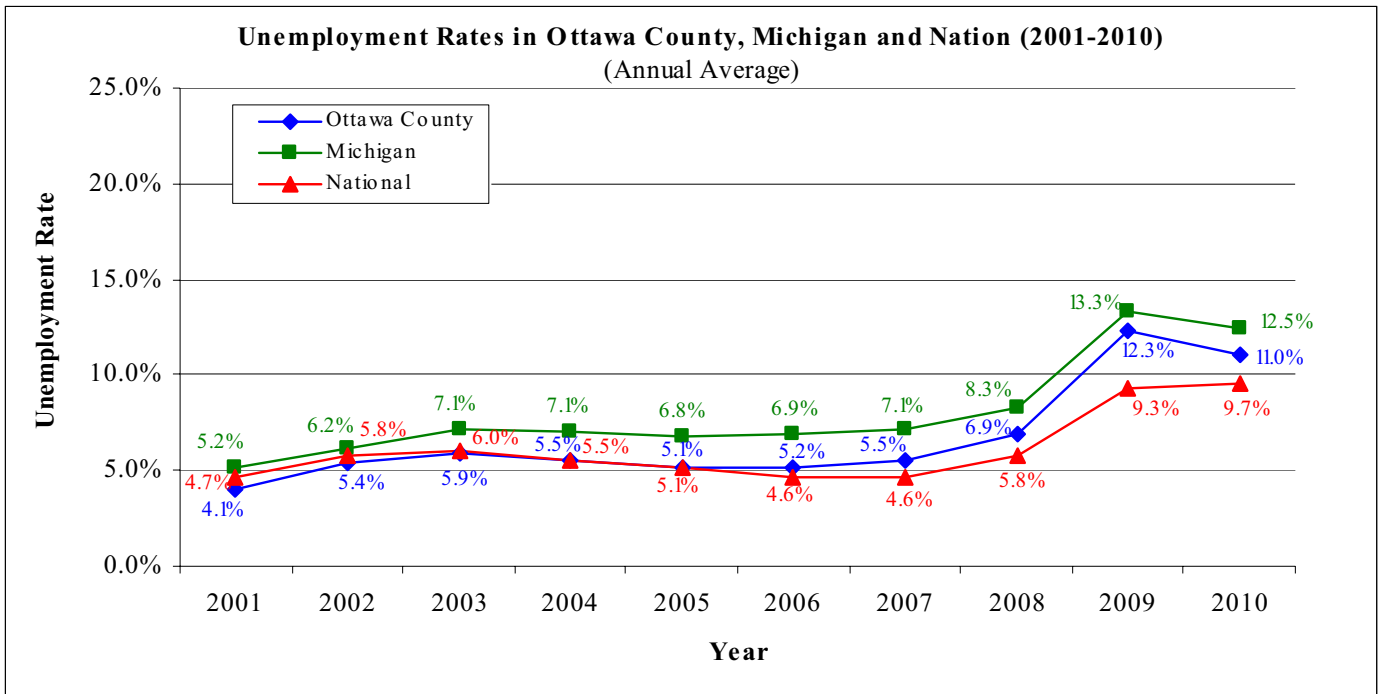
Within manufacturing, employment is rather diversified with seven industry groups collectively constituting about eighty percent of Ottawa County's manufacturing base:

Ottawa County Manufacturing Composition



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.



The good news for Ottawa County is that over the past year (from 2009 to 2010) total employment has gone up while the number of unemployed persons has gone down. As of the third quarter of 2010, there were 114,805 persons employed and 14,232 person unemployed in Ottawa County.

Unemployment levels are trending downward in Ottawa County. According to the State's WARN list (which identifies companies who have notified the State of Michigan of pending plant closures or layoff events), there were eight firms in Ottawa County which notified the State of plant closures or layoffs in 2009. Collectively, those firms lost 719 jobs. In 2010, only one firm from Ottawa County (a wood products manufacturer/wholesaler in Marne which shut-down operations and permanently laid-off 65 workers) appeared on Michigan's WARN list. As of April, 2011 there is only one firm, a retailer in Holland displacing 79 employees, that is listed for Ottawa County.

As of the start of the second quarter of 2011, the unemployment rate in Ottawa County was 8.1 percent, which compares to a national rate of 8.7 percent and Michigan rate of 10.1 percent. Of the 17 labor market areas that comprise the State of Michigan, Ottawa County's April 2011 unemployment rate of 8.1 percent was the third lowest rate throughout the State.

Employment Outlook

The latest research seminar in quantitative economics forecast from the University of Michigan (released in May, 2011) reports that in 2010 there was an overall net growth of 37,700 jobs in the State of Michigan. For the next two years, Michigan is projected to also realize net job gains of 68,900 jobs in 2011 and 62,200 jobs in 2012.

An Upjohn Institute for Employment Research forecast (released in January 2011) showed that while total employment in Ottawa County is projected to increase by 1.5 percent in 2011 and 2.5 percent in 2012. Job growth will occur in both the goods-producing (manufacturing) and service-providing sectors and will more than off-set employment declines in public employment. The number of government workers fell by 16.0 percent in 2010 and is forecasted to continue falling by 2.3 and 2.0 percent, respectively, over the next two years.

Projected annual employment gains in manufacturing of 1.7 percent for 2011 and 3.1 percent for 2012 take into account several large industrial development projects that are currently under construction in Ottawa County (and in the City of Holland portion of Allegan County). Those large projects include Continental Dairy Products/CS Facilities, Request Foods, Johnson Controls- SAFT Advanced Power Solutions and LG Chem.

The manufacturing sector's expansion activity county-wide can be seen from the information captured through the issuance of P.A. 198 industrial facilities exemption (IFT) certificates. In 2010, there were 34 certificates issued by the State Tax Commission to manufacturing firms who have collectively proposed to invest approximately \$ 82.4 million in new buildings & improvements, land improvements and the acquisition of new personal property (machinery, equipment, furniture & fixtures) over a 24-month period. In 2010, Ottawa County ranked seventh in State in terms of the value of proposed private investments. The chart below shows the IFT exemption information per year over the last five years:

<u>Year</u>	<u>Number of Exemptions</u>	<u>Total Exemption Amount</u>	<u>Estimated Job Creation</u>
2006	81	\$258,718,812	871
2007	62	\$172,841,439	1,133
2008	53	\$211,797,675	948
2009	38	\$178,710,366	656
2010	34	\$82,404,779	357

Last year, the largest industrial development project in Ottawa County receiving a P.A. 198 tax abatement last year was Gentex Corporation in the City of Zeeland. Gentex continues to add square footage to its headquarters. The automotive electronics & aviation glass components company has been acquiring adjacent properties on which it will be expanding existing plants and building new operations in the near future. As of January 2011, Gentex reported its total employment at 2,766 workers which provided Gentex the distinction of being the second largest manufacturer in all of Ottawa County in terms of total employment. The only other manufacturing firm with larger local workforce in Ottawa County is the office furniture maker

Herman Miller, Inc. which is also headquartered in the City of Zeeland. Other significant P.A. 198 projects included:

<u>Company</u>	<u>Location</u>	<u>Investments (in millions)</u>
Grand Haven Stamped Products	Grand Haven	\$11.5
Sintel	Spring Lake Twp	\$4.5
Sara Lee Foods	Olive Twp	\$3.4
Royal Technologies	Jamestown Twp	\$3.4
Active Manufacturing	Spring Lake Twp	\$2.5
Vertellus	Zeeland	\$2.2

2011 and Beyond

In Ottawa County, as the large industrial development projects mentioned above are finishing their construction phases and become operational, workforces at each of the companies will be hired and trained. The job creation figures are estimated to be 70 new jobs at Continental Dairy, 250 new jobs at Request Foods, 266 new jobs at Johnson Controls- SAFT and 450 new jobs at LG Chem.

With the construction of latter two projects (the new lithium-ion battery manufacturing plants), an Advanced Energy Storage industry is being added as a new sector to the local economy. These new battery plants (anchors) will create a competitive advantage for further establishing a network of suppliers (existing companies and expected new arrivals) in the immediate area. It has been estimated that a new energy storage and power management cluster could generate 10,000 jobs by 2020 and as much as \$ 2 billion in investments. Further, LG Chem’s selection of a site in Ottawa County over sites potentially anywhere else in the country, validates this area and opens the door to the attraction of other Korean companies (suppliers) once the attributes of the area are experienced firsthand and communicated abroad by the new residents. Those attributes include the work ethic; employee reliability, dedication and loyalty, attractive environment, and a low cost of living.

In addition to the above traditional manufacturing expansion projects, there are several other alternative energy development projects underway in Ottawa County. Energetx Composites, LLC in Holland, which manufactures large wind turbine blades made from innovative materials, is one of several emerging companies located in the BioBusiness Accelerator within Michigan State University’s Bioeconomy Institute in Holland Township. Energetx was recently awarded a “Reinventing Michigan” award by Governor Rick Snyder. A new 400,000 square foot plant for the manufacture of wind turbine blades up to 40 meters long is proposed for construction later this year on a 26-acre parcel in Holland Township. The site has been designated as a Renewable Energy Renaissance Zone. The proposed private investment is \$18.4 million over five years. Over that period of time, an estimated 724 jobs will be created by Energetx.

The State has also taken steps to improve the business climate. On May 25, 2011, Michigan Governor Rick Snyder signed two bills that repeal the Michigan Business Tax (MBT) and adopt

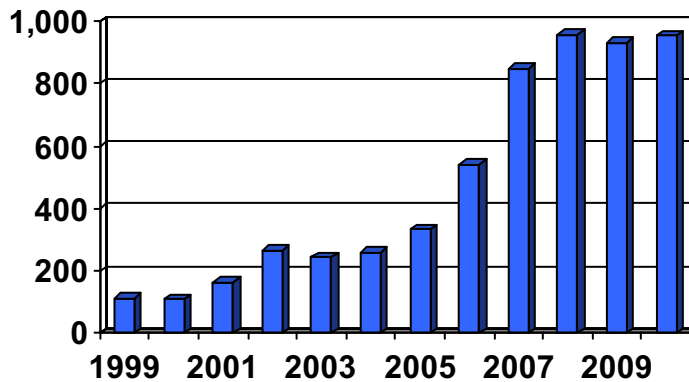
a Corporate Income Tax (CIT) effective January 1, 2012. Unlike the MBT, the new tax will only be imposed on corporations. According to the National Federation of Independent Business, the proposal will result in a \$900 million tax cut for Michigan businesses. More than 95,000 small businesses that now pay the Michigan Business Tax will pay only the state income tax, ending the double taxation for many small businesses. This bold move will go a long way toward improving Michigan’s business climate and giving employers an opportunity to reinvest more money in their businesses.

Property Values

The recession has been marked by record high home foreclosures throughout the country. Michigan has been among the top five states with the highest amount of foreclosure activity (it ranked fourth behind California, Florida & Arizona; Nevada was the fifth leading state in home foreclosures) so far in 2011.

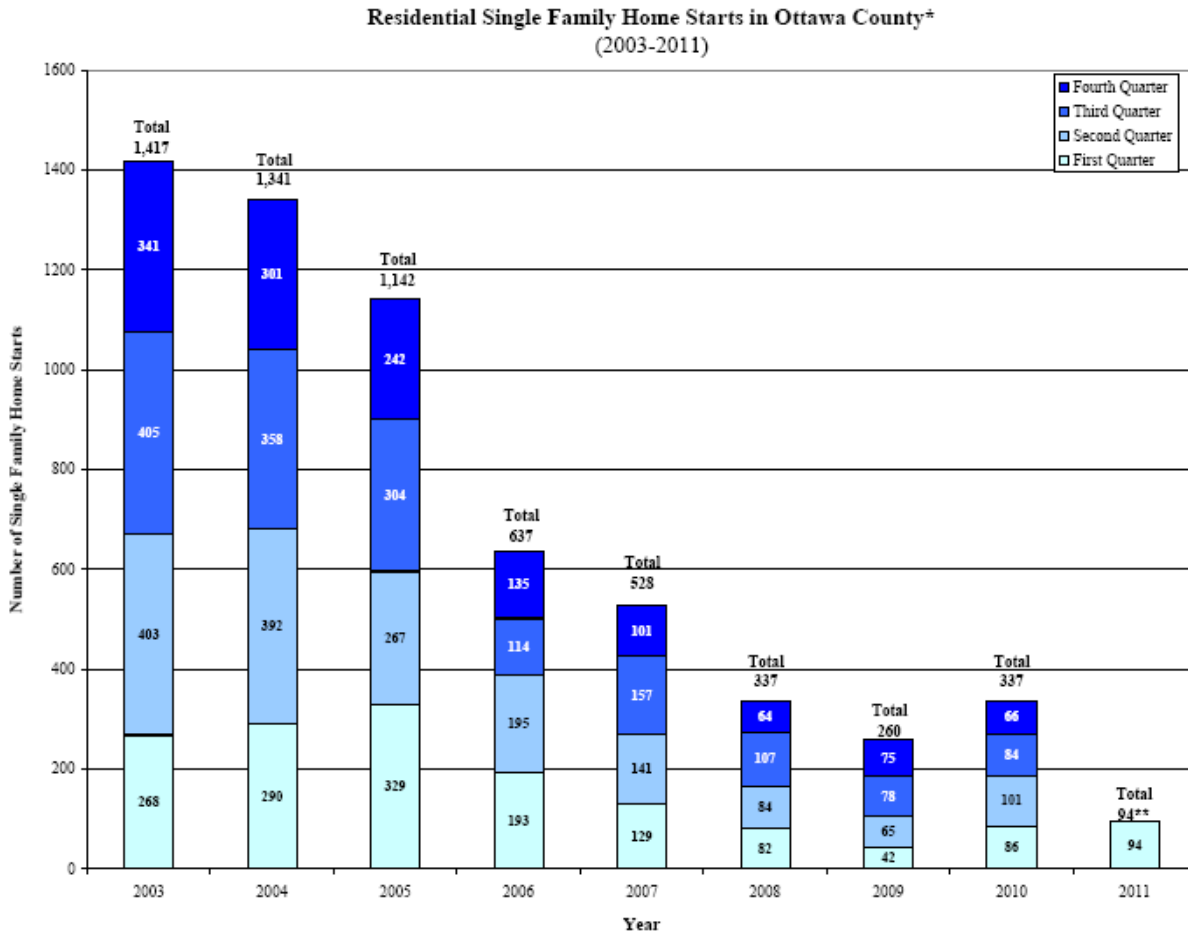
In Ottawa County, home foreclosures began rising in 2007 to 850 filings for that year (which was 57 percent higher than the 2006 total of 540). High annual levels of foreclosure filings have been experienced for the last three years: 957 in 2008, 933 in 2009 and 953 in 2010. The chart that follows shows the increase in home foreclosures.

Ottawa County Mortgage Foreclosures



Though the 2010 numbers are higher, it appears as though foreclosures have reached their peak. First quarter 2011 foreclosures were 238 versus 293 in the first quarter of 2010.

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



* 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.

**This is the number of home starts through the first quarter of 2011

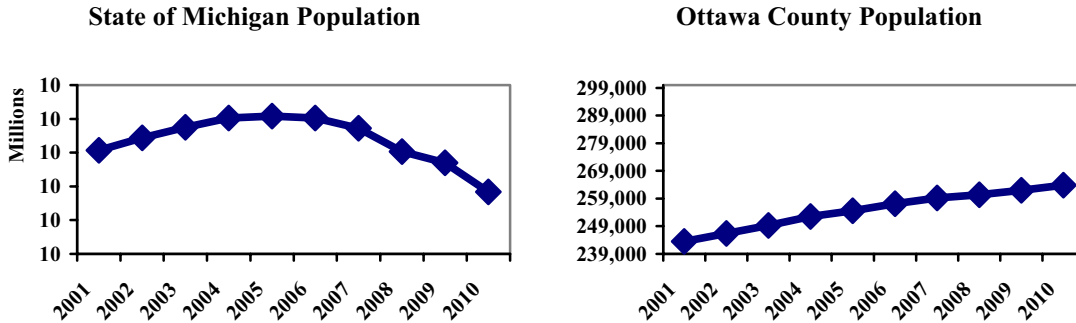
Source: Builder Track Reports, Lakeshore Area Quarterly Report
Prepared by: Planning and Performance Improvement Department (05/06/11)

For the first quarter of 2010, 94 single family residential unit starts have been recorded so far as well as two multi-family starts.

Another negative effect 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 2010 and 2011 Equalization reports. The County overall experienced decreases in taxable value of 4.05 percent and 2.15 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.

Population

In spite of the recession, Ottawa County's total 2010 population estimate of 263,801 reflects growth, although the rate of growth has slowed in recent years. Between 2001 and 2010, Ottawa County's total population had a net increase of 20,310 residents for a growth rate of 8.3 percent. During this period, the total population of the State of Michigan *decreased* by 123,323 or 1.2 percent. In 2010, Ottawa County was the eighth largest county in Michigan in terms of total population and the fifth fastest growing county. The graphs below show the different population trends between Ottawa County and the State of Michigan.



According to the latest Census, Ottawa County's population has become more diverse. In 2010, the non-White population comprised ten percent of the County's total population. The largest minority population in the County is Hispanic at 8.6 percent of the total population.

In February of 2010, the West Michigan region was named the second most generous region in the country by the Chronicle of Philanthropy. Further, Ottawa County ranked first in the state for healthiest residents in a study performed by the Robert Wood Johnson Foundation and University of Wisconsin Population Health Institute. The study shows overall West Michigan residents have better access to quality programs that promote good health, are less likely to die before age 75, and are more likely to engage in healthy behaviors.

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. Ottawa County continues to look for ways to make itself an attractive venue for business development. Additional transportation planning and County-wide broadband access are two such initiatives. 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. 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. Consequently, a five year deficit reduction plan was developed and implemented. Specifically, the County planned the following strategies to reduce the operational deficit:

- Raise the operating millage levy .1 mill in 2005, 2006, and 2007
- General Fund hiring freeze for new full-time positions
- Increase employee health insurance co-pay from 3% to 10%
- Improve disease prevention and management to reduce health care costs
- Review and rank discretionary services for possible reductions

The County has been financially able to delay levying the final .1 mill increase authorized by the plan. Only a handful of positions funded by the General Fund have been added in the last couple of years, and these positions were necessary to maintain service levels, accommodate new facilities or added with grant funding. However, other departments have eliminated positions resulting in a net decrease in full time equivalents funded by the General Fund with the 2011 budget. Employee health insurance co-pay is now 10% of the actuarially determined cost.

The strategy to review and rank discretionary services for possible reductions was directed by the County's fiscal policy which charges the Board to establish 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 2010 budget and, by extension, the financial results for 2010.

In addition, County fiscal policies direct the County to establish an undesignated 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 undesignated fund balance shall be maintained at an amount which represents a minimum of 10% and up to 15% of the General Fund actual expenditures for the most recently completed audit but not more than the equivalent of three months of operations of the planned budget year. 2009 audited

General Fund expenditures were \$66,048,299 which produces a target undesignated fund balance range of \$6.6 million to \$9.9 million. The 2010 undesignated fund balance was \$10,596,305, so the Board has allocated the \$689,000 above the 15% ceiling to close the anticipated projected gap between General Fund revenues and expenditures in 2012.

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.

Work is underway to address these new challenges. During 2008, the County Board approved 23 financial policies as part of an initiative to update all Board policies. During 2011, all of these policies will be reviewed. A new fund balance policy is scheduled for review and adoption. Specific policies are key in addressing our financial challenges.

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 2010 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.

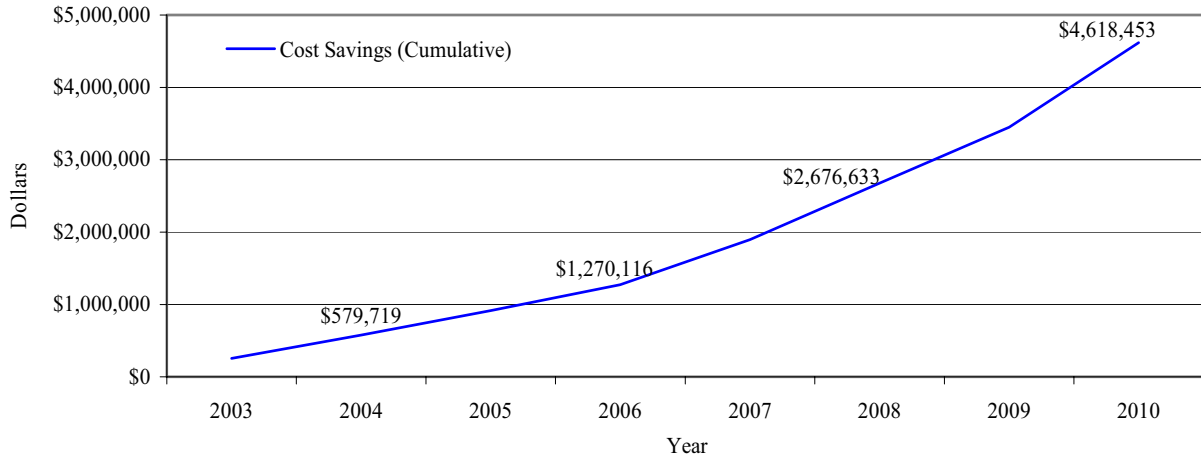
Board/Administration

OUTCOME-BASED EVALUATIONS

Ottawa County remains at the forefront among counties in Michigan, and nationally, in verifying the cost-effectiveness of its programs and services, primarily through evaluations of the Planning and Performance Improvement Department. County staff and department heads have also begun to embrace the outcome-based evaluation process in an effort to strengthen the effectiveness of their respective programs and services.

As of December 31, 2010, evaluations completed by the Department have saved over \$4.6 million as a result of recommendations that modified, privatized, or discontinued ineffective programs and services (see graph below). Moreover, and to the credit of County employees as a whole, over \$15 million in programming and services has been verified as cost-effective through the evaluation process.

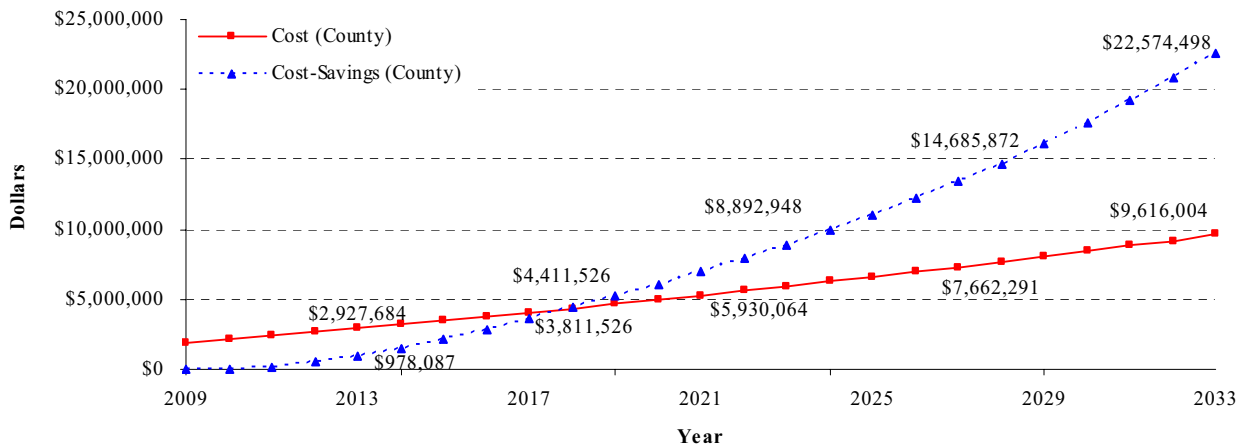
Cost Savings from Privatizing, Restructuring, or Eliminating Inefficient and Ineffective Programs



ELECTRONIC CONTENT MANAGEMENT (ECM) SYSTEM EVALUATION

In February 2010, the Planning and Performance Improvement Department completed a four year comprehensive study that quantifies the actual efficiencies that have been gained from implementing the Electronic Content Management (ECM) System in eleven County departments. The results are also being used to justify the need for legislative changes at the state level that would encourage greater utilization of technology, thereby further reducing labor and material cost. The County will achieve a return on its investment and realize a cost-savings of \$12.9 million over 25 years from the ECM system if the legislative amendments are enacted (see graph that follows).

ECM System Cost-Savings to County if Legislation is Amended to Permit Paperless Workflow



HEALTH INSURANCE

During 2010, a team consisting of Human Resources, Fiscal Services and the Administrators Office conducted an in-depth review of the current employee benefits (health, vision, dental, life insurance and long term disability) with the assistance of a consultant, which has resulted in the County moving from self-funded to fully-funded insurance plans effective 1/1/2011. 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 estimated savings for the County, from where premiums were expected to be in 2011 without change, is \$4.7 million for all funds and \$2.7 million for the General Fund. The average annual County cost for health coverage dropped from \$14,684 per employee to \$9,302. In 2011 and beyond, a health management/wellness program will be deployed to help further contain the cost of health insurance and improve the health of employees.

DEFINED BENEFIT/DEFINED CONTRIBUTION ANALYSIS

Ottawa County has 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. On May 25, 2010, the County Board approved a resolution to move new County employees from a defined benefit pension to a defined contribution pension when four fiscal trends improve.

CLERK-REGISTER OF DEEDS COMBINATION REPORT

The Board of Commissioners has listed since 2006 in the strategic plan the responsibility of the Administrator to produce a report on the possible combination of the offices of County Clerk and Register of Deeds. On November 23, 2010, the Board acted to combine the offices of County Clerk and Register of Deeds effective January 1, 2013.

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. While the funding is expected to be utilized over a period of three years, 2010 saw the development of the overall program and expenditures of approximately \$1 million. Just over \$200,000 was utilized to perform energy audits on County facilities, local government buildings and several qualifying businesses throughout the County. Approximately \$475,000 was spent on County facilities to improve efficiencies that will be measured to demonstrate annual operating savings. In addition, nearly \$400,000 was expended to conduct and implement the results from a traffic signal synchronization study that estimates the total annual savings to the motoring public of over \$5 million.

Criminal Justice

FRIEND OF THE COURT “BOOTING” PROJECT

The Friend of the Court implemented a project designed to collect past due child support by seeking out and immobilizing (“booting”) motor vehicles of payers who fail to comply with Circuit Court orders for child support.

FRIEND OF THE COURT BENCH WARRANT TEAM

During 2010 a dedicated bench warrant team, including a Sheriff's deputy, a location specialist and a warrant investigator, pursued 1,855 warrants and collected \$584,813. This amount is the highest annual child support collected on civil warrants in the history of the 20th Circuit Court.

LEGAL SELF HELP CENTER

Circuit Court established the Legal Self Help Center, a grant funded program to assist self represented litigants. A part-time coordinator and volunteer staff served more than 2,500 citizens in 2010.

Economic Development and Land Use Planning

RENAISSANCE ZONES

In 2010, the Ottawa County Planning and Performance Improvement Department worked in conjunction with Request Foods and Holland Charter Township to successfully process an Agricultural Processing Renaissance Zone designation to accommodate a proposed plant expansion. This designation, which the Board of Commissioners approved, will result in a \$40.6 million investment in the new facility and the creation of 250 new jobs. Construction of the new Request Foods facility is nearing completion and operations are scheduled to commence by June, 2011.

In 2010, the Department also worked with Holland Charter Township to successfully process a Renewable Energy Renaissance Zone designation for Energetx Composites to construct a new facility for the purpose of manufacturing wind-energy turbine blades.

RECOVERY ZONE FACILITY BONDS (RZFB)

In February 2010, Ottawa County allocated its entire \$31 million RZFB allotment to the Michigan Strategic Fund for the Continental Dairy Products project. The project includes construction, renovation, and equipment purchases to convert the vacant Delphi facility located in the City of Coopersville into a milk processing plant. The plant will be capable of processing four million pounds of milk daily into longer shelf life products such as butter, cream, condensed milk and milk powder.

Technology

NEW ON-LINE SERVICES THROUGH MIOTTAWA.ORG

The County's contracted web provider developed nine new applications to provide on-line services: School Reporting, MIWorks! Event Registration, District Court Landlord-Tenant Case Extract, Courthouse Self-Help Center, Committee/Board/Intern Service Application, Marriage License Application, Learning Management System – Sheriff, Delinquent Taxes Future Payoff. Overall revenue received via the County's web site increased by 63.5% over 2009.

Quality of Life

PARK ACQUISITION AND IMPROVEMENT PROJECTS

- *Bend Area Expansion* – Ottawa County acquired 70 acres with approximately 0.7 miles of Grand River frontage in Georgetown Township for \$336,000. The purchase expanded the Bend Area park site from 188 acres to 258 acres and extended its Grand River frontage to 1.3 miles. The purchase follows a master plan for the area that calls for acquiring and restoring gravel pit properties along the Grand River to create a 500 acre park that will eventually offer swimming, picnicking, hiking and related activities.
- *Holland Country Club Acquisition* – Ottawa County Parks acquired 122 acres of the former Holland Country Club property along the Macatawa River in the City of Holland. The Outdoor Discovery Center Macatawa Greenway assisted Ottawa County Parks by raising \$70,000 in private funds toward the \$450,000 purchase. Plans for the site include a blend of habitat restoration and recreational uses.
- *Nature Education Center* – An open house and dedication ceremony was held in April following completion of the new Ottawa County Parks Nature Education Center. The 8,000 square foot facility houses all nature interpretive functions including the department's two naturalists and also serves as a visitor center for the County Park and open space system. The new center received Leadership in Energy and Environmental Design (LEED) certification at the gold level and features geothermal heating and cooling. Programs for school groups and the general public began immediately following the dedication. The new facility was funded by a combination of donations and funds from the park millage.



Health and Welfare

SMOKE-FREE AIR LAW

On December 18, 2009, Michigan became the 38th state to pass comprehensive secondhand smoke legislation with the *Dr. Ron Davis Smoke-free Air Law*. The law, intending to protect and improve the health and environment of the state, limits exposure to indoor secondhand smoke in restaurants, bars and workplaces. Local governments were charged with preparing communities for its implementation plus enforcement of the law. The law was implemented on May 1, 2010 giving the County just four months to prepare the community.

Health promotion and environmental health staff collaborated to educate food service establishments and others impacted by the legislation. Compliance with the law locally has been excellent. A recent study found 100% of Ottawa County establishments prohibited smoking in both indoor and outdoor dining areas versus statewide averages of 95% and 89% respectively.

MICHIGAN WORKS!/COMMUNITY ACTION AGENCY

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

- Administered a second round of approximately \$1.1 million in National Emergency Grant funds for training dislocated workers (lay-offs & plant/business closings). Continued administering \$2.8 million in American Recovery and Reinvestment Act of 2009 (ARRA) funding for low income household weatherization and energy efficiency for the period of 4/1/09 through 3/31/12 – over \$1 million per year.
- Received a \$2.25 million U.S. Department of Justice “2nd Chance” grant for family reunification activities for individuals coming back to the community from state prison or the Ottawa County jail. Funds supplement work of the West Shoreline Prisoner Re-Entry initiative.
- *Adult Learner Professionals Group of West Michigan* – Took a lead role in building a collaborative effort to streamline funding and programming for adult learners in Kent, Ottawa and Allegan counties, with a focus on general equivalency diploma attainment, English as a second language, and basic adult education.
- Undertook a major revision of the Ottawa County Housing Commission (OCHC). Worked with Ottawa County Commission to revise ordinance and bylaws and to position OCHC for recognition by the U.S. Department of Housing & Urban Development so that housing related projects can be implemented in the future.

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, 2009. The County has received this prestigious award for twenty seven 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.

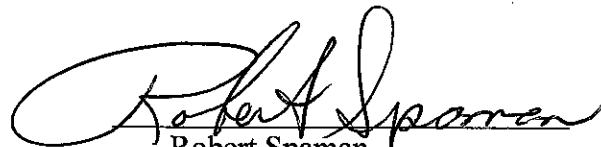
ACKNOWLEDGMENT

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



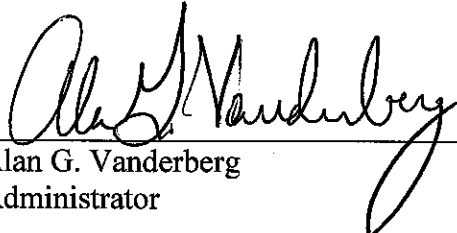
Robert Spaman
Fiscal Services Director

**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.



Alan G. Vanderberg
Administrator



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, 2009

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.

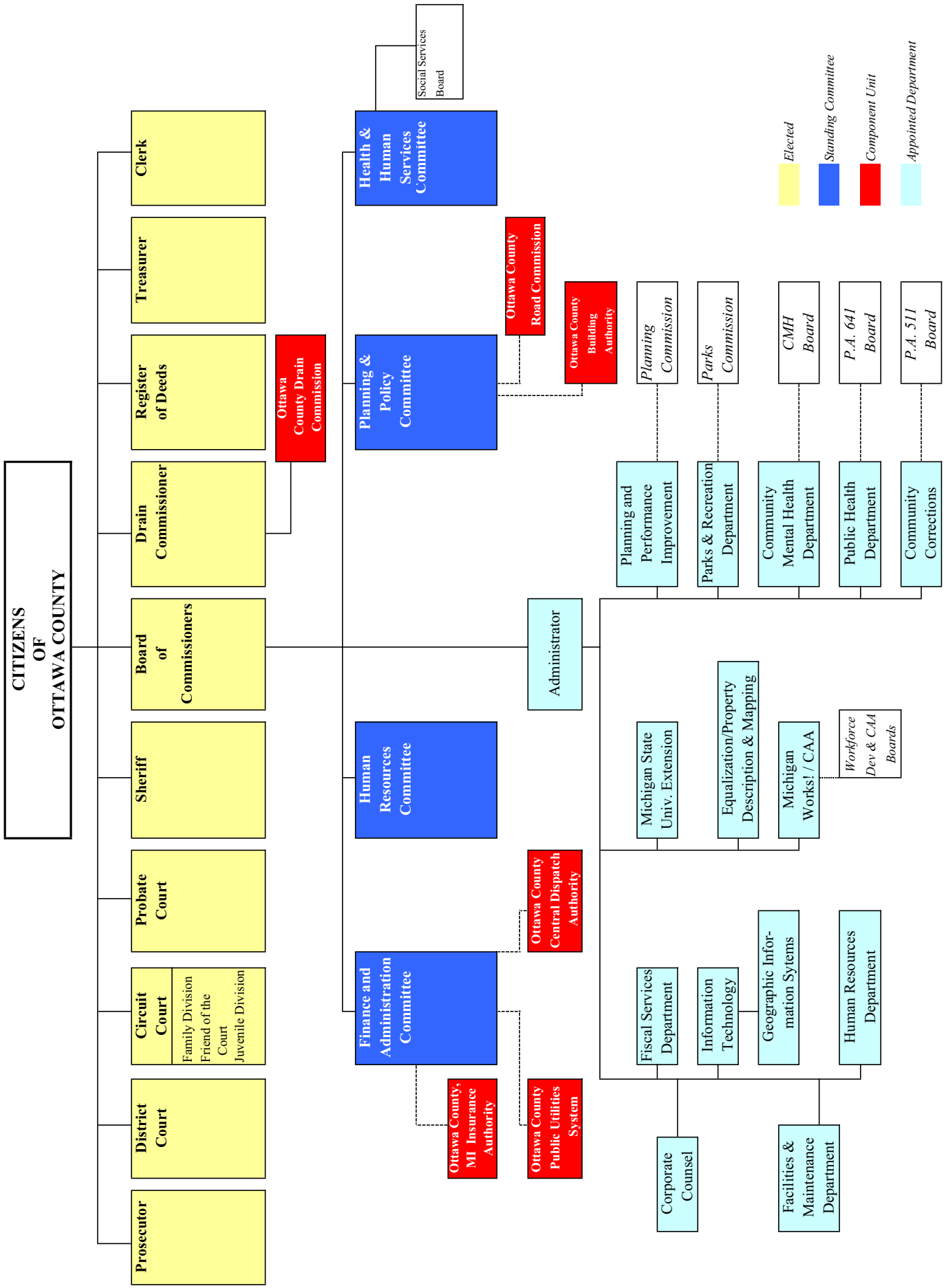


President



Executive Director

2010 ORGANIZATIONAL CHART



Elected
 Standing Committee
 Component Unit
 Appointed Department



Vredeveld Haefner LLC

CPA's and Consultants

4001 Granada Ct.
Grand Rapids, MI 49534
FAX (616) 828-0307

Douglas J. Vredeveld, CPA

(616) 446-7474

Peter S. Haefner, CPA

(616) 460-9388

INDEPENDENT AUDITORS' REPORT

June 3, 2011

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, 2010, 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 2.6 percent, 0.9 percent, and 24.9 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, 2010, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued, under separate cover, our report dated June 3, 2011, 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 is important for 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 24 through 39 and the information on pages 108 through 114 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 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 express no opinion on them.

Urodeuxeld 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, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-16 of this report.

Financial Highlights

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$212,528,625 (*net assets*). Of this amount, \$83,496,633 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets decreased by \$196,120.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$49,910,676, a decrease of \$3,265,758 in comparison with the prior year. Approximately 86 percent of this amount, \$42,694,516, is *available for spending* at the government's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved and undesignated fund balance for the General Fund was \$10,596,305 or 18 percent of total General Fund expenditures (including transfers).
- The County's total bonded debt (including component units) increased by \$11,578,233 during the current fiscal year. Ottawa County Public Utilities and Ottawa County Office of the Drain Commissioner, component units, issued \$25,390,000 of debt for the construction of water/sewer and drainage 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 44 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, Mental Health, and Stabilization funds, each of which is considered to be a major fund. Data from the other 39 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.

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: management information services, duplicating, telecommunications, equipment pool, and protected self-funded insurances (both liability and employee fringe benefit insurances to employees). 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 \$212,528,625 at the close of the most recent fiscal year.

County of Ottawa's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$114,161,172	\$111,870,308	\$24,278,351	\$24,734,424	\$138,439,523	\$136,604,732
Capital assets	132,510,243	135,276,298			132,510,243	135,276,298
Total assets	246,671,415	247,146,606	24,278,351	24,734,424	270,949,766	271,881,030
Long-term liabilities						
outstanding	24,498,994	26,682,047			24,498,994	26,682,047
Other liabilities	33,915,592	32,467,114	6,555	7,124	33,922,147	32,474,238
Total liabilities	58,414,586	59,149,161	6,555	7,124	58,421,141	59,156,285
Net assets:						
Invested in capital assets, net						
of related debt	109,387,852	110,087,094			109,387,852	110,087,094
Restricted	19,421,942	23,416,355	222,198	232,381	19,644,140	23,648,736
Unrestricted	59,447,035	54,493,996	24,049,598	24,494,919	83,496,633	78,988,915
Total net assets	\$188,256,829	\$187,997,445	\$24,271,796	\$24,727,300	\$212,528,625	\$212,724,745

Essentially, the County's net assets remained stable in 2010. A large portion of the County's net assets (39 percent) is unrestricted. *Unrestricted net assets* may be used to meet the government's ongoing obligations to citizens and creditors.

Capital assets, representing 52 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 decreased slightly in 2010 due to depreciation.

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 \$19,644,140. The 2009 balance is higher due to the planned use of net assets in the Revenue Sharing Reserve fund (\$4.65 million) in 2010. However, restricted net assets for park development and public improvement increased (\$650,000).

Statement of Activities

County of Ottawa's Changes in Net Assets

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Revenues						
Program revenue:						
Charges for services	\$23,233,289	\$22,779,968	\$2,113,782	\$2,795,750	\$25,347,071	\$25,575,718
Operating grants and contributions	59,187,333	53,071,822			59,187,333	53,071,822
Capital grants and contributions	898,053	2,213,859			898,053	2,213,859
General revenues:						
Property taxes	42,348,687	43,680,112			42,348,687	43,680,112
Grants and contributions not						
Restricted to specific programs	51,346	52,393			51,346	52,393
Investment earnings	3,206,795	3,305,967	200,078	157,817	3,406,873	3,463,784
Other	502,476	368,669		(1,434)	502,476	367,235
Total revenues	129,427,979	125,472,790	2,313,860	2,952,133	131,741,839	128,424,923
Expenses*:						
Legislative	476,002	547,466			476,002	547,466
Judicial	13,855,839	14,519,351			13,855,839	14,519,351
General government	16,425,170	17,110,266			16,425,170	17,110,266
Public safety	28,915,634	29,113,616			28,915,634	29,113,616
Public works	1,625,519	2,153,528			1,625,519	2,153,528
Health and welfare	63,386,274	60,438,578			63,386,274	60,438,578
Community and economic						
development	572,601	638,164			572,601	638,164
Culture and recreation	2,979,627	2,810,712			2,979,627	2,810,712
Interest on long-term debt	1,120,937	1,215,945			1,120,937	1,215,945
Business-type activities			2,619,364	2,637,015	2,619,364	2,637,015
Total expenses	129,357,603	128,547,626	2,619,364	2,637,015	131,976,967	131,184,641
Increase in net assets before transfers						
to other funds	70,376	(3,074,836)	(305,504)	315,118	(235,128)	(2,759,718)
Transfers	189,008	202,815	(150,000)	(150,000)	39,008	52,815
Increase (decrease) in net assets	259,384	(2,872,021)	(455,504)	165,118	(196,120)	(2,706,903)
Net assets, beginning of year	187,997,445	190,869,466	24,727,300	24,562,182	212,724,745	215,431,648
Net assets, end of year	\$188,256,829	\$187,997,445	\$24,271,796	\$24,727,300	\$212,528,625	\$212,724,745

*Expenses include indirect expense allocation

The preceding table shows that the primary government's net assets decreased by \$196,120 during 2010. Activity affecting net assets is as follows:

Category	Effect on Net Assets
Increase in Net Assets of Internal Service Funds	\$3,815,000
Depreciation on capital assets	(\$4,729,000)
Increases in long term obligations	(222,000)
Change in net assets of the Delinquent Tax Revolving Fund	1,296,000
General Fund operations	(3,060,000)
Unused Park levy	1,947,000
Child Care - Circuit Court	483,000
Energy Efficiency and Conservation Block Grant	451,000
Solid Waste Clean-up	(353,000)
Public Improvement	312,000

The main contributor to the increase in the net assets of the Internal Service funds is the Ottawa County, Michigan Insurance Authority (\$2,976,000) due primarily to strong returns on investments. The financial market has continued its recovery resulting in significant gains. In addition, after an exceptionally difficult health insurance claim year in 2009, the County took steps during 2010 to curtail costs including a new prescription administrator and higher employee copayments. The net assets of the Protected Self-Funded Employee Insurance fund gained \$896,000 in 2010.

Depreciation on capital assets in governmental funds reduced net assets by \$4.7 million. Long-term liabilities increased \$222,000, and most of this is for landfill clean-up costs. Projections have increased due to more intensive groundwater restoration activity and requirements by the State of Michigan.

In the financial statements, the net assets of the Delinquent Tax Revolving Fund (5160) decreased by only \$455,000. However, this is misleading because the building and equipment rental expenses and the transfers out include \$2.6 million in payments (including \$850,000 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.

The General Fund decreased net assets by \$3,060,000. The fund statement indicates revenue exceeded expenditures by \$1.3 million. However, \$4,650,000 was transferred in from the Revenue Sharing Reserve Fund and an additional \$323,000 was recognized as revenue on the government wide statements. It is important to note that the transfer from the Revenue Sharing Reserve Fund was a planned transfer. The fund was established in 2004 pursuant to Public Act 357 of 2004 which shifted the County's levy from winter to summer. The funds accumulated from the shift were used as a substitute for State revenue sharing payments until depleted. The remaining balance in the fund has been depleted in 2011, and State revenue sharing payments have resumed.

Although the General Fund tax revenue decreased by \$1.3 million, other charges for services, particularly in the District Court, increased due to the implementation of a user fee study. In addition, revenue in the Register of Deeds office also came in higher due to record low interest rates. On the expense side, the Health department received a grant for the H1N1 program that redirected programming to services covered by the grant. This and other low expenses resulted in \$800,000 in savings to the General Fund. Other expense savings came from vacant positions and fewer than anticipated participants in the health insurance program (\$553,000).

The Parks and Recreation fund (2081) has a ten-year levy for land acquisition and park development (capital costs). Financial results for this fund can vary depending on the initiatives undertaken. Capital expenditures of \$1.5 million in the Parks and Recreation fund were subtracted at the government-wide level. Consequently, at the government-wide level, the parks activities increased net assets (net of depreciation of \$703,000 – discussed previously) by \$1.2 million. The department received \$447,000 in capital grants; the remainder is due to revenue over expenditures.

The Child Care –Circuit Court fund (2920) increased net assets by \$483,000. Originally, \$675,000 was anticipated in private institution costs for delinquent youth, but additional in-home programs reduced the number of placements. Actual private institution costs were \$266,000.

During 2010, the County received an Energy Efficiency and Conservation Block Grant (EECBG) which provided \$451,000 for capital upgrades to County heating, ventilation, and air conditioning systems.

The Solid-Waste Clean-up fund (2271) decreased net assets by \$353,000 (net of capital additions). In addition to the increase in the long term liability for the landfill discussed earlier, 2010 clean-up costs also increased due to efforts to optimize the new treatment processes. As a result, current year expenses for clean-up exceeded the investment income (the only revenue in the fund).

The Public Improvement fund (2450) increased net assets by \$312,000 (change in fund balance of \$228,733 plus the portion of the operating transfer to cover debt principal payments of \$83,000). Since there were no capital improvement projects financed by the fund in 2010, the rent collected resulted in the increase.

Revenues:

Revenues increased by 2.6% in 2010. The majority of the variance is in program grants and contributions and program capital grants.

Program operating grants and contributions:

Program grant revenue increased with the receipt of \$4.7 million in American Recovery and Reinvestment Act (ARRA) funds. In 2009, the County received \$926,000 in ARRA funding. The majority of the ARRA funds received in 2010 were in the Workforce Investment Act funds (2740 – 2749) for training programs for dislocated workers. In addition, the Weatherization program received \$384,000 to improve the homes of eligible clients. \$578,000 was received for the Energy Efficiency and Conservation Block Grant. The grant funded a traffic light study on U.S. 31 and energy audits for other municipalities within the County and certain private industries.

Program capital grants and contributions

These revenues vary depending on the number and scope of capital improvement projects. 2009 includes \$1.8 million primarily from the Michigan Natural Resources Trust Fund used towards the acquisition of the Olive Shores property. The property acquisition is 13.2 acres and includes 538 feet of Lake Michigan frontage. The Parks and Recreation department also received \$200,000 in donations for the Hemlock Crossing Nature Education Center. In 2010, a portion of the Energy Efficiency and Conservation Block Grant (\$451,000) funded capital improvements at County owned facilities. In addition, the Parks and Recreation department received \$447,000. \$200,000 of that

total was the final payment from the Michigan Natural Resources Trust Fund used towards the acquisition of the Olive Shores property. In addition, the County also received \$28,000 from the State of Michigan for the Mount Pisgah improvement project and donations of \$151,000 for the nature education center and Holland Country Club property.

Property taxes

Taxes decreased by \$1.3 million or 3.14% which is consistent with the decrease in taxable value of 4.05%. The percentage decrease of actual revenue is smaller than the percentage decrease in taxable value because the levy for E-911 and Parks was based on the 2009 taxable value which was 1.21% higher than the previous year.

Expenses:

Expenses as a whole increased \$792,000 or less than 1%. Overall, expenses did not increase to the same degree as revenues because 2010 expenses were reduced by \$3.5 million more due to lower claims activity in the Internal Service funds than in 2009. Factoring this out, expenses would have increased by 3.3%. The table below shows the effect on the major expense categories:

Function	2010 Expenses	2010 Expenses		2009 Expenses	2009 IS	
		2010 IS Fund Allocation	less IS Fund Allocation		Fund Allocation	2009 Expenses less IS Fund Allocation
Judicial	\$13,855,839	(\$216,731)	\$14,072,570	\$14,519,351	\$180,595	\$14,338,756
General Government	16,425,170	(249,241)	\$16,674,411	17,110,266	261,543	\$16,848,723
Public Safety	28,915,634	(399,248)	\$29,314,882	29,113,616	555,053	\$28,558,563
Health & Welfare	63,386,274	(604,406)	\$63,990,680	60,438,578	767,075	\$59,671,503

IS - Internal Service

Judicial

Judicial expenses are down slightly (1.9%) due mainly to lower indigent legal expenses. The prior year had four large murder cases as well as appeals in a high profile murder case.

General government

After eliminating the activity of Internal Service funds, general government expenses decreased by \$174,000 or 1.0%. The main reason for the decrease is the demolition of the prior Grand Haven building in 2009 for which there was a loss of \$728,000. However, 2010 reflects a full year of depreciation on the Grand Haven Courthouse versus a partial year in 2009 (\$224,000). The remainder of the difference may be attributed primarily to the EECBG grant which included \$578,000 in general government expenses in 2010.

Public safety

After eliminating the activity of Internal Service funds, public safety expenses increased by \$756,000 or 2.6%. The modest increase in expenses is due to staff changeover, changing the scheduled hours of certain positions to 84 hours per pay period and increases in health insurance and retirement costs.

Public works

These expenses can vary significantly by year. In 2009, a more aggressive remediation schedule was implemented for the landfill, increasing the liability by \$866,000. An additional increase in the liability was incurred in 2010, but the increase was only \$205,000. However, general clean-up costs

of the landfill also increased \$111,000 in 2010.

Health and Welfare

After eliminating the activity of Internal Service funds, health and welfare expenses increased by \$4.3 million or 7.2%.

Fund	Fluctuation
Mental Health (2220)	\$1,241,684
Workforce Investment Act Funds (2740 - 2749)	2,597,781
Community Action Agency/Weatherization (2870/2890)	780,332

In the Mental Health fund, client care expenditures because the number of adult consumers with a mental illness living in residential settings increased from 12 in 2009 to 23 in 2010. As mentioned under program grants and contributions, funding for the Workforce Investment Act increased primarily due to American Recovery and Reinvestment Act (ARRA). These funds were used primarily for training of displaced workers. Likewise, funding for Community Action Agency and Weatherization programs also increased due to ARRA. These funds were used for utility assistance/ other housing needs and home weatherization projects for eligible clients.

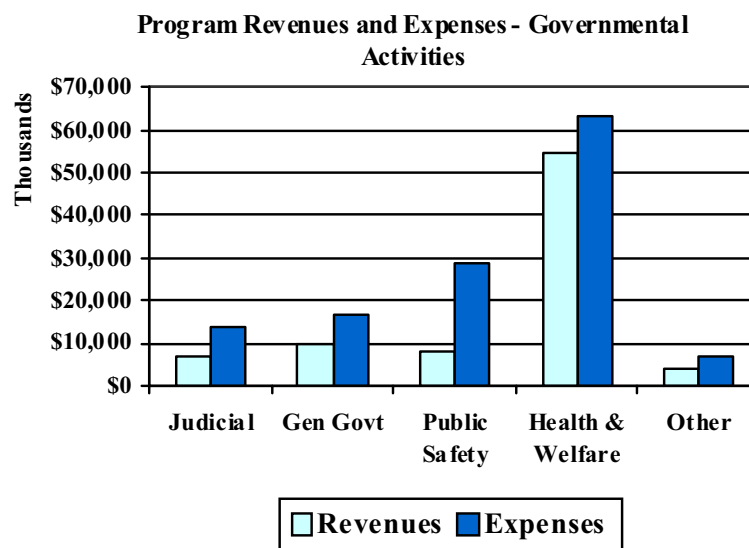
Culture and Recreation

Expenses for Culture and Recreation increased \$169,000 or 6.0%. Most of this increase is in personnel services due to fewer vacancies and higher insurance and retirement costs.

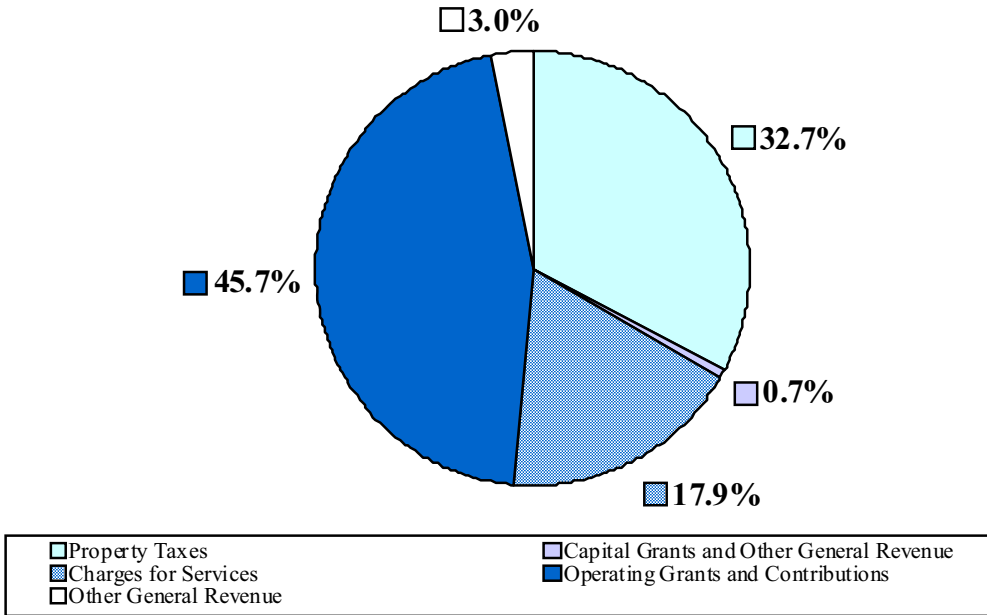
Interest on long-term debt

Interest on long-term debt decreased 7.8%. Interest payments decline over time with the payment of principal.

The graph below summarizes revenues and expenses by category.



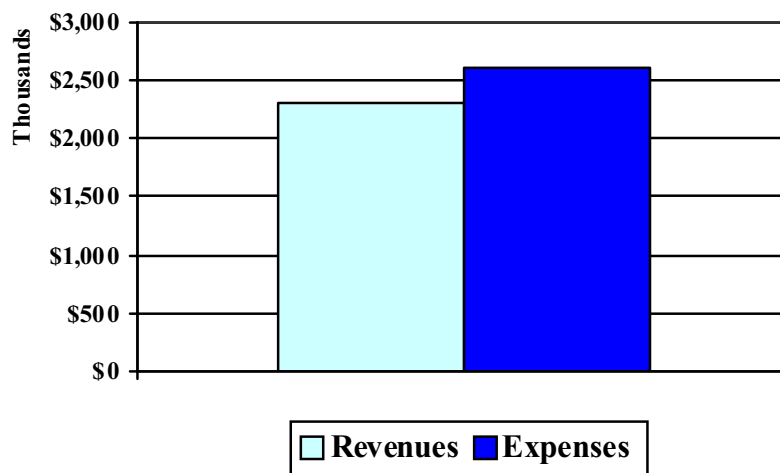
Revenues by Source - Governmental Activities



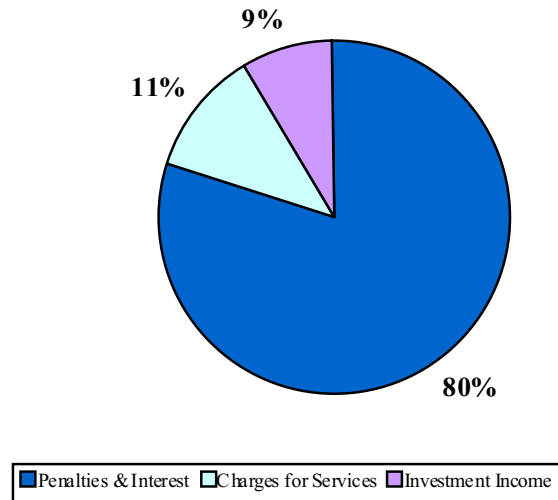
Business-type Activities

Business-type activities decreased the County’s net assets by \$455,504 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, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$49,910,676, a decrease of nearly \$3.3 million in comparison with the prior year. The main reason for the decrease is the planned use of fund balance in the Revenue Sharing Reserve Fund for operations in the General Fund. Approximately 86% percent of this total amount (\$42.7 million) constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed 1) due to legal restrictions (\$5,770,036), 2) to generate income to pay for perpetual cemetery care (\$5,770), 3) to provide a long term advance to component units and other funds (\$325,000) or 4) for other restricted purposes (\$1,115,354).

The General Fund (1010) is the chief operating fund of the County. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$15,494,084, while total fund balance was \$17,979,501. As a measure of the General Fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures and transfers. Unreserved fund balance represents 26 percent of total General Fund expenditures.

The fund balance of the County's General Fund increased by \$1,266,544 during 2010. During the 2010 budget process, the County had planned to transfer \$1 million from the Stabilization fund (2570), but this amount was not required for operations and was not transferred. Consequently, the 2010 results are exceptionally good. Overall, revenues came in slightly better than anticipated. Revenue in the Register of Deeds office came in \$423,000 higher than anticipated due to continued low interest rates. The County also implemented the results of a user fee study and Court user fee

study.

Likewise, expenditures came in significantly lower than anticipated. 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 \$767,000 budgeted for contingencies, only \$357,000 was used in 2010. The transfer to the Health department was reduced by \$800,000 due to lower than anticipated expenditures funded by the General Fund. This is a non-recurring grant. Personnel expenditures were \$553,000 lower than anticipated because there were more vacancies than planned in the budget process.

The Parks and Recreation fund (2081) has a total fund balance of \$5.39 million, which is an increase of \$421,000. 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 2010, the department made \$1.6 million in land purchases and capital improvements to County parks. Some of these were partially grant funded, which positively impacted fund balance.

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 (2220) and Stabilization (2570) funds also remained steady.

General Fund Budgetary Highlights

The original revenue and expenditure budgets (including transfers in/out) for the General Fund (1010) were \$60,937,744 and \$61,384,728 respectively. The amended revenue budget was \$60,709,681, and the amended expenditure budget was \$59,510,829.

Revenues

The revenue budget decreased overall by less than 1% during the year. The budget for intergovernmental revenue was increased by \$109,000 during the year. The majority of the increase is for adjusted grant awards and contracts for policing services to other municipalities (\$141,000). Some of the grants were not completely spent at year end (\$61,000). However, during 2010, the County received equipment under a Homeland Security Grant. A budget was not established for the value of the equipment so it is over budget by \$256,000. The revenue is also under budget because actual receipts for Court Equity funding from the State of Michigan fell \$57,000 short of the budget. The remaining variances are spread across several sources.

The budget for charges for services revenue was increased by \$219,000 in total. The budgets for real estate transfer taxes and recording fees collected by the Register of Deeds office was increased \$253,000 due to the increased refinancing in response to low interest rates. In addition, the budget for miscellaneous court costs in the District Court was increased by \$107,000 to reflect the change in fee structure in connection with the user fee study. However, court cost revenue in the Clerk's office was reduced \$85,000 due to increased fee waiver due to economic hardship. The remaining budget variance is spread across several departments.

The budget for interest on investments was increased by \$329,000. However, when the adjustment was done, some of the year end adjusting entries were not reflected in the estimates, resulting in the

shortfall.

The budgets for rental income were reduced in several of the County's buildings due to lower than anticipated building costs. The budget for other revenue was increased by \$288,000. The budget for other revenue in the Register of Deeds office was increased to reflect revenue collected through web transactions. A budget of \$90,000 was also established for foundation grants for the legal self-help center. However, the program was mostly delayed into 2011, so the revenue is under budget.

The largest amendment to the General Fund revenue budget was to eliminate the budget for the \$1 million transfer from the Stabilization fund (2570) discussed earlier. However, the fund balance of funds that will be eliminated in 2011 pursuant to the implementation of Governmental Accounting Standards Board statement #54, Fund Balance Reporting and Governmental Fund Type Definitions, was not reflected in the amended budget.

Expenditures

The budget for expenditures decreased \$1.87 million in total, and expenditures as a whole were \$672,000 under budget. Judicial expenditures came in \$228,000 under budget. The largest area of variance was for the legal self-help center discussed under other revenue. The remaining budget to actual variance is spread across several judicial programs. The budget for general government expenditures was reduced by \$265,000. As discussed under rental income, budgets in several building and grounds departments were reduced by \$229,000 as various operational costs – especially utilities – came in lower than anticipated. However, the adjustments proved conservative, and building and grounds departments were \$148,000 under budget. In addition, the budget for Survey and Remonumentation was reduced by \$68,000 to match the grant award. The remaining budget and actual variances are spread across several general government programs.

Public works budgets were reduced by \$118,000, primarily because the Park West drain project has been delayed, so the County was not assessed for it in 2010. The budget for public safety expenditures was decreased by \$126,000. Small equipment needs are difficult to predict and the average daily population at the jail was lower than anticipated, so certain operational supplies budgets were also reduced (\$226,000). During 2010, the County received equipment under a Homeland Security Grant. A budget was not established for the value of the equipment so it is over budget by \$256,000. The remaining public safety variances are spread across several departments and accounts.

Other governmental functions, as mentioned previously, decreased due to lower than anticipated use of contingency, and budget was adjusted for that before year end. The operating transfers out budget was decreased by \$613,000. The transfer to the Health fund was adjusted near year end to reflect lower than anticipated expenditures (\$800,000). However, during 2010, a budget of \$157,000 was established to the Ottawa County Building Authority Capital Projects fund for remaining construction on the Grand Haven facility. 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, 2010, amounted to \$132,510,243 (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 decreased by 2% due to 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 (\$451,000).
- Approximately \$1.6 million was spent on various land acquisition and park improvement projects for the Park system. Of this amount, \$888,000 was spent on the purchase of three properties. The remainder was spent on various park improvement projects.

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

	2010
Land	\$45,909,750
Land improvements	10,257,735
Buildings and improvements	70,959,491
Machinery and equipment	5,383,267
	\$132,510,243

Additional information on the County's capital assets can be found in note III.C on pages 79-81 of this report.

Long-term debt. At the end of the current fiscal year, the County had total general obligation bonds outstanding of \$145,253,700. Of this amount, \$144,734,501 of the bonds are backed by the County's full faith and credit.

County of Ottawa's Outstanding Debt
General Obligation Bonds

	Primary Government	Component Units	Total
General obligation bonds	\$15,430,000	\$104,373,700	\$119,803,700
General obligation bonds - Refunding	7,645,000	17,805,000	25,450,000
Total	\$23,075,000	\$122,178,700	\$145,253,700

The County's total general obligation bonded debt increased by \$11.6 million (7.6 percent). Debt from prior issues was reduced by \$13.8 million as planned. Ottawa County Public Utilities (component unit) issued \$24,895,000 in new debt during 2010. The Ottawa County Drain Commissioner issued \$495,000 in new bonds during 2010 for the Munn drainage district.

The Ottawa County Drain Commissioner has various notes payable for which the benefiting drainage district has pledged its full faith and credit. During 2010, the Drain Commissioner issued \$1,164,000 in new notes payable. The Drain Commissioner also reduced existing notes by \$7,600 and paid off a bond anticipation note of \$90,000 as planned.

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 (2010) debt limitation for the County is \$1,099,087,485, 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 87-90 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 begun to feel the effects of the economic downturn. The change in taxable value went from 3.27% in 2008, 1.21% in 2009 and (4.05%) in 2010 and is projected to be (2.15%) for 2011. The County anticipates taxable value to continue on a negative track for fiscal year 2012 (1.0%).
- 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 \$6.4 million the County may access with a vote of the Board of Commissioners.
- The unemployment rate for the County was 11.0% for 2010, which is lower than 2009 (12.3%). Ottawa County continues to feel the effects of the automotive industry and general downturn in the economy. However, the County has also been selected as the site for two lithium ion battery plants which are expected to bring 700 new jobs to the area. In addition, an Agricultural Renaissance Zone was established for Request Foods and a Renewable Energy Renaissance Zone designation extended for Energetx Composites. These projects will result in approximately 1,250 new jobs in 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 2011 budget are as follows:

- Reduction in the tax levy of 16% over the maximum allowable levy
- The budget reflects a net decrease in full time equivalents funded by the General Fund
- Includes \$2.1 million in new equipment
- Includes contingency of \$660,483
- 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 undesignated fund balance that is at least 10% of the prior year's audited expenditures. Currently, fund balance is kept at the maximum of

the County adopted policy of 15%.

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, 2010**

	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
ASSETS							
Current assets:							
Cash and pooled investments	\$67,131,403	\$16,221,322	\$83,352,725	\$4,490,051	\$6,179,409	\$26,616,409	\$1,424,354
Investments	23,964,641		23,964,641				
Receivables (net of allowance for estimated uncollectibles):							
Taxes	7,314,368	6,614,303	13,928,671				
Accrued interest and penalties on delinquent taxes		1,157,402	1,157,402				
Accounts	2,349,529	4,066	2,353,595	27,367		3,258,320	
Accrued interest on investments	409,055		409,055	5,683			
Internal balances	(166,109)	200,078	33,969				
Advances to component units	325,000		325,000				
Due from other governments: due within one year	7,624,533		7,624,533	4,917,995	159,149		1,351,103
Due from primary government					20,004		
Due from component units		81,180	81,180				
Inventory of supplies	286,872		286,872	1,194,986			
Prepaid items	1,088,971		1,088,971	334,730	305,209		
Total current assets	110,328,263	24,278,351	134,606,614	10,970,812	6,663,771	29,874,729	2,775,457
Noncurrent assets:							
Net pension asset	1,780,310		1,780,310				
Net other post employment benefits asset	469,814		469,814				
Due from other governments: due after one year	811,804		811,804	243,830		97,432,583	1,775,837
Unamortized bond issuance and deferred refunding costs	770,981		770,981			1,681,147	
Capital assets not being depreciated	45,909,750		45,909,750	1,367,182			
Capital assets being depreciated, net	86,600,493		86,600,493	169,953,910	6,123,791		24,429,247
Total noncurrent assets	136,343,152		136,343,152	171,564,922	6,123,791	99,113,730	26,205,084
Total assets	246,671,415	24,278,351	270,949,766	182,535,734	12,787,562	128,988,459	28,980,541
LIABILITIES							
Current liabilities							
Accounts payable	16,445,540	2,485	16,448,025	2,009,293	95,107	3,647,056	199,027
Interest payable	172,311		172,311			1,450,729	20,584
Due to primary government						81,180	
Due to component units	105,462		105,462	38,971		299,360	
Due to other governments	3,734,980	4,070	3,739,050		8,587		
Notes payable							521,500
Current portion of long-term debt	5,276,328		5,276,328	1,102,156		5,736,000	221,267
Advances from primary government						150,000	175,000
Advances from other governments	423,964		423,964	515,608			
Unearned revenue	7,757,007		7,757,007	51,969		14,644	
Total current liabilities	33,915,592	6,555	33,922,147	3,717,997	103,694	11,378,969	1,137,378
Noncurrent liabilities:							
Unamortized bond premiums	486,300		486,300			1,669,994	
Noncurrent portion of long-term obligations	24,012,694		24,012,694	951,937	81,055	115,428,501	1,537,332
Total noncurrent liabilities	24,498,994		24,498,994	951,937	81,055	117,098,495	1,537,332
Total liabilities	58,414,586	6,555	58,421,141	4,669,934	184,749	128,477,464	2,674,710
NET ASSETS							
Invested in capital assets, net of related debt	109,387,852		109,387,852	170,564,121	6,123,791		22,149,148
Restricted for:							
Debt Service							756,198
Capital projects	8,651,202		8,651,202	2,004,455			481,228
State of Michigan public act restrictions	9,097,699	222,198	9,319,897				
Infrastructure maintenance						491,516	54,706
Managed care self-insurance pool	1,666,623		1,666,623				
Cemetery trust:							
Expendable	648		648				
Nonexpendable	5,770		5,770				
Unrestricted	59,447,035	24,049,598	83,496,633	5,297,224	6,479,022	19,479	2,864,551
Total net assets	\$188,256,829	\$24,271,796	\$212,528,625	\$177,865,800	\$12,602,813	\$510,995	\$26,305,831

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

**County of Ottawa
Statement of Activities
For the Year Ended December 31, 2010**

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues		Net (Expense) Revenue
			Charges for Services	Operating Grants and Contributions	
Primary government					
Governmental activities:					
Legislative	\$473,548	\$2,454			(\$476,002)
Judicial	12,382,422	1,473,417	\$4,264,283	\$2,688,310	(6,903,246)
General government	23,921,450	(7,496,280)	6,889,492	2,149,478	\$451,153 (6,935,047)
Public safety	27,677,641	1,237,993	6,394,977	1,824,022	(20,696,635)
Public works	1,595,531	29,988	349,904	157,569	(1,118,046)
Health and welfare	61,027,265	2,359,009	2,453,458	52,367,954	(8,564,862)
Community and economic development	569,791	2,810	18,552		(554,049)
Culture and recreation	2,972,926	6,701	474,325		446,900 (2,058,402)
Interest on long-term debt	1,120,937		2,388,298		1,267,361
Total governmental activities	<u>131,741,511</u>	<u>(2,383,908)</u>	<u>23,233,289</u>	<u>59,187,333</u>	<u>898,053</u> <u>(46,038,928)</u>
Business-type activities:					
Delinquent tax collection	231,067	2,388,297	2,113,782		(505,582)
Total primary government	<u>\$131,972,578</u>	<u>\$4,389</u>	<u>\$25,347,071</u>	<u>\$59,187,333</u>	<u>\$898,053</u> <u>(\$46,544,510)</u>
Component units					
Ottawa County Road Commission	\$25,705,406		\$8,972,704	\$15,640,823	\$5,155,413 \$4,063,534
Ottawa County Central Dispatch Authority	4,494,492		67,831	4,968,865	542,204
Ottawa County Public Utilities	21,813,274		21,885,205		71,931
Ottawa County Office of the Drain Commissioner	1,928,128				5,086,844 3,158,716
Total component units	<u>\$53,941,300</u>		<u>\$30,925,740</u>	<u>\$20,609,688</u>	<u>\$10,242,257</u> <u>\$7,836,385</u>

(Continued on next page)

**County of Ottawa
Statement of Activities (Concluded)
For the Year Ended December 31, 2010**

	<u>Primary Government</u>			<u>Component Units</u>			
	<u>Governmental Activities</u>	<u>Business- type Activities</u>	<u>Total</u>	<u>Ottawa County Road Commission</u>	<u>Ottawa County Central Dispatch Authority</u>	<u>Ottawa County Public Utilities</u>	<u>Ottawa County Office of the Drain Commissioner</u>
Primary Government:							
Changes in net assets:							
Net (expense) revenue	(\$46,038,928)	(\$505,582)	(\$46,544,510)	\$4,063,534	\$542,204	\$71,931	\$3,158,716
General Revenues:							
Property taxes, levied for general purposes	34,766,924		34,766,924				
Property taxes, levied for park development	3,171,884		3,171,884				
Property taxes, levied for E-911 Central Dispatch	4,409,879		4,409,879				
Grants and contributions not restricted to specific programs	51,346		51,346				
Investment earnings	3,206,795	200,078	3,406,873	51,941	11,154	81	18,878
Miscellaneous	502,476		502,476	382,888		23,209	
Transfers - internal activities	189,008	(150,000)	39,008				
Total general revenues and transfers	<u>46,298,312</u>	<u>50,078</u>	<u>46,348,390</u>	<u>434,829</u>	<u>11,154</u>	<u>23,290</u>	<u>18,878</u>
Change in net assets	259,384	(455,504)	(196,120)	4,498,363	553,358	95,221	3,177,594
Net assets - beginning of year	<u>187,997,445</u>	<u>24,727,300</u>	<u>212,724,745</u>	<u>173,367,437</u>	<u>12,049,455</u>	<u>415,774</u>	<u>23,128,237</u>
Net assets - end 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>

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

(Concluded)

**County of Ottawa
Balance Sheet
Governmental Funds
December 31, 2010
(with comparative totals for December 31, 2009)**

	General	Parks and Recreation	Health	Mental Health	Stabilization	Other Governmental Funds	Total Governmental Funds	
							2010	2009
ASSETS								
Cash and pooled investments	\$16,456,168	\$5,332,683	\$2,305,706	\$3,833,098	\$8,269,673	\$15,540,941	\$51,738,269	\$50,838,535
Investments						6,418	6,418	129,454
Receivables (net of allowance for estimated uncollectibles):								
Taxes	4,612,788	2,701,580					7,314,368	8,368,850
Accounts	347,337	64,269	263,796	751,629		1,080,957	2,507,988	4,376,564
Accrued interest on investments	258,684						258,684	317,369
Due from other funds		69,220		33,969		182,774	285,963	324,838
Interfund receivable	1,418,950						1,418,950	935,953
Advances to component units	325,000						325,000	325,000
Due from other governmental units	2,763,390		223,720	169,413		4,468,010	7,624,533	6,905,375
Inventory of supplies	7,774	2,501	178,235	28,129		19,582	236,221	264,805
Prepaid expenditures	67,329	330,300	5,062	108,024		4,874	515,589	649,904
Total assets	\$26,257,420	\$8,500,553	\$2,976,519	\$4,924,262	\$8,269,673	\$21,303,556	\$72,231,983	\$73,436,647
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$1,179,080	\$55,546	\$260,871	\$2,847,757		\$2,270,751	\$6,614,005	\$6,438,686
Due to other governmental units	2,530		1,558,850	1,970,386		27,059	3,558,825	1,960,311
Due to other funds	615,470						615,470	580,474
Due to component units	20,004					85,458	105,462	134,855
Interfund payable						1,134,482	1,134,482	736,217
Advances from other governmental units	95,211					328,753	423,964	416,504
Deferred revenue	6,365,624	3,056,397	204,224	128		242,726	9,869,099	9,993,166
Total liabilities	8,277,919	3,111,943	2,023,945	4,818,271		4,089,229	22,321,307	20,260,213
Fund balances:								
Reserved - General	2,485,417						2,485,417	2,463,646
Reserved - Special Revenue		2,501	178,235	28,129		4,516,108	4,724,973	9,305,587
Reserved - Permanent						5,770	5,770	5,770
Unreserved:								
Designated - General	4,897,779						4,897,779	4,592,347
Designated - Special Revenue				44,883		3,281,518	3,326,401	3,281,550
Undesignated - General	10,596,305						10,596,305	9,656,964
Undesignated - Special Revenue		5,386,109	774,339	32,979	\$8,269,673	9,410,283	23,873,383	23,869,989
Undesignated - Permanent Fund						648	648	581
Total fund balances	17,979,501	5,388,610	952,574	105,991	8,269,673	17,214,327	49,910,676	53,176,434
Total liabilities and fund balances	\$26,257,420	\$8,500,553	\$2,976,519	\$4,924,262	\$8,269,673	\$21,303,556	\$72,231,983	\$73,436,647

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, 2010

Fund balances - total governmental funds	\$49,910,676
--	--------------

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	170,078,697
Subtract: accumulated depreciation	(39,633,094)

The net pension asset, a long-term asset, is not recorded in the funds.	1,780,310
---	-----------

The net other post employment benefits asset, a long-term asset, is not recorded in the funds.	469,814
--	---------

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	32,657,693
--	------------

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.	2,169,385
---	-----------

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	(23,075,000)
Subtract: landfill reclamation	(3,313,805)
Subtract: capital lease payable	(47,391)
Subtract: compensated absences	(2,852,826)
Subtract: accrued interest payable	(172,311)

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	(486,300)
Add: unamortized bond issuance costs	770,981

Net assets of governmental activities	\$188,256,829
---------------------------------------	---------------

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, 2010
(with comparative totals for the year ended December 31, 2009)

	General	Parks and	Mental		Other	Total Governmental Funds	
		Recreation	Health	Health	Stabilization	Funds	2010
Revenues							
Taxes	\$39,169,886	\$3,171,884			\$6,917	\$42,348,687	\$43,680,112
Intergovernmental revenues	4,741,106	296,116	\$4,392,368	\$31,335,602	24,098,943	64,864,135	60,128,208
Charges for services	6,413,243	406,044	611,694	612,714	1,138,540	9,182,235	8,512,541
Fines and forfeits	1,051,277				8,500	1,059,777	1,008,906
Interest on investments	367,273	75,984		33,969	209,590	686,816	598,424
Licenses and permits	222,794		459,368			682,162	652,886
Rental income	2,916,852	68,081		135,801	2,768,049	5,888,783	6,372,474
Other	569,966	237,089	241,947	157,387	665,988	1,872,377	1,514,342
Total revenue	55,452,397	4,255,198	5,705,377	32,275,473	28,896,527	126,584,972	122,467,893
Expenditures							
Current operations:							
Legislative	486,009					486,009	540,483
Judicial	9,732,554				4,336,707	14,069,261	14,357,862
General government	12,264,139				1,645,116	13,909,255	13,770,171
Public safety	23,753,784				5,288,063	29,041,847	28,450,421
Public works	344,229				979,567	1,323,796	1,333,248
Health and welfare	1,533,676		9,243,028	33,040,279	19,722,174	63,539,157	59,756,111
Community and economic development	575,050				4,466	579,516	634,793
Culture and recreation		3,834,249				3,834,249	8,734,395
Other governmental functions	225,829					225,829	149,627
Debt service					3,150,198	3,150,198	3,542,113
Capital projects					180,621	180,621	9,191,249
Total expenditures	48,915,270	3,834,249	9,243,028	33,040,279	35,306,912	130,339,738	140,460,473
Revenues over (under) expenditures	6,537,127	420,949	(3,537,651)	(764,806)	(6,410,385)	(3,754,766)	(17,992,580)
Other financing sources (uses)							
Transfers from other funds	4,904,581		3,537,651	722,178	6,723,761	15,888,171	26,901,059
Transfers to other funds	(10,175,164)				(5,259,994)	(15,435,158)	(26,398,244)
Proceeds from capital lease					35,995	35,995	70,190
Total other financing sources (uses)	(5,270,583)		3,537,651	722,178	1,499,762	489,008	573,005
Net change in fund balances	1,266,544	420,949		(42,628)	(4,910,623)	(3,265,758)	(17,419,575)
Fund balance, beginning of year	16,712,957	4,967,661	952,574	148,619	\$8,269,673	22,124,950	53,176,434
Fund balance, end of year	<u>\$17,979,501</u>	<u>\$5,388,610</u>	<u>\$952,574</u>	<u>\$105,991</u>	<u>\$8,269,673</u>	<u>\$17,214,327</u>	<u>\$49,910,676</u>

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, 2010

Net change in fund balances - total governmental funds (\$3,265,758)

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	2,556,903
Subtract: depreciation expense	(4,852,939)
Subtract: net book value of disposed capital assets in governmental funds	(73,500)

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.

Add: principal payments on long-term liabilities	2,031,400
Subtract: increase in landfill reclamation liability	(205,852)
Subtract: increase in compensated absences liability	(15,971)

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	13,412
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	(59,430)
Subtract: unearned training grant revenue	(33,719)
Add: net change in receivable for Community Corrections programs	157,099
Add: net change in receivables for the Survey and Remonumentation expedited program	259,078

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	(43,986)
Subtract: decrease in the net other post employment benefits asset	(3,266)

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	3,815,064
--	-----------

Change in net assets of governmental activities	\$259,384
---	-----------

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

**County of Ottawa
Statement of Net Assets
Proprietary Funds
December 31, 2010**

	Business-type Activities- Enterprise Funds	Governmental Activities- Internal Service Funds
	Delinquent Tax Revolving Fund	Service Funds
<u>ASSETS</u>		
Current assets:		
Cash and pooled investments	\$16,221,322	\$15,393,134
Investments		23,958,223
Receivables:		
Delinquent taxes receivable	6,614,303	
Accrued interest and penalties on delinquent taxes	1,157,402	
Accounts	4,066	653,345
Accrued interest on investments		150,371
Due from other funds	200,078	4,603,543
Due from component units	81,180	
Inventory of supplies		50,651
Prepaid expenses		573,382
Total current assets	24,278,351	45,382,649
Noncurrent assets:		
Capital assets:		
Office furniture and equipment		4,065,144
Copy machines		150,486
Telephone equipment		2,672,035
Vehicles		4,281,586
Less accumulated depreciation		(9,104,611)
Net capital assets		2,064,640
Total assets	24,278,351	47,447,289
<u>LIABILITIES</u>		
Current liabilities:		
Accounts payable	2,485	9,831,535
Interfund payable		284,468
Due to other funds		4,440,145
Due to other governmental units	4,070	176,155
Capital lease		
Unearned revenue		57,293
Total current liabilities	6,555	14,789,596
<u>NET ASSETS</u>		
Investment in capital assets, net of related debt		2,064,640
Restricted for managed care risk exposure		1,666,623
Restricted for land foreclosure	222,198	
Unrestricted	24,049,598	28,926,430
Total net assets	\$24,271,796	\$32,657,693

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, 2010

	<u>Business-type Activities- Enterprise Funds Delinquent Tax Revolving Fund</u>	<u>Governmental Activities- Internal Service Funds</u>
Operating revenues:		
Charges for services	\$260,332	\$19,727,003
Penalties and interest in delinquent taxes	1,853,450	
Other revenue		26,899
Total operating revenues	<u>2,113,782</u>	<u>19,753,902</u>
Operating expenses:		
Personnel services		2,183,322
Contractual services	128,134	3,024,705
Supplies	23,029	94,103
Depreciation		1,168,755
Building and equipment rental	2,468,201	114,399
Claims and legal		11,185,709
Miscellaneous		363,465
Total operating expenses	<u>2,619,364</u>	<u>18,134,458</u>
Operating income (loss)	<u>(505,582)</u>	<u>1,619,444</u>
Nonoperating revenues (expenses):		
Interest on investments	200,078	767,790
Net change in the fair value of investments		1,752,189
Gain (loss) on retirement of capital assets		(24,359)
Total nonoperating revenues	<u>200,078</u>	<u>2,495,620</u>
Income (loss) before transfers	<u>(305,504)</u>	<u>4,115,064</u>
Transfers in (out):		
Ottawa County Building Authority - Debt Service	(150,000)	(300,000)
Total transfers	<u>(150,000)</u>	<u>(300,000)</u>
Change in net assets	(455,504)	3,815,064
Total net assets, beginning of year	<u>24,727,300</u>	<u>28,842,629</u>
Total net assets, end of year	<u>\$24,271,796</u>	<u>\$32,657,693</u>

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, 2010**

	<u>Business-type Activities- Enterprise Funds Delinquent Tax Revolving Fund</u>	<u>Governmental Activities Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from interfund services provided		\$19,878,314
Cash receipts from customers	\$14,321,805	
Cash received from penalties and interest on delinquent taxes	1,965,690	
Cash payments to suppliers for goods and services	(2,619,455)	(3,102,622)
Cash payments for self-funded insurance claims		(12,049,748)
Cash payments to employees for services		(2,183,613)
Purchase of delinquent tax rolls	<u>(12,931,357)</u>	
Net cash provided by (used for) operating activities	<u>736,683</u>	<u>2,542,331</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers in from other funds		84,732
Transfers out to other funds	<u>(150,000)</u>	<u>(300,000)</u>
Net cash used for noncapital financing activities	<u>(150,000)</u>	<u>(215,268)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets		(796,597)
Payment on capital lease		<u>(35,413)</u>
Net cash used for capital and related financing activities		<u>(832,010)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments		(12,622,126)
Interest on investments	157,817	572,148
Proceeds from sale of investments		<u>11,288,711</u>
Net cash provided by investing activities	<u>157,817</u>	<u>(761,267)</u>
Net decrease in cash and pooled investments	744,500	733,786
Cash and pooled investments, beginning of year	<u>15,476,822</u>	<u>14,659,348</u>
Cash and pooled investments, end of year	<u><u>\$16,221,322</u></u>	<u><u>\$15,393,134</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, 2010**

	<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)	(\$505,582)	\$1,619,444
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation		1,168,755
Change in assets and liabilities not affecting cash provided by (used for) operating activities:		
(Increase) decrease in receivables	1,242,833	(94,982)
(Increase) decrease in inventory		(3,999)
(Increase) decrease in prepaid expenses		(198,008)
Increase (decrease) in unpaid claims liability		7,421
Increase (decrease) in unearned revenue		(45,833)
Increase (decrease) in accounts payable	(119)	(172,520)
Increase (decrease) in due to other funds		175,856
Increase (decrease) in due to other governmental units	(449)	86,197
Net cash provided by (used for) operating activities	<u>\$736,683</u>	<u>\$2,542,331</u>

(Concluded)

Noncash investing activities:

The change in fair value of investments for the internal service funds was \$1,752,189.

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

**COUNTY OF OTTAWA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
December 31, 2010
(with comparative totals for December 31, 2009)**

	<u>Other Post Employment Benefit Plan</u>		<u>Agency Funds</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
ASSETS				
Cash and pooled investments			\$4,112,499	\$3,318,436
Certificates of Deposit	\$175,000			
U.S. Government securities	31,083	\$30,874		
U.S. Government agencies	284,498	174,763		
Corporate Bonds	261,241	250,994		
Mutual funds				
Money Market Mutual Funds	97,471	307,570		
Domestic Equity	1,701,563	829,269		
International Equity	328,457	297,134		
Receivables:				
Accounts			80,159	105,559
Due from other governmental units			22,614	41,551
Total assets	<u>2,879,313</u>	<u>1,890,604</u>	<u>\$4,215,272</u>	<u>\$3,465,546</u>
LIABILITIES				
Liabilities:				
Claims payable	\$117,656			
Due to other governmental units:				
Due to State of Michigan			\$1,153,633	\$1,051,663
Fines and fees due to local libraries			520,058	581,685
Agency deposits			2,541,581	1,832,198
Total liabilities	<u>\$117,656</u>		<u>\$4,215,272</u>	<u>\$3,465,546</u>
Net Assets held in trust for other post employee benefits	<u>\$2,761,657</u>	<u>\$1,890,604</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, 2010

	Other Post Employment Benefit Plan	
	2010	2009
Additions		
Contributions:		
Employer	\$820,291	\$1,014,841
Plan member	445,247	391,822
Investment income	323,453	361,985
Total Additions	<u>1,588,991</u>	<u>1,768,648</u>
Deductions		
Administrative expense	83,000	11,166
Claims	634,938	844,874
Total Deductions	<u>717,938</u>	<u>856,040</u>
Total Net increase	871,053	912,608
Net Assets held in trust for other post employee benefits		
Beginning of year	<u>1,890,604</u>	<u>977,996</u>
End of Year	<u><u>\$2,761,657</u></u>	<u><u>\$1,890,604</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, 2010

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 263,801 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, 2010

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 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. It operates in facilities and with equipment partially financed through the Building Authority. 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.

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

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

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.

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, interest free. The Land Bank Authority has a December 31 year-end. As of December 31, 2010, no financial activity has been made by the Authority.

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

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

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

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 and Child Care - Social Services funds (included with Governmental Funds and reflecting total assets and revenues of 18.77% and 44.61%, 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 3.51% and 0.00%, respectively, of the related fund type totals) have been included in the accompanying 2010 financial statements using their fiscal year ended September 30, 2010.

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 1.18% and 4.62%, respectively, of the Governmental Fund totals) have been included in the accompanying 2010 financial statements using their fiscal year ended June 30, 2010.

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 .19% and .56%, respectively, of the Governmental Fund totals) have been included in the accompanying 2010 financial statements using their fiscal year ended March 31, 2010. The remaining funds have been included in the accompanying financial statements using their fiscal year ended December 31, 2010.

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.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Government-wide and fund financial statements (continued)

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 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.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

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.

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

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

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.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 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".

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

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)*

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 \$313,647 has been established. For the jail and inmate housing receivable and various other receivables an allowance of \$779,695 has been established.

Due from other governments due after one year consist of the long-term portion of loans made to local units. During 2010, 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.

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 non major special revenue Infrastructure fund (2444). As of December 31, 2010, the gross amount of these outstanding loans reported in governmental funds was \$811,804. 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.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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*

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 \$5,388,610 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 \$3,262,592 is restricted for statutory Public Improvement.

Under Act 30, Public Acts of 1978, the use of the fund balance of the Stabilization Fund (Special Revenue Fund 2570) 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 Revenue Sharing Reserve Fund (Special Revenue Fund 2855) in the amount of \$422,130 is restricted in compliance with Public Act 357 of 2005.

The fund balance of the ROD Technology Fund (Special Revenue Fund 2560) in the amount of \$405,896 is restricted for technology upgrades under Act 698, Public Acts of 2002.

The use of the \$6,418 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 (\$1,666,623).

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 \$2,004,455, for primary and

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

local road construction and maintenance. The Drain Commissioner has restricted \$756,198 for debt service, \$481,228 for capital projects, and \$54,706 for general drain maintenance. Last, Ottawa County Public Utilities has restricted \$491,516 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 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, 2010 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.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

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 \$441,142 at December 31, 2010 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, 2010 is \$390,761 and is funded in the Compensated Absences Fund, a Special Revenue Fund, with a corresponding designated fund balance. On the government-wide statements, however, it 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 Compensated Absences Fund, a Special Revenue Fund, with a corresponding designated fund balance. An adjustment was made at December 31, 2010 to reflect the change in the accumulated balance to \$2,462,065.

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.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

8. *Compensated absences (continued)*

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 2010 were \$2,101,602 and the County match was \$285,935.

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.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

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
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Reserved:					
Long-term advances to other funds and component units	\$325,000				
Inventories	75,103	\$2,501	\$178,235	\$28,129	\$19,582
Convention facilities tax money	1,799,481				
Public Improvement					3,262,592
Revenue Sharing Reserve					422,130
Infrastructure loans					811,804
Marriage Counseling	6,167				
Jail booking fees	279,666				
Perpetual care					5,770
Total Reserved	<u>\$2,485,417</u>	<u>\$2,501</u>	<u>\$178,235</u>	<u>\$28,129</u>	<u>\$4,521,878</u>
Designated:					
Voting machines	\$103,348				
Planning	619,594				
Grants	44,473				
Mental Health	581,275				
Excess medicaid funds				\$44,883	
Aerial survey	867,274				
Building Improvements	1,563,433				
Computer technology	80,880				
Law Library	37,502				
Reserve for budget	1,000,000				
Capital lease payments					\$43,791
Register of deeds technology					384,901
Compensated absences					2,852,826
Total Designated	<u>\$4,897,779</u>			<u>\$44,883</u>	<u>\$3,281,518</u>

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

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.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Budgetary information (continued)

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.

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, all of which were immaterial. 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. Other government functions were over budget due to an invoice received after year end that was not anticipated. Personnel services were over budget in the Parks and Recreation fund due to the implementation of wage study results for which the budget did not get adjusted before year end. Supplies and other services and charges were over budget in the Mental Health fund as certain invoices received after year end were not anticipated.

Commodities donated from the State were recorded after year end in the Emergency Feeding fund, so no budget was established for the activity. Matching donated revenue was also recorded. Compensated Absences fund expenditures fluctuate yearly depending on the number of terminations or retirements, making expenditures difficult to predict and budget.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposit and investment balances at year end are as follows:

	Primary Government	Component Units	Total
Cash on hand	\$17,028	\$260	\$17,288
Carrying amount of checking and savings accounts	10,479,811	10,166,802	20,646,613
Carrying amount of certificates of deposit	26,780,958	7,920,482	34,701,440
Carrying amount of investments	50,193,845	20,622,679	70,816,524
Carrying amount of investments - Ottawa County Other Post Employment Benefit Plan	2,879,313		2,879,313
Carrying amount of investments - Ottawa County Insurance Authority	23,958,223		23,958,223
Total	\$114,309,178	\$38,710,223	\$153,019,401
Statement of net assets			
Cash and pooled investments	\$83,352,725	\$38,710,223	\$122,062,948
Investments	23,964,641		23,964,641
Statement of fiduciary assets and liabilities			
Cash and pooled investments	4,112,499		4,112,499
Investments	2,879,313		2,879,313
Total	\$114,309,178	\$38,710,223	\$153,019,401

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, 2010

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 Vincent Drain Debt Service
Ottawa County Drain Commission Nunica Drain Debt Service

The County chooses to disclose its investments by Weighted Average Maturity. As of December 31, 2010, the County had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (years)</u>
Money Market Fund (MMF)	\$19,265,582	N/A
Agency - FHLB	5,197,444	2.6137
Agency - FNMA	8,291,639	3.6521
Agency - FHLMC	3,029,100	0.2685
Treasury Note	14,410,080	1.7233
	<u>\$50,193,845</u>	
Portfolio Weighted Average Maturity (excluding MMF)		2.2473

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

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 Road Commission
Checking/Deposit	\$4,510,095	\$2,490,051
Certificates of Deposit	5,920,482	2,000,000
Mutual Funds	5,947,426	
Ottawa County Investment Pool Investments	10,238,406	
	\$26,616,409	\$4,490,051

The County chooses to disclose the investments of the Ottawa County Public Utilities System by specifically identifying each. As of 12/31/10, the investments of the System held by the County are as follows:

Investment	Maturity	Fair Value	Rate	Rating	Source
Money Market Mutual Funds	N/A	\$5,947,426	N/A	Unrated	N/A
FNMA 31398AWK4	4/20/2012	588,664	1.88%	AAA	S & P
FNMA 31398ABX9	5/18/2012	579,192	4.88%	AAA	Moody's
FNMA 31398AZN5	11/23/2011	793,376	1.00%	AAA	Moody's
FNMA 31359MZ30	10/15/2011	772,036	5.00%	AAA	Moody's
FNMA 31398AVQ2	3/23/2011	1,103,694	1.75%	AAA	Moody's
FHLB 3133XWKU2	6/8/2012	606,601	1.38%	AAA	Moody's
FHLB 3133XPCS1	3/9/2012	1,238,855	3.25%	AAA	Moody's
FHLB 313370BJ6	1/30/2012	1,134,263	0.65%	AAA	Moody's
FHLB 3133XHRKO	12/9/2011	540,877	4.75%	AAA	Moody's
FHLMC 3137EACK3	7/27/2012	277,328	1.13%	AAA	Moody's
FHLMC 3134G1PK4	2/11/2013	459,963	1.00%	AAA	Moody's
FHLMC DISC NOTE 313396HW6	7/8/2011	1,598,512	N/A	AAA	Moody's
FNMA STRIPS 31359YBQ9	7/15/2012	122,286	N/A	AAA	Moody's
FNMA STRIPS 31358DFP4	2/21/2013	231,824	N/A	N/A	Moody's
FFCB 31331VYQ3	4/13/2013	190,935	5.40%	AAA	Moody's
		\$16,185,832			

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (continued)

The amount invested by the County's investment pool for the Road Commission consists of money market mutual funds and certificates of deposit which are unrated.

The Ottawa County Central Dispatch Authority, a discretely presented component unit, chooses to disclose its investments by specifically identifying them:

	Fair Value	Rating	Source
MBIA Class Investment Pool	\$3,310,230	AAAm	S&P

In addition, as of December 31, 2010 the County's Other Post Employment Benefit Plan held the following investments:

	Fair Value	Investment Maturities (fair value by years)			
		Less Than 1	1-5	6-10	Over 10
Certificates of Deposit	\$175,000	\$175,000			
U.S. Treasuries	31,083	15,567	\$15,516		
U.S. Agencies:					
Bonds	284,498	25,078	180,818	\$78,602	
Corporate bonds	261,241		113,538	100,619	\$47,084
	751,822	\$215,645	\$309,872	\$179,221	\$47,084
Mutual Funds:					
Money Market	97,471				
Domestic Equity	1,701,563				
International Equity	328,457				
Total investments held by the OPEB Plan	\$2,879,313				

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Deposits and Investments (continued)

As of December 31, 2010, 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	\$308,590	\$308,590				
U.S. treasuries	2,771,188	2,747,204	\$261,950	\$2,070,444	\$414,810	
U.S. agencies:						
Mortgage-backed	67,874	67,036				\$67,036
Other U.S. government agencies	925,845	973,965	20,459	15,704	57,477	880,325
Corporate bonds	<u>3,397,261</u>	<u>3,494,643</u>	<u>30,724</u>	<u>1,211,566</u>	<u>2,134,162</u>	<u>118,191</u>
	<u>7,470,758</u>	<u>7,591,438</u>	<u>\$313,133</u>	<u>\$3,297,714</u>	<u>\$2,606,449</u>	<u>\$1,065,552</u>
Equities						
Common stock	5,113,891	6,398,868				
Mutual Funds:						
Domestic equity	2,229,335	2,476,491				
International equity	<u>2,267,005</u>	<u>2,582,578</u>				
Total investments held by the Authority	<u>\$17,080,989</u>	<u>\$19,049,375</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, 2010 and 2009, are as summarized:

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

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>2010</u>	<u>2009</u>
U.S. Treasury Notes	03/31/11	4.875%	\$ 1,400,000	\$1,437,625	\$1,487,500
U.S. Treasury Notes	07/31/11	4.875%	1,675,000	1,720,016	1,779,688
U.S. Treasury Notes	08/15/16	4.875%	485,000	552,900	533,273
U.S. Treasury Notes	02/28/13	2.750%	1,100,000	1,149,844	1,139,875
U.S. Treasury Notes	02/15/12	4.875%	340,000	357,053	366,030
				<u>\$5,217,438</u>	<u>\$5,306,366</u>

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 creditworthiness analysis. As of December 31, 2010, \$46,629,619 of the County’s bank balance (including certificates of deposit) of \$52,054,619 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 \$1,263 at December 31, 2010 was FDIC insured. For the Ottawa County Drain Commission, none of the \$111,708 in deposits at December 31, 2010 was exposed to custodial credit risk. For the Ottawa County Central Dispatch Authority, \$2,620,178 of the \$2,870,178 bank balance at December 31, 2010 was exposed to custodial credit risk.

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, 2010, the County’s \$30,928,263 in treasury investments were held in third-party safekeeping in the County’s name.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (*continued*)

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 \$5,947,426 at December 31, 2010, 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 \$261,241 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 \$308,590 at December 31, 2010 are not subject to custodial risk categorization. At December 31, 2010, 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.

The investments of the Other Post Employment Benefits Plan in U.S. Government Agency Securities and U.S. and Foreign corporate bonds were rated by Standard & Poors as follows:

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (continued)

S&P Rating	Fair Value
AAA	\$315,582
AA+ to AA-	72,354
A+ to A-	123,331
BBB+ to BBB-	65,555
	<u><u>\$576,822</u></u>

As of December 31, 2010, the Ottawa County Insurance Authority's investments in the mortgage-backed bonds of U.S. agencies were rated AAA by Moody's; U.S. treasury notes were rated AAA by Moody's; other U.S. government agencies were rated AAA by Moody's; and U.S. Corporate Asset backed securities were rated AAA by Moody's (exception of \$148,385 unrated). The Authority's investments in corporate bonds were rated by Moody's as follows:

Rating	Fair Value
AAA	\$873,433
AA3	218,583
AA2	177,292
AA1	115,325
A3	363,898
A2	462,342
A1	283,909
BAA3	66,386
BAA2	521,103
BAA1	412,372
	<u><u>\$3,494,643</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 one issuer. Certificates of deposit have a 50% maximum with concentration limits set at 5% of the issuer's net worth.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (*continued*)

At 12/31/2010, the County's investment portfolio was comprised of the following: Treasury Notes (17.3%), FHLB (6.4%), FHLMC (3.7%), and FNMA (10.1%). All investments are in compliance with County's investment policy at 12/31/10.

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 \$2,911,035 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, 2010

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital assets

Capital asset activity for the year ended December 31, 2010 was as follows:

Primary Government:

Governmental activities:	<u>Beginning of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>End of Year</u>
Capital assets, not being depreciated:				
Land	\$45,093,768	\$889,482	(\$73,500)	\$45,909,750
Construction in progress				
Total capital assets, not being depreciated	<u>45,093,768</u>	<u>889,482</u>	<u>(73,500)</u>	<u>45,909,750</u>
Capital assets, being depreciated:				
Land improvements	16,797,089	669,682		17,466,771
Buildings	92,769,653	271,457		93,041,110
Machinery and equipment	23,695,367	1,522,878	(387,928)	24,830,317
Total assets, being depreciated	<u>133,262,109</u>	<u>2,464,017</u>	<u>(387,928)</u>	<u>135,338,198</u>
Less accumulated depreciation for:				
Land improvements	(6,426,941)	(782,095)		(7,209,036)
Buildings	(19,052,192)	(3,029,427)		(22,081,619)
Machinery and equipment	(17,600,446)	(2,210,173)	363,569	(19,447,050)
Total accumulated depreciation	<u>(43,079,579)</u>	<u>(6,021,695)</u>	<u>363,569</u>	<u>(48,737,705)</u>
Net capital assets, being depreciated	<u>90,182,530</u>	<u>(3,557,678)</u>	<u>(24,359)</u>	<u>86,600,493</u>
Net governmental activities capital assets	<u>\$135,276,298</u>	<u>(\$2,668,196)</u>	<u>(\$97,859)</u>	<u>\$132,510,243</u>

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

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	\$2,834
General government	3,165,128
Public safety	352,886
Public works	154,951
Health and Welfare	474,320
Culture and recreation	702,819
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the net assets	1,168,757
Total depreciation expense - governmental activities	<u>\$6,021,695</u>

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

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	153,990	\$106,273	(\$260,263)	
Total capital assets, not being depreciated	<u>1,521,172</u>	<u>106,273</u>	<u>(260,263)</u>	<u>1,367,182</u>
Capital assets, being depreciated:				
Buildings	14,586,107	592,661		15,178,768
Machinery and equipment	26,163,157	1,359,445	(111,682)	27,410,920
Infrastructure	282,311,670	14,793,098		297,104,768
Total assets, being depreciated	<u>323,060,934</u>	<u>16,745,204</u>	<u>(111,682)</u>	<u>339,694,456</u>
Less accumulated depreciation for:				
Buildings	(3,390,943)	(229,479)		(3,620,422)
Machinery and equipment	(21,791,546)	(1,599,928)	111,682	(23,279,792)
Infrastructure	(102,630,353)	(9,656,941)		(112,287,294)
Total accumulated depreciation	<u>(127,812,842)</u>	<u>(11,486,348)</u>	<u>111,682</u>	<u>(139,187,508)</u>
Net capital assets, being depreciated	<u>195,248,092</u>	<u>5,258,856</u>		<u>200,506,948</u>
Net component unit capital assets	<u>\$196,769,264</u>	<u>\$5,365,129</u>	<u>(\$260,263)</u>	<u>\$201,874,130</u>

Commitments

At December 31, 2010, the County has \$234,000 in information technology commitments and \$456,000 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, 2010

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 \$15 million. These commitments are being funded from bond proceeds. The Ottawa County Road Commission discrete component unit has commitments for construction, materials and services totaling approximately \$1.3 million. The Ottawa County Central Dispatch Authority discrete component unit has commitments for communication equipment/upgrades and services totaling approximately \$150,000.

D. Interfund receivables, payables, and transfers

The composition of interfund balances as of December 31, 2010, 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		\$615,470
Parks and Recreation	\$69,220	
Mental Health	33,969	
Major Enterprise Fund:		
Delinquent Tax Revolving	200,078	
Non-major Governmental Funds	182,774	
Internal Service Funds	4,603,543	4,440,145
	<u>5,089,584</u>	<u>5,055,615</u>
September 30 due from paid before December 31 year end		33,969
	<u><u>\$5,089,584</u></u>	<u><u>\$5,089,584</u></u>

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

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

Interfund balances primarily reflect the interest on investments that will be allocated from the General Fund. However, included in the Internal Service Funds is \$4,440,145 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		\$20,004
Non-major Governmental Funds		85,458
Ottawa County Central Dispatch Authority	\$20,004	
	20,004	105,462
December 31, 2010 due to established after September 30, 2010 year end	85,458	
Total	\$105,462	\$105,462

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

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		\$299,360
Ottawa County Road Commission		38,971
		338,331
December 31 due to established after September 30 year end	\$299,360	
September 30 due to paid before December 31 year end	38,971	
	\$338,331	\$338,331

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	\$1,418,950	
Non-major Governmental Funds		\$1,134,482
Internal Service Funds		284,468
Total	\$1,418,950	\$1,418,950

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

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

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

Interfund transfers within the Primary Government

	Transfer In:						Total
	General fund	Health	Mental Health	Nonmajor Governmental funds	9/30/10	6/30/2010	
					transfer (out) / in made after 12/31/09 year end	transfer (out) / in made before 12/31/10 year end	
Transfer out:							
Major Funds:							
General fund		\$3,537,651	\$722,178	\$5,928,275	(\$12,940)	\$10,175,164	
Nonmajor governmental							
funds	\$4,904,581		345,486		\$9,927	5,259,994	
Delinquent Tax							
Revolving			150,000			150,000	
Internal Service							
funds			300,000			300,000	
	<u>\$4,904,581</u>	<u>\$3,537,651</u>	<u>\$722,178</u>	<u>\$6,723,761</u>	<u>(\$12,940)</u>	<u>\$9,927</u>	<u>\$15,885,158</u>

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, 2010

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, 2010 amounted to \$381,204. Future minimum lease payments for these leases are as follows:

<u>Year Ending</u>	<u>Amount</u>
2011	\$327,898
2012	265,216
2013	177,325
2014	136,279
2015	90,306
	<u>\$997,024</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 \$5,863,131 leaving a carrying value of \$10,884,882.

Lease revenue for the year ending December 31, 2010 was \$1,319,703. Future lease revenues for these leases are as follows:

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Leases (continued)

Operating Leases (continued)

<u>Year Ending</u>	<u>Amount</u>
2011	\$718,503
2012	708,574
2013	710,687
2014	653,842
	<u><u>\$2,791,606</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 \$33,170,000. The original issue amount of the Office of the Drain Commissioner's and Ottawa County Public Utilities' bonds are \$581,500 and \$149,963,000, respectively.

In November 2001, the Ottawa County Road Commission issued \$4,500,000 in Public Act 143 bonds for the purpose of constructing a maintenance facility in Holland. The borrowing will be paid from State revenue allocated to the County Road Commission for road purposes. The County did not pledge its full faith and credit for these bonds.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

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 Road Commission	Ottawa County Public Utilities System	Ottawa County Drain Commissioner	
Governmental activities	2.125 - 7.25%	\$15,430,000	\$450,000	\$103,359,501	\$564,199	\$119,803,700
Governmental activities - refunding	2 - 7.6%	7,645,000		17,805,000		25,450,000
		<u>\$23,075,000</u>	<u>\$450,000</u>	<u>\$121,164,501</u>	<u>\$564,199</u>	<u>\$145,253,700</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.

Governmental Activities

Year Ending December 31	Primary Government		Component Units	
	Principal	Interest	Principal	Interest
2011	\$2,110,000	\$1,033,868	\$6,211,767	\$5,502,158
2012	1,635,000	949,794	5,728,767	5,272,369
2013	1,690,000	887,519	5,860,766	5,050,902
2014	1,775,000	807,019	5,821,766	4,820,284
2015	1,860,000	722,419	5,238,767	4,607,001
2016-2020	6,875,000	2,363,226	26,023,365	19,889,947
2021-2025	5,705,000	1,096,391	22,536,534	14,659,703
2026-2030	1,425,000	99,525	23,221,968	8,919,922
2031-2035			15,625,000	3,022,937
2036-2040			5,910,000	683,938
	<u>\$23,075,000</u>	<u>\$7,959,761</u>	<u>\$122,178,700</u>	<u>\$72,429,161</u>

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Long-term debt (continued)

Capital Leases. During 2007, the County (Primary Government) signed a three year capital lease for conversion software. The software will provide a graphical user interface for Justice System software. The agreement provided financing of \$105,008 for this project. The final payment for the lease was made in 2010.

During 2009, the County (Primary Government) signed a three year capital lease for assessing and tax software. The agreement provided financing of \$70,190 for this project. As of 12/31/10, capital assets of \$51,867 are included in the Statement of Net Assets. The final payment on the lease in the amount of \$23,394 will be made in 2011. In addition, during 2010, the County (Primary Government) signed a three year capital lease for delinquent tax software. The agreement provides financing of \$35,995 for this project. As of 12/31/10, capital assets of \$27,926 are included in the Statement of Net Assets. Terms for this agreement include payments of \$11,998 in 2011 and \$11,999 in 2012.

Changes in Long-Term Liabilities. Long-term liability activity for the year ended December 31, 2010 was as follows:

Primary Government

	<u>Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>End of Year</u>	<u>Due within One Year</u>
Governmental activities:					
General obligation bonds	\$25,110,000		\$2,035,000	\$23,075,000	\$2,110,000
Landfill reclamation	3,107,953	\$205,852		3,313,805	618,905
Compensated absences	2,836,855	258,711	242,740	2,852,826	2,512,031
Capital lease	79,204	35,995	67,808	47,391	35,392
Total	<u>\$31,134,012</u>	<u>\$500,558</u>	<u>\$2,345,548</u>	<u>\$29,289,022</u>	<u>\$5,276,328</u>

The reporting entity's legal debt margin at December 31, 2010 is \$955,037,311.

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 Fund and the Register of Deeds Technology Fund, both Special Revenue funds.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

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	\$108,565,467	\$25,390,000	\$11,776,767	\$122,178,700	\$6,211,767
Notes payable	128,000	1,164,000	97,600	1,194,400	195,500
Claims payable	288,945	1,937	277,423	13,459	
Compensated absences	733,865	453,395	299,300	887,960	365,183
Other Post Employment Benefits	297,481	179,277		476,758	
Capital Leases/Installment Purchases	424,283		117,312	306,971	286,973
Total	<u>\$110,438,041</u>	<u>\$27,188,609</u>	<u>\$12,568,402</u>	<u>\$125,058,248</u>	<u>\$7,059,423</u>

Current year advance refundings. During fiscal 2010, the Ottawa County Public Utilities System issued \$4,320,000 of general obligation bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments on \$4,095,000 of refunded debt. 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 \$484,860, which resulted in an economic gain of \$441,365. As of December 31, 2010, \$2,085,000 of outstanding bonds payable are considered defeased.

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

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Landfill reclamation (continued)

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 \$2,054,852 to date. The total cost of these enhancements could well exceed \$4.7 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:

<u>Year Ending</u>	<u>Estimated Cost</u>
2011	\$618,905
2012	292,100
2013	307,100
2014	295,100
2015	307,100
2016-2020	1,493,500
	<u>\$3,313,805</u>

IV. OTHER INFORMATION

A. Defined benefit pension plan

1. *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,

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

IV. OTHER INFORMATION (continued)

A. Defined benefit pension plan (continued)

Michigan, 48917 or by calling (800) 767-6377.

2. *Funding Policy.*

County of Ottawa:

The County is required to contribute at an actuarially determined rate; the current rate ranges from 6.38% to 27.10% 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.

Ottawa County Road Commission:

The Road Commission is required to contribute at an actuarially determined rate of 15.23% to 38.63% 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.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

IV. OTHER INFORMATION (continued)

A. Defined benefit pension plan (continued)

Annual Pension Cost - County of Ottawa:

For the year ended December 31, 2010, the County's annual pension cost of \$5,552,418 was greater than the County's required contribution of \$5,508,432. 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 2% - 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.

Actuarially determined contribution	\$5,508,432
Interest on Net Pension Asset	145,944
Adjustment to actuarially determined contribution	(101,958)
Annual pension cost	<u>5,552,418</u>
Contributions made	<u>5,508,432</u>
Decrease in Net Pension Asset	(43,986)
Net Pension Asset at beginning of year	<u>1,824,296</u>
Net Pension Asset at end of year	<u><u>\$1,780,310</u></u>

County of Ottawa (continued):

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
12/31/2008	\$4,524,858	99%	\$1,869,368
12/31/2009	4,961,350	99%	1,824,296
12/31/2010	5,552,418	99%	1,780,310

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

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

IV. OTHER INFORMATION (continued)

A. Defined benefit pension plan (continued)

of projected payroll over a period of 28 years on an open basis. The remaining amortization period at December 31, 2009, the date of the latest actuarial valuation, was 28 years.

Funding Progress: As of December 31, 2009, the date of the most recent actuarial valuation date, the plan was 81 percent funded. The actuarial accrued liability for benefits was \$175,705,139, and the actuarial value of assets was \$142,666,997, resulting in an unfunded accrued actuarial liability (UAAL) of \$33,038,142. The covered payroll (annual payroll of active employees covered by the plan) was \$44,865,784, 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 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:

Annual Pension Cost – Ottawa County Road Commission

For the year ended September 30, 2010, the Road Commission's annual pension cost of \$1,309,284 for MERS was equal to the Road Commission's required and actual contributions. The required contribution was determined as part of the December 31, 2007 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
9/30/2008	\$976,575	100%	\$0
9/30/2009	1,095,915	100%	0
9/30/2010	1,309,284	100%	0

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

IV. OTHER INFORMATION (CONTINUED)

A. Defined benefit pension plan (continued)

Ottawa County Road Commission (continued):

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, 2009, the date of the latest actuarial valuation, was 27 years.

Funding Progress: As of December 31, 2009, the date of the most recent actuarial valuation date, the plan was 73 percent funded. The actuarial accrued liability for benefits was \$44,008,755, and the actuarial value of assets was \$32,251,461, resulting in an unfunded accrued actuarial liability (UAAL) of \$11,757,294. The covered payroll (annual payroll of active employees covered by the plan) was \$6,269,382, and the ratio of the UAAL to the covered payroll was 188 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, 2010, the Dispatch Authority's annual pension expense of \$34,044 for MERS was equal to the Authority'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.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

IV. OTHER INFORMATION (CONTINUED)

A. Defined benefit pension plan (continued)

Annual Pension Cost - Ottawa County Central Dispatch Authority (continued)

Three Year Trend Information			
Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Liability
12/31/2008	\$40,800	100%	\$0
12/31/2009	35,184	100%	0
12/31/2010	34,044	100%	0

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, 2009, the date of the latest actuarial valuation, was 28 years.

Funding Progress: As of December 31, 2009, the date of the most recent actuarial valuation date, the plan was 96 percent funded. The actuarial accrued liability for benefits was \$1,738,798, and the actuarial value of assets was \$1,674,042, resulting in an unfunded accrued actuarial liability (UAAL) of \$64,756. The covered payroll (annual payroll of active employees covered by the plan) was \$395,433, and the ratio of the UAAL to the covered payroll was 16 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

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

IV. OTHER INFORMATION (CONTINUED)

B. Defined contribution pension plan (continued)

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 \$64,517 and \$64,517, 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.

C. Self-insurance

The County is self-funded for liability, worker's compensation, health insurance, unemployment, dental insurance and vision insurance. The claims liabilities reported at December 31, 2010 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

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

IV. OTHER INFORMATION (CONTINUED)

B. Self-insurance (continued)

attach above a \$1 million SIR for all other coverages. The liability policies in total provide layers of 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 \$126,000,000 which is \$3,779,486 more than the prior year. Coverage was adjusted to reflect updated property values and the acquisition of several Parks properties containing structures. Also, the blanket limit was rounded to the next million by the insurer.

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.

The changes in the claims liability for the years ended December 31, 2009 and 2010 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
2009	6,088,724	2,112,087	288,095	\$7,912,716
2010	7,912,716	242,773	235,352	7,920,137

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 self-insurance program for health insurance including prescription coverage, dental and vision insurance is accounted for in the Protected Self-Funded Health fund (Internal Service fund 6771). An independent administrator is contracted to process the daily claims. For the health insurance, the County is responsible for claims up to \$200,000 per individual, and purchases specific excess reinsurance to a lifetime maximum of \$2 million. There is no aggregate limit on the claims for which the county is responsible. The deductible on the specific excess reinsurance is the same as it

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

IV. OTHER INFORMATION (CONTINUED)

C. Self-insurance (continued)

was for the prior year. Benefits for the dental program stayed the same as the prior year and are capped at \$800 to \$1,400 per person annually, depending on bargaining unit and the dental plan chosen. Vision is capped at various dollar limits per person every two years for eye exams, frames, and lenses. The County is also responsible for paying administrative charges which are included in this fund. The revenues for this fund's operation are reimbursements from various funds, employee withholdings, and retiree co-payments. The liability at the end of the year is based on claims already incurred and reported.

Settled claims have not exceeded insurance coverage in the history of the self-insurance program. The changes in the claims liability for the years ended December 31, 2009 and 2010 are as follows:

	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Year Liability
2009	729,764	12,270,473	11,826,191	\$1,174,046
2010	1,174,046	9,743,463	10,058,452	\$859,057

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 \$89,958 and \$176,155 in 2009 and 2010, 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.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

IV. OTHER INFORMATION (CONTINUED)

C. Self-insurance (continued)

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

	MCRCSIP Liability Plan	Workers' Compensation Plan	Total
Estimated liability - September 30, 2008	\$144,588	\$52,585	\$197,173
Estimated claims incurred including changes in estimates	106,010	107,617	213,627
Claims paid	(12,475)	(109,320)	(121,795)
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	<u>\$1,816</u>	<u>\$11,643</u>	<u>\$13,459</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.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

V. OTHER INFORMATION (CONTINUED)

C. Self-insurance (continued)

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.

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 957 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.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

IV. OTHER INFORMATION (CONTINUED)

E. Other post-employment benefits (continued)

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, 2011, 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 9% in 2011 to 4.2% in 2121 with implicit subsidy provided.

For the current year the County's contribution was \$820,291. Current year contributions were slightly less than the actuarially determined requirements to amortize the net pension 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:

Annual required OPEB contribution	\$ 820,291
Interest on net OPEB asset	30,750
Adjustment to annual required contributions	<u>(65,791)</u>
	785,250
Contributions made by the County	781,984
Increase (decrease) in net OPEB asset	(3,266)
Net OPEB asset, beginning of year	473,080
Net OPEB asset, end of year	<u><u>\$ 469,814</u></u>

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

IV. OTHER INFORMATION (CONTINUED)

E. Other post-employment benefits

Annual OPEB Cost – County of Ottawa (continued)

Three Year Trend Information

Fiscal Year End	Annual Required Contribution (ARC)	Percentage of ARC Contributed	Net OPEB Asset
12/31/2008	\$600,916	153%	\$319,025
12/31/2009	860,786	118%	473,080
12/31/2010	785,250	100%	469,814

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 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, 2010, the date of the most recent actuarial valuation date, the plan was 31.6 percent funded. The actuarial accrued liability for benefits was \$9,125,944, and the actuarial value of assets (fair value) was \$2,879,313, resulting in an unfunded accrued actuarial liability (UAAL) of \$6,246,631. The covered payroll (annual payroll of active employees covered by the plan) was \$44,125,422, and the ratio of the UAAL to the covered payroll was 14.2 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.

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

IV. OTHER INFORMATION (CONTINUED)

E. Other post-employment benefits (continued)

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 \$231,309 while actual contributions were \$63,931.

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	\$231,309
Interest on net OPEB obligation	11,899
Adjustment to annual required contribution	-
Annual OPEB cost (expense)	<u>243,208</u>
Contribution made	63,931
Increase in net OPEB obligation	179,277
Net OPEB obligation, beginning of year	<u>297,481</u>
Net OPEB obligation, end of year	<u><u>\$476,758</u></u>

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

IV. OTHER INFORMATION (CONTINUED)

D. Other post-employment benefits (continued)

Annual OPEB Cost – Ottawa County Road Commission (continued)

Three-Year Trend Information			
Fiscal Year	Annual Required	Percentage of ARC	Net OPEB
Ending	Contribution (ARC)	Contributed	Obligation
9/30/2008	\$ 217,453	22%	\$ 169,345
9/30/2009	225,873	46%	297,481
9/30/2010	231,309	28%	476,758

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 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 \$6,329,343, and the ratio of the UAAL to the covered payroll was 29.0 percent. The schedule of funding progress, presented as required

COUNTY OF OTTAWA, MICHIGAN

Notes to the Financial Statements

For the Year Ended December 31, 2010

IV. OTHER INFORMATION (CONTINUED)

D. Other post-employment benefits (continued)

Accrued Actuarial Liability – Ottawa County Road Commission (continued)

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, 2010, the County's financial statements included taxes receivable of \$3,765,639 and deferred revenue of \$4,231,973 relating to Ottawa County Central Dispatch Authority (OCCDA) property tax millage, which was levied for use in 2011. In addition, during the year ended December 31, 2010, Ottawa County provided operating grants of \$4,403,718 to OCCDA, \$20,004 of which had not yet been transferred as of 12/31/10.

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 2010, the County paid \$50,006 in assessments to the Drain Commissioner.

There are also assessments due from the Ottawa County Road Commission of \$38,971 which are included in amounts due from other governmental units. Ottawa County Public Utilities (OCPU) incurred expenses of \$750,000 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 \$299,360 for these goods and services.

G. Subsequent events

In April of 2011, the County completed negotiations for the Grand River Ravines property in Georgetown Township and purchased the land for \$1.4 million. The purchase is part of the long-range plan for the Ottawa County Parks Commission.

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, 2010

(with comparative actual amounts for the year ended December 31, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Taxes	\$39,292,953	\$39,243,791	\$39,169,886	(\$73,905)	\$40,532,402
Intergovernmental revenues	4,467,497	4,576,258	4,741,106	164,848	4,485,655
Charges for services	6,144,175	6,362,847	6,413,243	50,396	5,899,480
Fines and forfeits	979,800	1,063,225	1,051,277	(11,948)	1,000,406
Interest on investments	526,400	855,808	367,273	(488,535)	241,526
Licenses and permits	253,525	225,573	222,794	(2,779)	248,054
Rental income	3,152,369	3,053,132	2,916,852	(136,280)	2,657,536
Other	359,812	647,726	569,966	(77,760)	312,324
Total revenues	<u>55,176,531</u>	<u>56,028,360</u>	<u>55,452,397</u>	<u>(575,963)</u>	<u>55,377,383</u>
Expenditures:					
Current operations:					
Legislative	530,254	495,054	486,009	9,045	540,483
Judicial	9,926,879	9,961,333	9,732,554	228,779	9,943,059
General government	12,853,995	12,588,565	12,264,139	324,426	12,791,133
Public safety	23,790,713	23,664,300	23,753,784	(89,484)	23,512,373
Public works	466,500	348,239	344,229	4,010	283,211
Health and welfare	1,610,144	1,594,518	1,533,676	60,842	1,336,871
Community and economic development	641,711	584,854	575,050	9,804	631,388
Other governmental functions	902,351	224,820	225,829	(1,009)	149,627
Total expenditures	<u>50,722,547</u>	<u>49,461,683</u>	<u>48,915,270</u>	<u>546,413</u>	<u>49,188,145</u>
Revenues over expenditures	<u>4,453,984</u>	<u>6,566,677</u>	<u>6,537,127</u>	<u>(29,550)</u>	<u>6,189,238</u>
Other Financing Sources (Uses):					
Transfers from other funds	5,761,213	4,681,321	4,904,581	223,260	5,299,447
Transfers to other funds	(10,662,181)	(10,049,146)	(10,175,164)	(126,018)	(16,860,154)
Total other financing sources (uses)	<u>(4,900,968)</u>	<u>(5,367,825)</u>	<u>(5,270,583)</u>	<u>97,242</u>	<u>(11,560,707)</u>
Net change in fund balance	(446,984)	1,198,852	1,266,544	67,692	(5,371,469)
Fund balance, beginning of year	<u>16,712,957</u>	<u>16,712,957</u>	<u>16,712,957</u>		<u>22,084,426</u>
Fund balance, end of year	<u>\$16,265,973</u>	<u>\$17,911,809</u>	<u>\$17,979,501</u>	<u>\$67,692</u>	<u>\$16,712,957</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, 2010
(with comparative actual amounts for the year ended December 31, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Taxes	\$3,178,097	\$3,178,097	\$3,171,884	(\$6,213)	\$3,141,232
Intergovernmental revenues	16,505	989,421	296,116	(693,305)	1,926,572
Charges for services	320,700	408,700	406,044	(2,656)	438,267
Interest on investments	76,884	76,884	75,984	(900)	59,503
Rental income	52,150	69,302	68,081	(1,221)	62,138
Other	512,300	661,100	237,089	(424,011)	244,828
Total revenues	4,156,636	5,383,504	4,255,198	(1,128,306)	5,872,540
Expenditures:					
Current operations:					
Personnel services	1,557,601	1,567,234	1,586,349	(19,115)	1,422,810
Supplies	179,050	194,374	178,719	15,655	175,118
Other services and charges	454,796	580,026	469,450	110,576	525,941
Debt service					
Capital outlay	3,387,000	4,213,031	1,599,731	2,613,300	6,610,526
Total expenditures	5,578,447	6,554,665	3,834,249	2,720,416	8,734,395
Revenues over (under) expenditures	(1,421,811)	(1,171,161)	420,949	1,592,110	(2,861,855)
Other financing sources (uses):					
Transfers in (out):					
General Fund					297,790
Total other financing sources (uses)					297,790
Net change in fund balance	(1,421,811)	(1,171,161)	420,949	1,592,110	(2,564,065)
Fund balance, beginning of year	4,967,661	4,967,661	4,967,661		7,531,726
Fund balance, end of year	<u>\$3,545,850</u>	<u>\$3,796,500</u>	<u>\$5,388,610</u>	<u>\$1,592,110</u>	<u>\$4,967,661</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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$4,065,352	\$4,466,986	\$4,392,368	(\$74,618)	\$3,572,158
Charges for services	645,623	620,710	611,694	(9,016)	606,751
Licenses and permits	414,342	458,387	459,368	981	404,832
Other	177,744	242,306	241,947	(359)	218,015
Total revenues	5,303,061	5,788,389	5,705,377	(83,012)	4,801,756
Expenditures:					
Current operations:					
Personnel services	6,430,556	6,217,562	6,123,261	94,301	6,238,358
Supplies	1,562,364	1,324,138	1,271,841	52,297	1,174,861
Other services and charges	1,734,814	1,959,250	1,834,894	124,356	2,151,728
Capital outlay		13,032	13,032		(8,087)
Total expenditures	9,727,734	9,513,982	9,243,028	270,954	9,556,860
Revenues over (under) expenditures	(4,424,673)	(3,725,593)	(3,537,651)	187,942	(4,755,104)
Other financing sources (uses):					
Transfers in (out):					
General Fund	4,332,147	4,337,268	3,537,651	(799,617)	4,743,828
Total other financing sources (uses)	4,332,147	4,337,268	3,537,651	(799,617)	4,743,828
Net change in fund balance	(92,526)	611,675		(611,675)	(11,276)
Fund balance, beginning of year	952,574	952,574	952,574		963,850
Fund balance, end of year	<u>\$860,048</u>	<u>\$1,564,249</u>	<u>\$952,574</u>	<u>(\$611,675)</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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$32,253,889	\$31,469,115	\$31,335,602	(\$133,513)	\$30,455,490
Charges for services	368,438	597,558	612,714	15,156	445,534
Interest on investments	30,000	30,000	33,969	3,969	42,204
Rental income	200,000	130,000	135,801	5,801	170,342
Other	51,202	157,389	157,387	(2)	62,976
Total revenues	32,903,529	32,384,062	32,275,473	(108,589)	31,176,546
Expenditures:					
Current operations:					
Personnel services	11,906,039	11,463,667	11,339,121	124,546	11,713,530
Supplies	426,860	522,436	538,568	(16,132)	430,994
Other services and charges	21,133,738	21,071,174	21,151,590	(80,416)	19,654,071
Capital outlay		11,000	11,000		
Total expenditures	33,466,637	33,068,277	33,040,279	27,998	31,798,595
Revenues over (under) expenditures	(563,108)	(684,215)	(764,806)	(80,591)	(622,049)
Other financing sources (uses):					
Transfers in (out):					
General Fund	563,108	563,108	722,178	159,070	563,108
Total other financing sources (uses)	563,108	563,108	722,178	159,070	563,108
Net change in fund balance		(121,107)	(42,628)	78,479	(58,941)
Fund balance, beginning of year	148,619	148,619	148,619		207,560
Fund balance, end of year	<u>\$148,619</u>	<u>\$27,512</u>	<u>\$105,991</u>	<u>\$78,479</u>	<u>\$148,619</u>

COUNTY OF OTTAWA

**STABILIZATION SPECIAL REVENUE FUND (2570) -
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2010
(with comparative actual amounts for the year ended December 31, 2009)

	2010			2009 Actual
	Original Budget	Final Amended Budget	Actual	
Revenues:				
Intergovernmental revenues				
Charges for services				
Interest on investments				
Licenses and permits				
Rental income				
Other				
Total revenues				
Expenditures:				
Current operations:				
Personnel services				
Supplies				
Other services and charges				
Capital outlay				
Total expenditures				
Revenues over (under) expenditures				
Other financing sources (uses):				
Transfers in (out):				
General Fund	(\$1,000,000)	(\$1,000,000)		\$1,000,000
Total other financing sources (uses)	(1,000,000)	(1,000,000)		1,000,000
Net change in fund balance	(1,000,000)	(1,000,000)		1,000,000
Fund balance, beginning of year	\$8,269,673	\$8,269,673	\$8,269,673	\$8,269,673
Fund balance, end of year	<u>\$7,269,673</u>	<u>\$7,269,673</u>	<u>\$8,269,673</u>	<u>\$8,269,673</u>

COUNTY OF OTTAWA

**DEFINED BENEFIT PENSION PLANS
SCHEDULE OF FUNDING PROGRESS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Ottawa County (Primary Government):

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)
12/31/2007	\$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%

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)
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%

Ottawa County Central Dispatch Authority (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)
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%

COUNTY OF OTTAWA

**OTHER POST EMPLOYMENT BENEFIT PLANS
SCHEDULE OF FUNDING PROGRESS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Ottawa County (Primary Government):

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%

Actuarial data before 12/31/2008 is not available

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%

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

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2010

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.

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.

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.

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.

COUNTY OF OTTAWA

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2010

SPECIAL REVENUE FUNDS (CONTINUED)

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.

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).

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.

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.

COUNTY OF OTTAWA

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2010

SPECIAL REVENUE FUNDS (CONTINUED)

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.

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.

**COUNTY OF OTTAWA
NONMAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED DECEMBER 31, 2010

SPECIAL REVENUE FUNDS (CONTINUED)

Soldiers' and Sailors' Relief Fund (2930) - This Fund is used to account for monies earmarked for indigent veterans and is mandated by State Law.

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.

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.

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: 1985-Life Consultation Center; 1990-Ottawa County Central Dispatch Authority; 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, 2010
(with comparative totals for December 31, 2009)**

	Special Revenue					
	Friend of the Court (2160)	9/30 Judicial Grants (2170)	Solid Waste Clean-Up (2271)	Landfill Tipping Fees (2272)	Transpor- tation System (2320)	Farmland Pre- serva- tion (2340)
ASSETS						
Cash and pooled investments			\$3,125,952	\$915,202	\$25,787	\$1,000
Investments						
Receivables (net of allowance for estimated uncollectibles):						
Accounts				31,095		
Due from other funds			41,126			
Due from other governmental units	\$290,172	\$34,455			39,393	
Inventory of supplies						
Prepaid expenditures						
Total assets	<u>\$290,172</u>	<u>\$34,455</u>	<u>\$3,167,078</u>	<u>\$946,297</u>	<u>\$65,180</u>	<u>\$1,000</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$83,057	\$13,897		\$13,934	\$39,393	
Due to other governmental units	725					
Due to component units			\$85,458			
Interfund payable	206,390	13,127				
Advances from other governmental units						
Deferred revenue						
Advances from other funds						
Total liabilities	<u>290,172</u>	<u>27,024</u>	<u>85,458</u>	<u>13,934</u>	<u>39,393</u>	
Fund balances:						
Reserved for inventories						
Reserved for perpetual care						
Reserved for infrastructure loans						
Reserved for revenue sharing reserve						
Reserved for public improvement						
Unreserved:						
Designated for capital lease payments						
Designated for register of deeds technology						
Designated for compensated absences						
Undesignated		7,431	3,081,620	932,363	25,787	\$1,000
Total fund balances		<u>7,431</u>	<u>3,081,620</u>	<u>932,363</u>	<u>25,787</u>	<u>1,000</u>
Total liabilities and fund balances	<u>\$290,172</u>	<u>\$34,455</u>	<u>\$3,167,078</u>	<u>\$946,297</u>	<u>\$65,180</u>	<u>\$1,000</u>

(Continued on next page)

**COUNTY OF OTTAWA
COMBINING BALANCE SHEET
NON MAJOR GOVERNMENTAL FUNDS
December 31, 2010
(with comparative totals for December 31, 2009)**

Special Revenue

	Planning Commission (2420)	Infrastructure (2444)	Public Improvement (2450)	Homestead Property Tax (2550)	Register of Deeds Technology (2560)	Prosecuting Attorney Grants (2601)
ASSETS						
Cash and pooled investments		\$1,638,980	\$3,225,462	\$80,989	\$404,058	\$31,701
Investments						
Receivables (net of allowance for estimated uncollectibles):						
Accounts		811,804				
Due from other funds		20,184	39,217	648	4,419	
Due from other governmental units		1,296				879
Inventory of supplies						
Prepaid expenditures						
Total assets	<u>None</u>	<u>\$2,472,264</u>	<u>\$3,264,679</u>	<u>\$81,637</u>	<u>\$408,477</u>	<u>\$32,580</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable					\$2,581	\$7,488
Due to other governmental units						
Due to component units						
Interfund payable						
Advances from other governmental units						
Deferred revenue			\$2,087			
Advances from other funds						
Total liabilities			<u>2,087</u>		<u>2,581</u>	<u>7,488</u>
Fund balances:						
Reserved for inventories						
Reserved for perpetual care						
Reserved for infrastructure loans		\$811,804				
Reserved for revenue sharing reserve						
Reserved for public improvement			3,262,592			
Unreserved:						
Designated for capital lease payments				\$22,796	11,997	
Designated for register of deeds technology					393,899	
Designated for compensated absences						
Undesignated		1,660,460		58,841		25,092
Total fund balances		<u>2,472,264</u>	<u>3,262,592</u>	<u>81,637</u>	<u>405,896</u>	<u>25,092</u>
Total liabilities and fund balances	<u>None</u>	<u>\$2,472,264</u>	<u>\$3,264,679</u>	<u>\$81,637</u>	<u>\$408,477</u>	<u>\$32,580</u>

(Continued on next page)

**COUNTY OF OTTAWA
COMBINING BALANCE SHEET
NON MAJOR GOVERNMENTAL FUNDS
December 31, 2010
(with comparative totals for December 31, 2009)**

	Special Revenue						
	Sheriff 9/30 Grant Programs (2609)	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)
ASSETS							
Cash and pooled investments			\$9,151	\$2,144			
Investments							
Receivables (net of allowance for estimated uncollectibles):							
Accounts		\$27,713					
Due from other funds							
Due from other governmental units	\$156,246	660,120			\$53,071	\$213,800	\$156,473
Inventory of supplies							
Prepaid expenditures					913		325
Total assets	\$156,246	\$687,833	\$9,151	\$2,144	\$53,984	\$213,800	\$156,798
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$20,338	\$158,098	\$9,151	\$2,144	\$21,387	\$148,525	\$95,962
Due to other governmental units							
Due to component units							
Interfund payable	135,908	220,741			31,649	65,275	60,325
Advances from other governmental units		307,753					
Deferred revenue							
Advances from other funds							
Total liabilities	156,246	686,592	9,151	2,144	53,036	213,800	156,287
Fund balances:							
Reserved for inventories							
Reserved for perpetual care							
Reserved for infrastructure loans							
Reserved for revenue sharing reserve							
Reserved for public improvement							
Unreserved:							
Designated for capital lease payments							
Designated for register of deeds technology							
Designated for compensated absences							
Undesignated		1,241			948		511
Total fund balances		1,241			948		511
Total liabilities and fund balances	\$156,246	\$687,833	\$9,151	\$2,144	\$53,984	\$213,800	\$156,798

(Continued on next page)

**COUNTY OF OTTAWA
COMBINING BALANCE SHEET
NON MAJOR GOVERNMENTAL FUNDS
December 31, 2010
(with comparative totals for December 31, 2009)**

	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)
ASSETS						
Cash and pooled investments		\$15,358				\$6,843
Investments						
Receivables (net of allowance for estimated uncollectibles):						
Accounts	\$7,138					
Due from other funds						
Due from other governmental units	420,186	37,414	\$785,844		\$234,086	7,289
Inventory of supplies	699					18,883
Prepaid expenditures	1,942		936			397
Total assets	<u>\$429,965</u>	<u>\$52,772</u>	<u>\$786,780</u>	<u>None</u>	<u>\$234,086</u>	<u>\$33,412</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$296,169	\$1,712	\$410,390		\$227,515	\$14,003
Due to other governmental units			18,810			524
Due to component units						
Interfund payable	59,287		335,209		6,571	
Advances from other governmental units						
Deferred revenue						
Advances from other funds						
Total liabilities	<u>355,456</u>	<u>1,712</u>	<u>764,409</u>		<u>234,086</u>	<u>14,527</u>
Fund balances:						
Reserved for inventories	699					18,883
Reserved for perpetual care						
Reserved for infrastructure loans						
Reserved for revenue sharing reserve						
Reserved for public improvement						
Unreserved:						
Designated for capital lease payments						
Designated for register of deeds technology						
Designated for compensated absences						
Undesignated	73,810	51,060	22,371			2
Total fund balances	<u>74,509</u>	<u>51,060</u>	<u>22,371</u>			<u>18,885</u>
Total liabilities and fund balances	<u>\$429,965</u>	<u>\$52,772</u>	<u>\$786,780</u>	<u>None</u>	<u>\$234,086</u>	<u>\$33,412</u>

(Continued on next page)

**COUNTY OF OTTAWA
COMBINING BALANCE SHEET
NON MAJOR GOVERNMENTAL FUNDS
December 31, 2010
(with comparative totals for December 31, 2009)**

	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)
ASSETS						
Cash and pooled investments		\$167,624	\$390,795	\$104,874	\$57,084	\$268,342
Investments						
Receivables (net of allowance for estimated uncollectibles):						
Accounts		187,520			3,201	
Due from other funds			31,335			
Due from other governmental units		37,105		76,923	75,972	26,172
Inventory of supplies						
Prepaid expenditures				82		
Total assets	None	\$392,249	\$422,130	\$181,879	\$136,257	\$294,514
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable		\$27,595		\$56,164	\$57,378	\$3,310
Due to other governmental units				7,000		
Due to component units						
Interfund payable						
Advances from other governmental units						21,000
Deferred revenue		157,099			75,129	431
Advances from other funds						
Total liabilities		184,694		63,164	132,507	24,741
Fund balances:						
Reserved for inventories						
Reserved for perpetual care						
Reserved for infrastructure loans						
Reserved for revenue sharing reserve			\$422,130			
Reserved for public improvement						
Unreserved:						
Designated for capital lease payments						
Designated for register of deeds technology						
Designated for compensated absences						
Undesignated		207,555		118,715	3,750	269,773
Total fund balances		207,555	422,130	118,715	3,750	269,773
Total liabilities and fund balances	None	\$392,249	\$422,130	\$181,879	\$136,257	\$294,514

(Continued on next page)

**COUNTY OF OTTAWA
COMBINING BALANCE SHEET
NON MAJOR GOVERNMENTAL FUNDS
December 31, 2010
(with comparative totals for December 31, 2009)**

	Special Revenue					Special Revenue
	Child Care - Circuit Court (2920)	Child Care - Social Services (2921)	Soldiers' and Sailors' Relief (2930)	Veterans Trust (2941)	Compensated Absences (2980)	Total
ASSETS						
Cash and pooled investments	\$1,214,192	\$73,260		\$9,178	\$3,769,626	\$15,537,602
Investments						
Receivables (net of allowance for estimated uncollectibles):						
Accounts	12,486					1,080,957
Due from other funds					45,845	182,774
Due from other governmental units	1,161,114					4,468,010
Inventory of supplies						19,582
Prepaid expenditures	279					4,874
Total assets	<u>\$2,388,071</u>	<u>\$73,260</u>	<u>None</u>	<u>\$9,178</u>	<u>\$3,815,471</u>	<u>\$21,293,799</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$465,978			\$1,198	\$90,045	\$2,267,412
Due to other governmental units						27,059
Due to component units						85,458
Interfund payable						1,134,482
Advances from other governmental units						328,753
Deferred revenue				7,980		242,726
Advances from other funds						
Total liabilities	<u>465,978</u>			<u>9,178</u>	<u>90,045</u>	<u>4,085,890</u>
Fund balances:						
Reserved for inventories						19,582
Reserved for perpetual care						
Reserved for infrastructure loans						811,804
Reserved for revenue sharing reserve						422,130
Reserved for public improvement						3,262,592
Unreserved:						
Designated for capital lease payments						34,793
Designated for register of deeds technology						393,899
Designated for compensated absences					2,852,826	2,852,826
Undesignated	1,922,093	\$73,260			872,600	9,410,283
Total fund balances	<u>1,922,093</u>	<u>73,260</u>			<u>3,725,426</u>	<u>17,207,909</u>
Total liabilities and fund balances	<u>\$2,388,071</u>	<u>\$73,260</u>	<u>None</u>	<u>\$9,178</u>	<u>\$3,815,471</u>	<u>\$21,293,799</u>

(Continued on next page)

**COUNTY OF OTTAWA
COMBINING BALANCE SHEET
NON MAJOR GOVERNMENTAL FUNDS**
December 31, 2010
(with comparative totals for December 31, 2009)

	<u>Debt Service</u> Ottawa County Building Authority (5691-5695)	<u>Capital Projects</u> Ottawa County Building Authority (5691-5695)	<u>Permanent</u> Cemetery Trust (1500)	<u>Total Nonmajor Governmental Funds</u>	
				2010	2009
ASSETS					
Cash and pooled investments		\$3,339		\$15,540,941	\$20,207,296
Investments			\$6,418	6,418	129,454
Receivables (net of allowance for estimated uncollectibles):					
Accounts				1,080,957	1,234,714
Due from other funds				182,774	223,131
Due from other governmental units				4,468,010	4,263,405
Inventory of supplies				19,582	19,893
Prepaid expenditures				4,874	19,534
Total assets	None	\$3,339	\$6,418	\$21,303,556	\$26,097,427
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable		\$3,339		\$2,270,751	\$2,656,170
Due to other governmental units				27,059	44,972
Due to component units				85,458	53,479
Interfund payable				1,134,482	736,217
Advances from other governmental units				328,753	325,649
Deferred revenue				242,726	155,990
Advances from other funds					
Total liabilities		3,339		4,089,229	3,972,477
Fund balances:					
Reserved for inventories				19,582	19,893
Reserved for perpetual care			\$5,770	5,770	5,770
Reserved for infrastructure loans				811,804	945,545
Reserved for revenue sharing reserve				422,130	5,072,117
Reserved for public improvement				3,262,592	3,033,859
Unreserved:					
Designated for capital lease payments				34,793	43,791
Designated for register of deeds technology				393,899	400,904
Designated for compensated absences				2,852,826	2,836,855
Undesignated			648	9,410,931	9,766,216
Total fund balances			6,418	17,214,327	22,124,950
Total liabilities and fund balances	None	\$3,339	\$6,418	\$21,303,556	\$26,097,427

(Concluded)

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

For the year ended December 31, 2010
(with comparable totals for the year ended December 31, 2009)

	Special Revenue					
	Friend of the Court (2160)	9/30 Judicial Grants (2170)	Solid Waste Clean-Up (2271)	Landfill Tipping Fees (2272)	Transpor- tation System (2320)	Farmland Pre- serva- tion (2340)
Revenues:						
Taxes						
Intergovernmental revenues	\$2,023,467	\$211,989			\$157,569	
Charges for services	298,081			\$327,084		
Fines and forfeits						
Interest on investments			\$41,126			
Rental income						
Other		4,125		27,077		\$1,000
Total revenues	<u>2,321,548</u>	<u>216,114</u>	<u>41,126</u>	<u>354,161</u>	<u>157,569</u>	<u>1,000</u>
Expenditures:						
Current operations:						
Judicial	3,057,775	287,524				
General government						
Public safety						
Public works			450,939	371,059	157,569	
Health and welfare						
Community and economic development						
Debt service						
Capital outlay						
Total expenditures	<u>3,057,775</u>	<u>287,524</u>	<u>450,939</u>	<u>371,059</u>	<u>157,569</u>	
Revenues over (under) expenditures	<u>(736,227)</u>	<u>(71,410)</u>	<u>(409,813)</u>	<u>(16,898)</u>		<u>1,000</u>
Other financing sources (uses):						
Transfers in (out):						
General Fund	546,235	42,721				
9/30 Judicial Grants						
Infrastructure						
Federal Emergency Management Agency						
Delinquent Tax Revolving						
Community Corrections		31,106				
Public Improvement						
Community Action Agency						
Workforce Investment Act 6/30 Grant Programs						
Workforce Investment Act 12/31 Grant Programs						
Ottawa County Building Authority - Debt Service						
Ottawa County Building Authority - Capital Projects						
Telecommunications						
Ottawa County, Michigan Insurance Authority						
Proceeds from capital lease						
Total other financing sources (uses)	<u>546,235</u>	<u>73,827</u>				
Net change in fund balances	<u>(189,992)</u>	<u>2,417</u>	<u>(409,813)</u>	<u>(16,898)</u>		<u>1,000</u>
Fund balances, beginning of year	<u>189,992</u>	<u>5,014</u>	<u>3,491,433</u>	<u>949,261</u>	<u>25,787</u>	
Fund balances, end of year	<u>None</u>	<u>\$7,431</u>	<u>\$3,081,620</u>	<u>\$932,363</u>	<u>\$25,787</u>	<u>\$1,000</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, 2010
(with comparable totals for the year ended December 31, 2009)

	Special Revenue					
	Planning Commission (2420)	Infrastructure (2444)	Public Improvement (2450)	Homestead Property Tax (2550)	Register of Deeds Technology (2560)	Prosecuting Attorney Grants (2601)
Revenues:						
Taxes				\$6,917		
Intergovernmental revenues						\$144,000
Charges for services					\$246,127	
Fines and forfeits						
Interest on investments		\$46,613	\$39,217	648	4,649	
Rental income			379,751			
Other			2,050			500
Total revenues		46,613	421,018	7,565	250,776	144,500
Expenditures:						
Current operations:						
Judicial						
General government			5,385	59,952	266,779	212,427
Public safety						
Public works						
Health and welfare						
Community and economic development	\$4,466					
Debt service						
Capital outlay						
Total expenditures	4,466		5,385	59,952	266,779	212,427
Revenues over (under) expenditures	(4,466)	46,613	415,633	(52,387)	(16,003)	(67,927)
Other financing sources (uses):						
Transfers in (out):						
General Fund	(185,758)			65,748		67,927
9/30 Judicial Grants						
Infrastructure						
Federal Emergency Management Agency						
Delinquent Tax Revolving						
Community Corrections						
Public Improvement						
Community Action Agency						
Workforce Investment Act 6/30 Grant Programs						
Workforce Investment Act 12/31 Grant Programs						
Ottawa County Building Authority - Debt Service		(125,000)	(186,900)			
Ottawa County Building Authority - Capital Projects						
Telecommunications						
Ottawa County, Michigan Insurance Authority						
Proceeds from capital lease				35,995		
Total other financing sources (uses)	(185,758)	(125,000)	(186,900)	101,743		67,927
Net change in fund balances	(190,224)	(78,387)	228,733	49,356	(16,003)	
Fund balances, beginning of year	190,224	2,550,651	3,033,859	32,281	421,899	25,092
Fund balances, end of year	None	\$2,472,264	\$3,262,592	\$81,637	\$405,896	\$25,092

(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, 2010
(with comparable totals for the year ended December 31, 2009)

	Special Revenue						
	Sheriff 9/30 Grant Programs (2609)	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	\$305,823	\$4,189,686	\$215,491		\$404,101	\$1,995,691	\$945,072
Charges for services							
Fines and forfeits				\$8,500			
Interest on investments							
Rental income							
Other		5,081					
Total revenues	<u>305,823</u>	<u>4,194,767</u>	<u>215,491</u>	<u>8,500</u>	<u>404,101</u>	<u>1,995,691</u>	<u>945,072</u>
Expenditures:							
Current operations:							
Judicial				28,177			
General government							
Public safety	320,068	4,404,570	326,621				
Public works							
Health and welfare					404,101	1,995,691	945,072
Community and economic development							
Debt service							
Capital outlay							
Total expenditures	<u>320,068</u>	<u>4,404,570</u>	<u>326,621</u>	<u>28,177</u>	<u>404,101</u>	<u>1,995,691</u>	<u>945,072</u>
Revenues over (under) expenditures	<u>(14,245)</u>	<u>(209,803)</u>	<u>(111,130)</u>	<u>(19,677)</u>			
Other financing sources (uses):							
Transfers in (out):							
General Fund	14,245	209,803	111,130	(37,502)			
9/30 Judicial Grants							
Infrastructure							
Federal Emergency Management Agency							
Delinquent Tax Revolving							
Community Corrections							
Public Improvement							
Community Action Agency							
Workforce Investment Act 6/30 Grant Programs							
Workforce Investment Act 12/31 Grant Programs							
Ottawa County Building Authority - Debt Service							
Ottawa County Building Authority - Capital Projects							
Telecommunications							
Ottawa County, Michigan Insurance Authority							
Proceeds from capital lease							
Total other financing sources (uses)	<u>14,245</u>	<u>209,803</u>	<u>111,130</u>	<u>(37,502)</u>			
Net change in fund balances				(57,179)			
Fund balances, beginning of year		1,241		57,179	948		511
Fund balances, end of year	<u>None</u>	<u>\$1,241</u>	<u>None</u>	<u>None</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, 2010
(with comparable totals for the year ended December 31, 2009)

	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	\$2,508,651	\$116,947	\$3,593,546	\$17,500	\$1,238,844	\$365,851
Charges for services						
Fines and forfeits						
Interest on investments			71			
Rental income						
Other		37,483		5,000		
Total revenues	<u>2,508,651</u>	<u>154,430</u>	<u>3,593,617</u>	<u>22,500</u>	<u>1,238,844</u>	<u>365,851</u>
Expenditures:						
Current operations:						
Judicial						
General government					1,029,448	
Public safety					236,804	
Public works						
Health and welfare	2,516,582	146,032	3,605,517	22,500		365,654
Community and economic development						
Debt service						
Capital outlay						
Total expenditures	<u>2,516,582</u>	<u>146,032</u>	<u>3,605,517</u>	<u>22,500</u>	<u>1,266,252</u>	<u>365,654</u>
Revenues over (under) expenditures	<u>(7,931)</u>	<u>8,398</u>	<u>(11,900)</u>		<u>(27,408)</u>	<u>197</u>
Other financing sources (uses):						
Transfers in (out):						
General Fund					27,408	
9/30 Judicial Grants						
Infrastructure						
Federal Emergency Management Agency						
Delinquent Tax Revolving						
Community Corrections						
Public Improvement						
Community Action Agency						
Workforce Investment Act 6/30 Grant Programs						
Workforce Investment Act 12/31 Grant Programs	(9,927)					
Ottawa County Building Authority - Debt Service						
Ottawa County Building Authority - Capital Projects						
Telecommunications						
Ottawa County, Michigan Insurance Authority						
Proceeds from capital lease						
Total other financing sources (uses)	<u>(9,927)</u>				<u>27,408</u>	
Net change in fund balances	(17,858)	8,398	(11,900)			197
Fund balances, beginning of year	<u>92,367</u>	<u>42,662</u>	<u>34,271</u>			<u>18,688</u>
Fund balances, end of year	<u>\$74,509</u>	<u>\$51,060</u>	<u>\$22,371</u>	None	None	<u>\$18,885</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, 2010
(with comparable totals for the year ended December 31, 2009)

	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	\$2,500	\$220,000		\$936,494	\$663,686	\$171,723
Charges for services		197,817				
Fines and forfeits						
Interest on investments	20		\$31,334			
Rental income						
Other		9,896		21,904	21,281	2,315
Total revenues	<u>2,520</u>	<u>427,713</u>	<u>31,334</u>	<u>958,398</u>	<u>684,967</u>	<u>174,038</u>
Expenditures:						
Current operations:						
Judicial		963,231				
General government						
Public safety						
Public works						
Health and welfare	5,000			1,018,894	681,385	259,316
Community and economic development						
Debt service						
Capital outlay						
Total expenditures	<u>5,000</u>	<u>963,231</u>		<u>1,018,894</u>	<u>681,385</u>	<u>259,316</u>
Revenues over (under) expenditures	<u>(2,480)</u>	<u>(535,518)</u>	<u>31,334</u>	<u>(60,496)</u>	<u>3,582</u>	<u>(85,278)</u>
Other financing sources (uses):						
Transfers in (out):						
General Fund		519,991	(4,681,321)	29,000		74,837
9/30 Judicial Grants		(31,106)				
Infrastructure						
Federal Emergency Management Agency				(2,480)		
Delinquent Tax Revolving						
Community Corrections						
Public Improvement						
Community Action Agency	2,480					
Workforce Investment Act 6/30 Grant Programs						
Workforce Investment Act 12/31 Grant Programs						
Ottawa County Building Authority - Debt Service						
Ottawa County Building Authority - Capital Projects						
Telecommunications						
Ottawa County, Michigan Insurance Authority						
Proceeds from capital lease						
Total other financing sources (uses)	<u>2,480</u>	<u>488,885</u>	<u>(4,681,321)</u>	<u>26,520</u>		<u>74,837</u>
Net change in fund balances		(46,633)	(4,649,987)	(33,976)	3,582	(10,441)
Fund balances, beginning of year		254,188	5,072,117	152,691	168	280,214
Fund balances, end of year	<u>None</u>	<u>\$207,555</u>	<u>\$422,130</u>	<u>\$118,715</u>	<u>\$3,750</u>	<u>\$269,773</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, 2010
(with comparable totals for the year ended December 31, 2009)

	Special Revenue					Special Revenue
	Child Care - Circuit Court (2920)	Child Care - Social Services (2921)	Soldiers' and Sailors' Relief (2930)	Veterans Trust (2941)	Compensated Absences (2980)	Total
Revenues:						
Taxes						\$6,917
Intergovernmental revenues	\$3,648,170	\$270		\$21,872		24,098,943
Charges for services					\$69,431	1,138,540
Fines and forfeits						8,500
Interest on investments					45,845	209,523
Rental income						379,751
Other	528,276					665,988
Total revenues	4,176,446	270		21,872	115,276	26,508,162
Expenditures:						
Current operations:						
Judicial						4,336,707
General government					71,125	1,645,116
Public safety						5,288,063
Public works						979,567
Health and welfare	7,686,556	796	\$45,725	23,353		19,722,174
Community and economic development						4,466
Debt service						
Capital outlay						
Total expenditures	7,686,556	796	45,725	23,353	71,125	31,976,093
Revenues over (under) expenditures	(3,510,110)	(526)	(45,725)	(1,481)	44,151	(5,467,931)
Other financing sources (uses):						
Transfers in (out):						
General Fund	3,992,884		45,725			843,073
9/30 Judicial Grants						(31,106)
Infrastructure						
Federal Emergency Management Agency						(2,480)
Delinquent Tax Revolving						
Community Corrections						31,106
Public Improvement						
Community Action Agency						2,480
Workforce Investment Act 6/30 Grant Programs						
Workforce Investment Act 12/31 Grant Programs						(9,927)
Ottawa County Building Authority - Debt Service						(311,900)
Ottawa County Building Authority - Capital Projects						
Telecommunications						
Ottawa County, Michigan Insurance Authority						
Proceeds from capital lease						35,995
Total other financing sources (uses)	3,992,884		45,725			557,241
Net change in fund balances	482,774	(526)		(1,481)	44,151	(4,910,690)
Fund balances, beginning of year	1,439,319	73,786		1,481	3,681,275	22,118,599
Fund balances, end of year	<u>\$1,922,093</u>	<u>\$73,260</u>	<u>None</u>	<u>None</u>	<u>\$3,725,426</u>	<u>\$17,207,909</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, 2010
(with comparable totals for the year ended December 31, 2009)

	Debt Service Ottawa County Building Authority (5691-5695)	Capital Projects Ottawa County Building Authority (5691-5695)	Permanent Cemetery Trust (1500)	Total Nonmajor Governmental Funds	
				2010	2009
Revenues:					
Taxes				\$6,917	\$6,478
Intergovernmental revenues				24,098,943	19,688,333
Charges for services				1,138,540	1,122,509
Fines and forfeits				8,500	8,500
Interest on investments			\$67	209,590	255,191
Rental income	\$2,388,298			2,768,049	3,482,458
Other				665,988	676,199
Total revenues	<u>2,388,298</u>		<u>67</u>	<u>28,896,527</u>	<u>25,239,668</u>
Expenditures:					
Current operations:					
Judicial				4,336,707	4,414,803
General government				1,645,116	979,038
Public safety				5,288,063	4,938,048
Public works				979,567	1,050,037
Health and welfare				19,722,174	17,063,785
Community and economic development				4,466	3,405
Debt service	3,150,198			3,150,198	3,542,113
Capital outlay		\$180,621		180,621	9,191,249
Total expenditures	<u>3,150,198</u>	<u>180,621</u>		<u>35,306,912</u>	<u>41,182,478</u>
Revenues over (under) expenditures	<u>(761,900)</u>	<u>(180,621)</u>	<u>67</u>	<u>(6,410,385)</u>	<u>(15,942,810)</u>
Other financing sources (uses):					
Transfers in (out):					
General Fund		180,621		1,023,694	5,994,695
9/30 Judicial Grants				(31,106)	(19,543)
Infrastructure	125,000			125,000	125,000
Federal Emergency Management Agency				(2,480)	
Delinquent Tax Revolving	150,000			150,000	150,000
Community Corrections				31,106	19,543
Public Improvement	186,900			186,900	4,094,100
Community Action Agency				2,480	
Workforce Investment Act 6/30 Grant Programs					9,927
Workforce Investment Act 12/31 Grant Programs				(9,927)	4,174
Ottawa County Building Authority - Debt Service				(311,900)	(301,712)
Ottawa County Building Authority - Capital Projects					(3,917,388)
Telecommunications	150,000			150,000	150,000
Ottawa County, Michigan Insurance Authority	150,000			150,000	150,000
Proceeds from capital lease				35,995	70,190
Total other financing sources (uses)	<u>761,900</u>	<u>180,621</u>		<u>1,499,762</u>	<u>6,528,986</u>
Net change in fund balances			<u>67</u>	<u>(4,910,623)</u>	<u>(9,413,824)</u>
Fund balances, beginning of year			<u>6,351</u>	<u>22,124,950</u>	<u>31,538,774</u>
Fund balances, end of year	<u>None</u>	<u>None</u>	<u>\$6,418</u>	<u>\$17,214,327</u>	<u>\$22,124,950</u>

(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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$2,099,115	\$2,117,331	\$2,023,467	(\$93,864)	\$2,026,554
Charges for services	260,360	288,452	298,081	9,629	271,055
Interest on investments					
Licenses and permits					
Rental income					
Other					
Total revenues	<u>2,359,475</u>	<u>2,405,783</u>	<u>2,321,548</u>	<u>(84,235)</u>	<u>2,297,609</u>
Expenditures:					
Current operations:					
Personnel services	2,525,200	2,543,892	2,511,976	31,916	2,446,793
Supplies	66,108	63,408	54,814	8,594	63,175
Other services and charges	536,674	509,558	490,985	18,573	528,045
Capital outlay					
Total expenditures	<u>3,127,982</u>	<u>3,116,858</u>	<u>3,057,775</u>	<u>59,083</u>	<u>3,038,013</u>
Revenues over (under) expenditures	<u>(768,507)</u>	<u>(711,075)</u>	<u>(736,227)</u>	<u>(25,152)</u>	<u>(740,404)</u>
Other financing sources (uses):					
Transfers in (out):					
General Fund	559,507	521,087	546,235	25,148	732,402
Total other financing sources (uses)	<u>559,507</u>	<u>521,087</u>	<u>546,235</u>	<u>25,148</u>	<u>732,402</u>
Net change in fund balance	(209,000)	(189,988)	(189,992)	(4)	(8,002)
Fund balance, beginning of year	<u>189,992</u>	<u>189,992</u>	<u>189,992</u>		<u>197,994</u>
Fund balance, end of year	<u>(\$19,008)</u>	<u>\$4</u>	<u>None</u>	<u>(\$4)</u>	<u>\$189,992</u>

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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$120,685	\$290,140	\$211,989	(\$78,151)	\$285,069
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other		2,750	4,125	1,375	7,500
Total revenues	120,685	292,890	216,114	(76,776)	292,569
Expenditures:					
Current operations:					
Personnel services	115,685	312,772	243,343	69,429	316,013
Supplies	18,642	46,717	20,878	25,839	11,346
Other services and charges	21,799	37,102	23,303	13,799	24,125
Capital outlay					
Total expenditures	156,126	396,591	287,524	109,067	351,484
Revenues over (under) expenditures	(35,441)	(103,701)	(71,410)	32,291	(58,915)
Other financing sources (uses):					
Transfers in (out):					
General Fund	35,441	67,579	42,721	(24,858)	43,531
Community Corrections		31,106	31,106		19,543
Total other financing sources (uses)	35,441	98,685	73,827	(24,858)	63,074
Net change in fund balance		(5,016)	2,417	7,433	4,159
Fund balance, beginning of year	5,014	5,014	5,014		855
Fund balance, end of year	\$5,014	(\$2)	\$7,431	\$7,433	\$5,014

COUNTY OF OTTAWA

**SOLID WASTE CLEAN-UP SPECIAL REVENUE FUND (2271) -
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2010
(with comparative actual amounts for the year ended December 31, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues					
Charges for services					
Interest on investments	\$44,121	\$33,168	\$41,126	\$7,958	\$41,269
Licenses and permits					
Rental income					
Other					
Total revenues	44,121	33,168	41,126	7,958	41,269
Expenditures:					
Current operations:					
Personnel services					
Supplies					
Other services and charges	180,000	327,000	394,398	(67,398)	282,921
Capital outlay		157,953	56,541	101,412	195,582
Total expenditures	180,000	484,953	450,939	34,014	478,503
Revenues over (under) expenditures	(135,879)	(451,785)	(409,813)	41,972	(437,234)
Other financing sources (uses):					
Transfers in (out):					
General Fund					
Ottawa County Building Authority - Capital Projects					
Total other financing sources (uses)					
Net change in fund balance	(135,879)	(451,785)	(409,813)	41,972	(437,234)
Fund balance, beginning of year	3,491,433	3,491,433	3,491,433		3,928,667
Fund balance, end of year	\$3,355,554	\$3,039,648	\$3,081,620	\$41,972	\$3,491,433

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, 2010
(with comparative actual amounts for the year ended December 31, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues					
Charges for services	\$360,000	\$320,000	\$327,084	\$7,084	\$321,286
Interest on investments					
Licenses and permits					
Rental income					
Other	30,880	27,380	27,077	(303)	30,089
Total revenues	390,880	347,380	354,161	6,781	351,375
Expenditures:					
Current operations:					
Personnel services	293,278	238,166	222,608	15,558	262,708
Supplies	9,600	9,105	9,250	(145)	8,583
Other services and charges	170,397	149,196	139,201	9,995	142,674
Capital outlay					
Total expenditures	473,275	396,467	371,059	25,408	413,965
Revenues over (under) expenditures	(82,395)	(49,087)	(16,898)	32,189	(62,590)
Other financing sources (uses):					
Transfers in (out):					
General Fund					
Total other financing sources (uses)					
Net change in fund balance	(82,395)	(49,087)	(16,898)	32,189	(62,590)
Fund balance, beginning of year	949,261	949,261	949,261		1,011,851
Fund balance, end of year	\$866,866	\$900,174	\$932,363	\$32,189	\$949,261

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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$157,569	\$157,569	\$157,569		\$157,569
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
Total revenues	<u>157,569</u>	<u>157,569</u>	<u>157,569</u>		<u>157,569</u>
Expenditures:					
Current operations:					
Personnel services					
Supplies					
Other services and charges	157,569	157,569	157,569		157,569
Capital outlay					
Total expenditures	<u>157,569</u>	<u>157,569</u>	<u>157,569</u>		<u>157,569</u>
Revenues over (under) expenditures					
Other financing sources (uses):					
Transfers in (out):					
General Fund					
Total other financing sources (uses)					
Net change in fund balance					
Fund balance, beginning of year	<u>25,787</u>	<u>25,787</u>	<u>25,787</u>		<u>25,787</u>
Fund balance, end of year	<u>\$25,787</u>	<u>\$25,787</u>	<u>\$25,787</u>	None	<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, 2010
(with comparative actual amounts for the year ended December 31, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues					
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other			\$1,000	\$1,000	
Total revenues			1,000	1,000	
Expenditures:					
Current operations:					
Personnel services					
Supplies					
Other services and charges					
Capital outlay					
Total expenditures					
Revenues over (under) expenditures			1,000	1,000	
Other financing sources (uses):					
Transfers in (out):					
General Fund					
Total other financing sources (uses)					
Net change in fund balance			1,000	1,000	
Fund balance, beginning of year					
Fund balance, end of year	None	None	\$1,000	\$1,000	None

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, 2010
(with comparative actual amounts for the year ended December 31, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues					
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other	\$295	\$295		(\$295)	\$95
Total revenues	295	295		(295)	95
Expenditures:					
Current operations:					
Personnel services	969	749	\$563	186	527
Supplies	5,220	5,220	710	4,510	1,244
Other services and charges	37,692	38,437	3,193	35,244	1,634
Capital outlay					
Total expenditures	43,881	44,406	4,466	39,940	3,405
Revenues over (under) expenditures	(43,586)	(44,111)	(4,466)	39,645	(3,310)
Other financing sources (uses):					
Transfers in (out):					
General Fund	43,851	44,376	(185,758)	(230,134)	3,310
Total other financing sources (uses)	43,851	44,376	(185,758)	(230,134)	3,310
Net change in fund balance	265	265	(190,224)	(190,489)	
Fund balance, beginning of year	190,224	190,224	190,224		190,224
Fund balance, end of year	\$190,489	\$190,489	None	(\$190,489)	\$190,224

COUNTY OF OTTAWA

**INFRASTRUCTURE SPECIAL REVENUE FUND (2444) -
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2010
(with comparative actual amounts for the year ended December 31, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues					
Charges for services					\$27,240
Interest on investments	\$47,780	\$47,780	\$46,613	(\$1,167)	48,390
Licenses and permits					
Rental income					
Other					
Total revenues	47,780	47,780	46,613	(1,167)	75,630
Expenditures:					
Current operations:					
Personnel services					
Supplies					
Other services and charges					
Capital outlay					
Total expenditures					
Revenues over (under) expenditures	47,780	47,780	46,613	(1,167)	75,630
Other financing sources (uses):					
Transfers in (out):					
Ottawa County Building Authority - Debt Service	(125,000)	(125,000)	(125,000)		(125,000)
Total other financing sources (uses)	(125,000)	(125,000)	(125,000)		(125,000)
Net change in fund balance	(77,220)	(77,220)	(78,387)	(1,167)	(49,370)
Fund balance, beginning of year	2,550,651	2,550,651	2,550,651		2,600,021
Fund balance, end of year	\$2,473,431	\$2,473,431	\$2,472,264	(\$1,167)	\$2,550,651

COUNTY OF OTTAWA

**PUBLIC IMPROVEMENT SPECIAL REVENUE FUND (2450) -
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2010
(with comparative actual amounts for the year ended December 31, 2009)

	2010			2009 Actual
	Original Budget	Final Amended Budget	Actual	
Revenues:				
Intergovernmental revenues				
Charges for services				
Interest on investments	\$37,944	\$37,944	\$39,217	\$1,273
Licenses and permits				
Rental income	390,100	390,100	379,751	(10,349)
Other		2,000	2,050	50
Total revenues	428,044	430,044	421,018	(9,026)
Expenditures:				
Current operations:				
Personnel services				
Supplies				2,793
Other services and charges	2,600	6,817	5,385	1,432
Capital outlay	300,000	300,000		300,000
Total expenditures	302,600	306,817	5,385	301,432
Revenues over (under) expenditures	125,444	123,227	415,633	292,406
Other financing sources (uses):				
Transfers in (out):				
Ottawa County Building Authority - Debt Service Fund	(187,575)	(187,575)	(186,900)	675
Ottawa County Building Authority - Capital Projects Fund				(3,917,388)
Total other financing sources (uses)	(187,575)	(187,575)	(186,900)	675
Net change in fund balance	(62,131)	(64,348)	228,733	293,081
Fund balance, beginning of year	3,033,859	3,033,859	3,033,859	6,590,988
Fund balance, end of year	\$2,971,728	\$2,969,511	\$3,262,592	\$3,033,859

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, 2010
(with comparative actual amounts for the year ended December 31, 2009)

	2010				2009 Actual
	Original Budget	Amended Budget	Actual	Variance	
Revenues:					
Taxes	\$8,000	\$8,000	\$6,917	(\$1,083)	\$6,478
Intergovernmental revenues					
Charges for services					
Interest on investments	1,400	1,400	648	(752)	1,545
Licenses and permits					
Rental income					
Other					
Total revenues	9,400	9,400	7,565	(1,835)	8,023
Expenditures:					
Personnel services					
Supplies	976				1,071
Other services and charges		560	560		
Capital outlay		35,995	35,995		34,195
Debt Service	23,000	23,398	23,397	1	11,399
Total expenditures	23,976	59,953	59,952	1	46,665
Revenues over (under) expenditures	(14,576)	(50,553)	(52,387)	(1,834)	(38,642)
Other financing sources (uses):					
Transfers in (out):					
General Fund		51,929	65,748	13,819	(104,040)
Proceeds from capital lease		35,995	35,995		34,195
Total other financing sources (uses)		87,924	101,743	13,819	(69,845)
Net change in fund balance	(14,576)	37,371	49,356	11,985	(108,487)
Fund balance, beginning of year	32,281	32,281	32,281		140,768
Fund balance, end of year	<u>\$17,705</u>	<u>\$69,652</u>	<u>\$81,637</u>	<u>\$11,985</u>	<u>\$32,281</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, 2010
(with comparative actual amounts for the year ended December 31, 2009)

	2010				2009 Actual
	Original Budget	Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues					
Charges for services	\$225,000	\$236,460	\$246,127	\$9,667	\$248,004
Interest on investments	1,750	1,750	4,649	2,899	5,317
Licenses and permits					
Rental income					
Other					230
Total revenues	226,750	238,210	250,776	12,566	253,551
Expenditures:					
Personnel services					
Supplies	300	18,680	18,386	294	67,001
Other services and charges	138,855	138,855	116,900	21,955	81,833
Capital outlay		131,515	122,495	9,020	237,865
Debt Service	15,000	8,998	8,998		15,000
Total expenditures	154,155	298,048	266,779	31,269	401,699
Revenues over (under) expenditures	72,595	(59,838)	(16,003)	43,835	(148,148)
Other financing sources (uses):					
Proceeds from capital lease					35,995
Total other financing sources (uses)					35,995
Net change in fund balance	72,595	(59,838)	(16,003)	43,835	(112,153)
Fund balance, beginning of year	421,899	421,899	421,899		534,052
Fund balance, end of year	<u>\$494,494</u>	<u>\$362,061</u>	<u>\$405,896</u>	<u>\$43,835</u>	<u>\$421,899</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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$144,000	\$144,000	\$144,000		\$140,400
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other	360	500	500		333
Total revenues	144,360	144,500	144,500		140,733
Expenditures:					
Current operations:					
Personnel services	193,019	193,879	193,475	\$404	176,746
Supplies	17,013	16,073	15,304	769	13,595
Other services and charges	4,500	4,720	3,648	1,072	4,677
Capital outlay					
Total expenditures	214,532	214,672	212,427	2,245	195,018
Revenues over (under) expenditures	(70,172)	(70,172)	(67,927)	2,245	(54,285)
Other financing sources (uses):					
Transfers in (out):					
General Fund	70,172	70,172	67,927	(2,245)	54,285
Total other financing sources (uses)	70,172	70,172	67,927	(2,245)	54,285
Net change in fund balance					
Fund balance, beginning of year	25,092	25,092	25,092		25,092
Fund balance, end of year	<u>\$25,092</u>	<u>\$25,092</u>	<u>\$25,092</u>	<u>None</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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$114,616	\$646,459	\$305,823	(\$340,636)	\$338,231
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
Total revenues	114,616	646,459	305,823	(340,636)	338,231
Expenditures:					
Current operations:					
Personnel services	64,616	122,579	119,695	2,884	209,454
Supplies		164,344	140,476	23,868	14,809
Other services and charges	15,000	26,133	24,734	1,399	31,293
Capital outlay	35,000	347,785	35,163	312,622	120,050
Total expenditures	114,616	660,841	320,068	340,773	375,606
Revenues over (under) expenditures		(14,382)	(14,245)	137	(37,375)
Other financing sources (uses):					
Transfers in (out):					
General Fund		14,382	14,245	(137)	37,375
Total other financing sources (uses)		14,382	14,245	(137)	37,375
Net change in fund balance					
Fund balance, beginning of year					
Fund balance, end of year	None	None	None	None	None

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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$4,357,641	\$4,385,022	\$4,189,686	(\$195,336)	\$3,969,166
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other		2,956	5,081	2,125	3,573
Total revenues	4,357,641	4,387,978	4,194,767	(193,211)	3,972,739
Expenditures:					
Current operations:					
Personnel services	3,915,102	3,923,672	3,822,167	101,505	3,616,875
Supplies	105,550	95,644	70,028	25,616	70,233
Other services and charges	566,906	571,264	485,060	86,204	488,084
Capital outlay		27,315	27,315		
Total expenditures	4,587,558	4,617,895	4,404,570	213,325	4,175,192
Revenues over (under) expenditures	(229,917)	(229,917)	(209,803)	20,114	(202,453)
Other financing sources (uses):					
Transfers in (out):					
General Fund	229,917	229,917	209,803	(20,114)	202,453
Total other financing sources (uses)	229,917	229,917	209,803	(20,114)	202,453
Net change in fund balance					
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>\$1,241</u>	<u>None</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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$232,654	\$215,491	\$215,491		\$214,271
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
Total revenues	232,654	215,491	215,491		214,271
Expenditures:					
Current operations:					
Personnel services	284,284	280,772	274,644	\$6,128	261,155
Supplies	3,850	750	676	74	6,560
Other services and charges	52,347	51,926	51,301	625	43,229
Capital outlay					
Total expenditures	340,481	333,448	326,621	6,827	310,944
Revenues over (under) expenditures	(107,827)	(117,957)	(111,130)	6,827	(96,673)
Other financing sources (uses):					
Transfers in (out):					
General Fund	107,827	117,957	111,130	(6,827)	96,673
Total other financing sources (uses)	107,827	117,957	111,130	(6,827)	96,673
Net change in fund balance					
Fund balance, beginning of year					
Fund balance, end of year	None	None	None	None	None

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, 2010
(with comparative actual amounts for the year ended December 31, 2009)

	2010				2009
	Original Budget	Final Amended Budget	Actual	Variance	Actual
Revenues:					
Intergovernmental revenues					
Charges for services					
Fines and forfeits	\$8,500	\$8,500	\$8,500		\$8,500
Interest on investments					
Licenses and permits					
Rental income					
Other					
Total revenues	8,500	8,500	8,500		8,500
Expenditures:					
Current operations:					
Personnel services					
Supplies	31,833	31,833	28,177	\$3,656	29,073
Other services and charges					
Capital outlay					
Total expenditures	31,833	31,833	28,177	3,656	29,073
Revenues over (under) expenditures	(23,333)	(23,333)	(19,677)	3,656	(20,573)
Other financing sources (uses):					
Transfers in (out):					
General Fund	23,333	23,333	(37,502)	(60,835)	20,573
Total other financing sources (uses)	23,333	23,333	(37,502)	(60,835)	20,573
Net change in fund balance			(57,179)	(57,179)	
Fund balance, beginning of year	57,179	57,179	57,179		57,179
Fund balance, end of year	<u>\$57,179</u>	<u>\$57,179</u>	<u>None</u>	<u>(\$57,179)</u>	<u>\$57,179</u>

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, 2010
(with comparative actual amounts for the year ended June 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$383,510	\$635,355	\$404,101	(\$231,254)	\$242,840
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					1,000
Total revenues	383,510	635,355	404,101	(231,254)	243,840
Expenditures:					
Current operations:					
Personnel services	287,695	266,765	207,185	59,580	147,004
Supplies	14,522	105,362	31,391	73,971	21,352
Other services and charges	81,293	263,228	165,525	97,703	69,990
Capital outlay					5,494
Total expenditures	383,510	635,355	404,101	231,254	243,840
Revenues over (under) expenditures					
Other financing sources (uses):					
Transfers in (out):					
General Fund					
Total other financing sources (uses)					
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, 2010
(with comparative actual amounts for the year ended June 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$2,055,769	\$2,082,391	\$1,995,691	(\$86,700)	\$1,028,042
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
Total revenues	2,055,769	2,082,391	1,995,691	(86,700)	1,028,042
Expenditures:					
Current operations:					
Personnel services	143,251	132,851	101,129	31,722	123,292
Supplies	4,391	10,291	9,571	720	5,870
Other services and charges	1,908,127	1,917,644	1,884,991	32,653	898,880
Capital outlay		21,605		21,605	
Total expenditures	2,055,769	2,082,391	1,995,691	86,700	1,028,042
Revenues over (under) expenditures					
Other financing sources (uses):					
Transfers in (out):					
General Fund					
Total other financing sources (uses)					
Net change in fund balance					
Fund balance, beginning of year					
Fund balance, end of year	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>

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, 2010
(with comparative actual amounts for the year ended June 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$1,029,505	\$1,068,878	\$945,072	(\$123,806)	\$576,281
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
Total revenues	1,029,505	1,068,878	945,072	(123,806)	576,281
Expenditures:					
Current operations:					
Personnel services	88,695	84,205	86,135	(1,930)	58,185
Supplies	2,636	4,236	5,807	(1,571)	4,374
Other services and charges	938,174	958,832	853,130	105,702	513,722
Capital outlay		21,605		21,605	
Total expenditures	1,029,505	1,068,878	945,072	123,806	576,281
Revenues over (under) expenditures					
Other financing sources (uses):					
Transfers in (out):					
General Fund					
Total other financing sources (uses)					
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, 2010
(with comparative actual amounts for the year ended June 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$3,038,603	\$3,148,920	\$2,508,651	(\$640,269)	\$2,636,357
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					2,941
Total revenues	3,038,603	3,148,920	2,508,651	(640,269)	2,639,298
Expenditures:					
Current operations:					
Personnel services	218,984	228,676	180,213	48,463	206,306
Supplies	38,499	69,545	45,532	24,013	91,047
Other services and charges	2,781,120	2,829,905	2,290,837	539,068	2,355,695
Capital outlay		21,605		21,605	
Total expenditures	3,038,603	3,149,731	2,516,582	633,149	2,653,048
Revenues over (under) expenditures		(811)	(7,931)	(7,120)	(13,750)
Other financing sources (uses):					
Transfers in (out):					
Workforce Investment Act - 12/31 Grant Programs		(9,927)	(9,927)		
Total other financing sources (uses)		(9,927)	(9,927)		
Net change in fund balance		(10,738)	(17,858)	(7,120)	(13,750)
Fund balance, beginning of year	92,367	92,367	92,367		106,117
Fund balance, end of year	<u>\$92,367</u>	<u>\$81,629</u>	<u>\$74,509</u>	<u>(\$7,120)</u>	<u>\$92,367</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, 2010
(with comparative actual amounts for the year ended December 31, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$263,000	\$334,678	\$116,947	(\$217,731)	\$250,798
Charges for services					6,483
Interest on investments					
Licenses and permits					
Rental income					
Other		28,862	37,483	8,621	20,171
Total revenues	263,000	363,540	154,430	(209,110)	277,452
Expenditures:					
Current operations:					
Personnel services	65,677	64,330	44,244	20,086	25,147
Supplies	5,402	2,032	875	1,157	585
Other services and charges	191,921	297,178	100,913	196,265	275,383
Capital outlay					
Total expenditures	263,000	363,540	146,032	217,508	301,115
Revenues over (under) expenditures			8,398	8,398	(23,663)
Other financing sources (uses):					
Transfers in (out):					
Community Action Agency Workforce Investment Act - 6/30 Grant Programs					9,927
Total other financing sources (uses)					9,927
Net change in fund balance			8,398	8,398	(13,736)
Fund balance, beginning of year	42,662	42,662	42,662		56,398
Fund balance, end of year	<u>\$42,662</u>	<u>\$42,662</u>	<u>\$51,060</u>	<u>\$8,398</u>	<u>\$42,662</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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$743,000	\$5,113,295	\$3,593,546	(\$1,519,749)	\$2,243,775
Charges for services					
Interest on investments		75	71	(4)	19
Licenses and permits					
Rental income					
Other					
Total revenues	<u>743,000</u>	<u>5,113,370</u>	<u>3,593,617</u>	<u>(1,519,753)</u>	<u>2,243,794</u>
Expenditures:					
Current operations:					
Personnel services	146,030	243,589	229,525	14,064	197,411
Supplies	16,727	93,991	77,957	16,034	74,943
Other services and charges	580,243	4,775,790	3,298,035	1,477,755	1,955,461
Capital outlay					
Total expenditures	<u>743,000</u>	<u>5,113,370</u>	<u>3,605,517</u>	<u>1,507,853</u>	<u>2,227,815</u>
Revenues over (under) expenditures			<u>(11,900)</u>	<u>(11,900)</u>	<u>15,979</u>
Other financing sources (uses):					
Transfers in (out):					
General Fund					
Total other financing sources (uses)					
Net change in fund balance			(11,900)	(11,900)	15,979
Fund balance, beginning of year	<u>34,271</u>	<u>34,271</u>	<u>34,271</u>		<u>18,292</u>
Fund balance, end of year	<u>\$34,271</u>	<u>\$34,271</u>	<u>\$22,371</u>	<u>(\$11,900)</u>	<u>\$34,271</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, 2010
(with comparative actual amounts for the year ended March 31, 2009)

	2010			2009 Actual
	Original Budget	Final Amended Budget	Actual	
Revenues:				
Intergovernmental revenues	\$17,500	\$17,500	\$17,500	\$17,500
Charges for services				
Interest on investments				
Licenses and permits				
Rental income				
Other	5,000	5,000	5,000	
Total revenues	22,500	22,500	22,500	17,500
Expenditures:				
Current operations:				
Personnel services				
Supplies				
Other services and charges	22,500	22,500	22,500	17,500
Capital outlay				
Total expenditures	22,500	22,500	22,500	17,500
Revenues over (under) expenditures				
Other financing sources (uses):				
Transfers in (out):				
General Fund				
Total other financing sources (uses)				
Net change in fund balance				
Fund balance, beginning of year				
Fund balance, end of year	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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$58,069	\$2,076,140	\$1,238,844	(\$837,296)	\$69,698
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
Total revenues	58,069	2,076,140	1,238,844	(837,296)	69,698
Expenditures:					
Current operations:					
Personnel services	74,911	79,251	76,851	2,400	69,942
Supplies	2,950	15,809	15,588	221	1,625
Other services and charges	8,810	1,390,377	722,660	667,717	23,312
Capital outlay		619,305	451,153	168,152	
Total expenditures	86,671	2,104,742	1,266,252	838,490	94,879
Revenues over (under) expenditures	(28,602)	(28,602)	(27,408)	1,194	(25,181)
Other financing sources (uses):					
Transfers in (out):					
General Fund	28,602	28,602	27,408	(1,194)	25,181
Total other financing sources (uses)	28,602	28,602	27,408	(1,194)	25,181
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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$63,692	\$77,436	\$365,851	\$288,415	\$375,694
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
Total revenues	63,692	77,436	365,851	288,415	375,694
Expenditures:					
Current operations:					
Personnel services	25,730	12,379	12,364	15	16,585
Supplies	1,054	5,871	305,051	(299,180)	328,663
Other services and charges	36,908	59,186	48,239	10,947	33,966
Capital outlay					
Total expenditures	63,692	77,436	365,654	(288,218)	379,214
Revenues over (under) expenditures			197	197	(3,520)
Other financing sources (uses):					
Transfers in (out):					
General Fund					
Total other financing sources (uses)					
Net change in fund balance			197	197	(3,520)
Fund balance, beginning of year	18,688	18,688	18,688		22,208
Fund balance, end of year	<u>\$18,688</u>	<u>\$18,688</u>	<u>\$18,885</u>	<u>\$197</u>	<u>\$18,688</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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010			2009 Actual	
	Original Budget	Final Amended Budget	Actual		Variance
Revenues:					
Intergovernmental revenues		\$5,000	\$2,500	(\$2,500)	\$24,000
Charges for services					
Interest on investments			20	20	
Licenses and permits					
Rental income					
Other					
Total revenues		5,000	2,520	(2,480)	24,000
Expenditures:					
Current operations:					
Personnel services					
Supplies					
Other services and charges		5,000	5,000		24,000
Capital outlay					
Total expenditures		5,000	5,000		24,000
Revenues over (under) expenditures			(2,480)	(2,480)	
Other financing sources (uses):					
Transfers in (out):					
Community Action Agency			2,480	2,480	
Total other financing sources (uses)			2,480	2,480	
Net change in fund balance					
Fund balance, beginning of year					
Fund balance, end of year	None	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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$220,000	\$220,000	\$220,000		\$220,000
Charges for services	201,081	204,481	197,817	(\$6,664)	209,228
Interest on investments					
Licenses and permits					
Rental income					
Other	8,234	8,234	9,896	1,662	10,274
Total revenues	429,315	432,715	427,713	(5,002)	439,502
Expenditures:					
Current operations:					
Personnel services	735,158	718,211	678,230	39,981	688,416
Supplies	25,140	21,240	18,452	2,788	22,266
Other services and charges	289,008	275,918	266,549	9,369	266,978
Capital outlay					
Total expenditures	1,049,306	1,015,369	963,231	52,138	977,660
Revenues over (under) expenditures	(619,991)	(582,654)	(535,518)	47,136	(538,158)
Other financing sources (uses):					
Transfers in (out):					
General Fund	519,991	519,991	519,991		557,701
9/30 Judicial Grants		(31,106)	(31,106)		(19,543)
Total other financing sources (uses)	519,991	488,885	488,885		538,158
Net change in fund balance	(100,000)	(93,769)	(46,633)	47,136	
Fund balance, beginning of year	254,188	254,188	254,188		254,188
Fund balance, end of year	<u>\$154,188</u>	<u>\$160,419</u>	<u>\$207,555</u>	<u>\$47,136</u>	<u>\$254,188</u>

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, 2010
(with comparative actual amounts for the year ended December 31, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Taxes					
Intergovernmental revenues					
Charges for services					
Interest on investments	\$66,211	\$66,211	\$31,334	(\$34,877)	\$74,147
Licenses and permits					
Rental income					
Other					
Total revenues	<u>66,211</u>	<u>66,211</u>	<u>31,334</u>	<u>(34,877)</u>	<u>74,147</u>
Expenditures:					
Current operations:					
Personnel services					
Supplies					
Other services and charges					
Capital outlay					
Debt service					
Total expenditures					
Revenues over (under) expenditures	<u>66,211</u>	<u>66,211</u>	<u>31,334</u>	<u>(34,877)</u>	<u>74,147</u>
Other financing sources (uses):					
Transfers in (out):					
General Fund	(4,711,213)	(4,711,213)	(4,681,321)	29,892	(4,695,407)
Total other financing sources (uses)	<u>(4,711,213)</u>	<u>(4,711,213)</u>	<u>(4,681,321)</u>	<u>29,892</u>	<u>(4,695,407)</u>
Net change in fund balance	<u>(4,645,002)</u>	<u>(4,645,002)</u>	<u>(4,649,987)</u>	<u>(4,985)</u>	<u>(4,621,260)</u>
Fund balance, beginning of year	<u>5,072,117</u>	<u>5,072,117</u>	<u>5,072,117</u>		<u>9,693,377</u>
Fund balance, end of year	<u>\$427,115</u>	<u>\$427,115</u>	<u>\$422,130</u>	<u>(\$4,985)</u>	<u>\$5,072,117</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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$729,005	\$992,452	\$936,494	(\$55,958)	\$576,355
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other	30,000	40,220	21,904	(18,316)	31,017
Total revenues	759,005	1,032,672	958,398	(74,274)	607,372
Expenditures:					
Current operations:					
Personnel services	390,052	407,900	410,854	(2,954)	347,340
Supplies	19,512	101,987	93,487	8,500	67,040
Other services and charges	378,441	551,565	497,425	54,140	214,417
Capital outlay			17,128	(17,128)	
Total expenditures	788,005	1,061,452	1,018,894	42,558	628,797
Revenues over (under) expenditures	(29,000)	(28,780)	(60,496)	(31,716)	(21,425)
Other financing sources (uses):					
Transfers in (out):					
General Fund	29,000	29,000	29,000		29,000
Federal Emergency Management Agency			(2,480)	(2,480)	
Workforce Investment Act - 12/31 Grant Programs					4,174
Total other financing sources (uses)	29,000	29,000	26,520	(2,480)	33,174
Net change in fund balance		220	(33,976)	(34,196)	11,749
Fund balance, beginning of year	152,691	152,691	152,691		140,942
Fund balance, end of year	<u>\$152,691</u>	<u>\$152,911</u>	<u>\$118,715</u>	<u>(\$34,196)</u>	<u>\$152,691</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, 2010
(with comparative actual amounts for the year ended March 31, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$1,306,425	\$1,331,964	\$663,686	(\$668,278)	\$293,630
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other			21,281	21,281	
Total revenues	1,306,425	1,331,964	684,967	(646,997)	293,630
Expenditures:					
Current operations:					
Personnel services	305,042	313,832	274,278	39,554	59,496
Supplies	768,977	780,330	306,833	473,497	182,603
Other services and charges	232,406	237,802	100,274	137,528	51,531
Capital outlay					
Total expenditures	1,306,425	1,331,964	681,385	650,579	293,630
Revenues over (under) expenditures			3,582	3,582	
Other financing sources (uses):					
Transfers in (out):					
General Fund					
Community Action Agency					
Total other financing sources (uses)					
Net change in fund balance			3,582	3,582	
Fund balance, beginning of year	168	168	168		168
Fund balance, end of year	<u>\$168</u>	<u>\$168</u>	<u>\$3,750</u>	<u>\$3,582</u>	<u>\$168</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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$200,000	\$175,000	\$171,723	(\$3,277)	\$150,779
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other		2,315	2,315		1,452
Total revenues	200,000	177,315	174,038	(3,277)	152,231
Expenditures:					
Current operations:					
Personnel services					
Supplies	3,225	4,528	3,318	1,210	7,223
Other services and charges	271,612	257,804	255,998	1,806	280,168
Capital outlay					
Total expenditures	274,837	262,332	259,316	3,016	287,391
Revenues over (under) expenditures	(74,837)	(85,017)	(85,278)	(261)	(135,160)
Other financing sources (uses):					
Transfers in (out):					
General Fund	74,837	74,837	74,837		135,160
Total other financing sources (uses)	74,837	74,837	74,837		135,160
Net change in fund balance		(10,180)	(10,441)	(261)	
Fund balance, beginning of year	280,214	280,214	280,214		280,214
Fund balance, end of year	\$280,214	\$270,034	\$269,773	(\$261)	\$280,214

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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$3,783,530	\$3,791,827	\$3,648,170	(\$143,657)	\$3,824,845
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other	609,300	609,300	528,276	(81,024)	567,524
Total revenues	4,392,830	4,401,127	4,176,446	(224,681)	4,392,369
Expenditures:					
Current operations:					
Personnel services	4,554,721	4,537,981	4,292,217	245,764	3,891,368
Supplies	196,029	213,839	179,283	34,556	179,390
Other services and charges	3,660,473	3,675,997	3,215,056	460,941	4,269,279
Capital outlay					
Total expenditures	8,411,223	8,427,817	7,686,556	741,261	8,340,037
Revenues over (under) expenditures	(4,018,393)	(4,026,690)	(3,510,110)	516,580	(3,947,668)
Other financing sources (uses):					
Transfers in (out):					
General Fund	4,018,393	4,010,023	3,992,884	(17,139)	4,045,802
Total other financing sources (uses)	4,018,393	4,010,023	3,992,884	(17,139)	4,045,802
Net change in fund balance		(16,667)	482,774	499,441	98,134
Fund balance, beginning of year	1,439,319	1,439,319	1,439,319		1,341,185
Fund balance, end of year	<u>\$1,439,319</u>	<u>\$1,422,652</u>	<u>\$1,922,093</u>	<u>\$499,441</u>	<u>\$1,439,319</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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$2,000	\$1,000	\$270	(\$730)	\$259
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
Total revenues	<u>2,000</u>	<u>1,000</u>	<u>270</u>	<u>(730)</u>	<u>259</u>
Expenditures:					
Current operations:					
Personnel services					
Supplies					
Other services and charges	5,000	2,500	796	1,704	668
Capital outlay					
Total expenditures	<u>5,000</u>	<u>2,500</u>	<u>796</u>	<u>1,704</u>	<u>668</u>
Revenues over (under) expenditures	<u>(3,000)</u>	<u>(1,500)</u>	<u>(526)</u>	<u>974</u>	<u>(409)</u>
Other financing sources (uses):					
Transfers in (out):					
General Fund	3,000	1,500		(1,500)	409
Total other financing sources (uses)	<u>3,000</u>	<u>1,500</u>		<u>(1,500)</u>	<u>409</u>
Net change in fund balance			(526)	(526)	
Fund balance, beginning of year	<u>73,786</u>	<u>73,786</u>	<u>73,786</u>		<u>73,786</u>
Fund balance, end of year	<u>\$73,786</u>	<u>\$73,786</u>	<u>\$73,260</u>	<u>(\$526)</u>	<u>\$73,786</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, 2010
(with comparative actual amounts for the year ended December 31, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues					
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
Total revenues					
Expenditures:					
Current operations:					
Personnel services					
Supplies					
Other services and charges	\$42,140	\$45,725	\$45,725		\$36,426
Capital outlay					
Total expenditures	42,140	45,725	45,725		36,426
Revenues over (under) expenditures	(42,140)	(45,725)	(45,725)		(36,426)
Other financing sources (uses):					
Transfers in (out):					
General Fund	42,140	45,725	45,725		36,426
Total other financing sources (uses)	42,140	45,725	45,725		36,426
Net change in fund balance					
Fund balance, beginning of year					
Fund balance, end of year	None	None	None	None	None

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, 2010
(with comparative actual amounts for the year ended September 30, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues	\$14,960	\$29,852	\$21,872	(\$7,980)	\$26,220
Charges for services					
Interest on investments					
Licenses and permits					
Rental income					
Other					
Total revenues	14,960	29,852	21,872	(7,980)	26,220
Expenditures:					
Current operations:					
Personnel services					
Supplies					
Other services and charges	14,960	29,852	23,353	6,499	25,981
Capital outlay					
Total expenditures	14,960	29,852	23,353	6,499	25,981
Revenues over (under) expenditures			(1,481)	(1,481)	239
Other financing sources (uses):					
Transfers in (out):					
General Fund					
Total other financing sources (uses)					
Net change in fund balance			(1,481)	(1,481)	239
Fund balance, beginning of year	1,481	1,481	1,481		1,242
Fund balance, end of year	<u>\$1,481</u>	<u>\$1,481</u>	<u>None</u>	<u>(\$1,481)</u>	<u>\$1,481</u>

COUNTY OF OTTAWA

**COMPENSATED ABSENCES SPECIAL REVENUE FUND (2980) -
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL**

For the Year Ended December 31, 2010
(with comparative actual amounts for the year ended December 31, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues					
Charges for services	\$119,000	\$119,000	\$69,431	(\$49,569)	\$39,213
Interest on investments	50,000	50,000	45,845	(4,155)	45,642
Licenses and permits					
Rental income					
Other					
Total revenues	169,000	169,000	115,276	(53,724)	84,855
Expenditures:					
Current operations:					
Personnel services	49,794	49,794	71,125	(21,331)	131,317
Supplies					
Other services and charges					
Capital outlay					
Total expenditures	49,794	49,794	71,125	(21,331)	131,317
Revenues over (under) expenditures	119,206	119,206	44,151	(75,055)	(46,462)
Other financing sources (uses):					
Transfers in (out):					
General Fund					(500,000)
Total other financing sources (uses)					(500,000)
Net change in fund balance	119,206	119,206	44,151	(75,055)	(546,462)
Fund balance, beginning of year	3,681,275	3,681,275	3,681,275		4,227,737
Fund balance, end of year	<u>\$3,800,481</u>	<u>\$3,800,481</u>	<u>\$3,725,426</u>	<u>(\$75,055)</u>	<u>\$3,681,275</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, 2010
(with comparative actual amounts for the year ended December 31, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Interest on investments					
Rental income	\$2,388,857	\$2,388,857	\$2,388,298	(\$559)	\$2,779,913
Total revenues	<u>2,388,857</u>	<u>2,388,857</u>	<u>2,388,298</u>	<u>(559)</u>	<u>2,779,913</u>
Expenditures:					
Debt service:					
Principal retirement	2,035,000	2,035,000	2,035,000		2,335,000
Interest and fiscal charges	1,116,432	1,116,432	1,115,198	1,234	1,207,113
Bond issuance costs					
Total expenditures	<u>3,151,432</u>	<u>3,151,432</u>	<u>3,150,198</u>	<u>1,234</u>	<u>3,542,113</u>
Revenues over (under) expenditures	<u>(762,575)</u>	<u>(762,575)</u>	<u>(761,900)</u>	<u>675</u>	<u>(762,200)</u>
Other financing sources (uses):					
Transfers in (out)					
Infrastructure	125,000	125,000	125,000		125,000
Public Improvement Fund	187,575	187,575	186,900	(675)	176,712
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					
Total other financing sources (uses)	<u>762,575</u>	<u>762,575</u>	<u>761,900</u>	<u>(675)</u>	<u>751,712</u>
Net change in fund balance					(10,488)
Fund balances, beginning of year					10,488
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, 2010
(with comparative actual amounts for the year ended December 31, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Interest on investments					
Other					
Total revenues					
Expenditures:					
Capital outlay		\$311,139	\$180,621	\$130,518	9,191,249
Bond issue costs					
Total expenditures		311,139	180,621	130,518	9,191,249
Revenues over (under) expenditures		(311,139)	(180,621)	130,518	(9,191,249)
Other financing sources (uses):					
Transfers in (out):					
General Fund		311,139	180,621	(130,518)	5,273,861
Health					
Solid Waste Clean-up					
Public Improvement					3,917,388
Department of Human Services					
Circuit Court - Child Care					
Telecommunications					
Equipment Pool					
Issuance of bonds					
Premium on bonds issued					
Total other financing sources (uses)		311,139	180,621	(130,518)	9,191,249
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, 2010
(with comparative actual amounts for the year ended December 31, 2009)

	2010				2009 Actual
	Original Budget	Final Amended Budget	Actual	Variance	
Revenues:					
Intergovernmental revenues					
Charges for services					
Interest on investments	\$88	\$88	\$67	(\$21)	\$97
Licenses and permits					
Rental income					
Other					
Total revenues	88	88	67	(21)	97
Expenditures:					
Personnel services					
Supplies					
Other services and charges					
Capital outlay					
Total expenditures					
Revenues over (under) expenditures	88	88	67	(21)	97
Other financing sources (uses):					
Transfers in (out):					
General Fund					
Total other financing sources (uses)					
Net change in fund balance	88	88	67	(21)	97
Fund balance, beginning of year	6,351	6,351	6,351		6,254
Fund balance, end of year	\$6,439	\$6,439	\$6,418	(\$21)	\$6,351

COUNTY OF OTTAWA

INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2010

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.

Protected Self-Funded Employee Insurance 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, 2010

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, 2010
(with comparative totals for December 31, 2009)

	Information Technology (6360)	Duplicating (6450)	Telecom- munications (6550)	Equipment Pool (6641)	Protected Self-Funded Insurance Programs (6770)	Protected Self-Funded Employee Insurance (6771)
<u>ASSETS</u>						
Current assets:						
Cash and pooled investments	\$2,466,988	\$657,898	\$2,717,116	\$3,182,823		\$3,473,291
Investments						
Accounts receivable	7,889		19,370			626,086
Accrued interest on investments						
Due from other governmental units						
Due from other funds	30,873	7,992	33,413	36,057	\$4,440,145	43,351
Inventory of supplies	50,651					
Prepaid expenses	230,536		213		10,000	229,458
Total current assets	<u>2,786,937</u>	<u>665,890</u>	<u>2,770,112</u>	<u>3,218,880</u>	<u>4,450,145</u>	<u>4,372,186</u>
Noncurrent assets:						
Capital assets:						
Office furniture and equipment				4,065,144		
Copy machines		150,486				
Telephone equipment			2,672,035			
Vehicles				4,281,586		
Less accumulated depreciation		(77,329)	(2,038,552)	(6,988,730)		
Net capital assets		<u>73,157</u>	<u>633,483</u>	<u>1,358,000</u>		
Total assets	<u>2,786,937</u>	<u>739,047</u>	<u>3,403,595</u>	<u>4,576,880</u>	<u>4,450,145</u>	<u>4,372,186</u>
<u>LIABILITIES</u>						
Current liabilities:						
Accounts payable	47,659	39,482	80,156	679	437,982	1,304,798
Interfund payable					284,468	
Due to other funds						
Due to other governmental units						
Capital lease payable						
Unearned revenue			57,293			
Total liabilities	<u>47,659</u>	<u>39,482</u>	<u>137,449</u>	<u>679</u>	<u>722,450</u>	<u>1,304,798</u>
<u>NET ASSETS</u>						
Investment in capital assets		73,157	633,483	1,358,000		
Restricted for managed care risk exposure						
Unrestricted	<u>2,739,278</u>	<u>626,408</u>	<u>2,632,663</u>	<u>3,218,201</u>	<u>3,727,695</u>	<u>3,067,388</u>
Total net assets	<u>\$2,739,278</u>	<u>\$699,565</u>	<u>\$3,266,146</u>	<u>\$4,576,201</u>	<u>\$3,727,695</u>	<u>\$3,067,388</u>

(Continued on next page)

COUNTY OF OTTAWA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
December 31, 2010
(with comparative totals for December 31, 2009)

	Protected Self-Funded Unemployment (6772)	Long-Term Disability Insurance (6775)	Ottawa County, Michigan Insurance Authority (6780)	Protected Self-Funded Insurance - Mental Health (6782)	Totals	
					2010	2009
<u>ASSETS</u>						
Current assets:						
Cash and pooled investments	\$816,148	\$102,394	\$309,853	\$1,666,623	\$15,393,134	\$14,659,348
Investments			23,958,223		23,958,223	20,872,619
Accounts receivable					653,345	558,363
Accrued interest on investments			150,371		150,371	153,960
Due from other governmental units						
Due from other funds	10,524	1,188			4,603,543	4,404,312
Inventory of supplies					50,651	46,652
Prepaid expenses		9,017	94,158		573,382	375,374
Total current assets	826,672	112,599	24,512,605	1,666,623	45,382,649	41,070,628
Noncurrent assets:						
Capital assets:						
Office furniture and equipment					4,065,144	3,960,723
Copy machines					150,486	111,317
Telephone equipment					2,672,035	2,460,674
Vehicles					4,281,586	4,104,023
Less accumulated depreciation					(9,104,611)	(8,175,578)
Net capital assets					2,064,640	2,461,159
Total assets	826,672	112,599	24,512,605	1,666,623	47,447,289	43,531,787
<u>LIABILITIES</u>						
Current liabilities:						
Accounts payable	532	110	7,920,137		9,831,535	9,996,636
Interfund payable					284,468	199,736
Due to other funds			4,440,145		4,440,145	4,264,289
Due to other governmental units	176,155				176,155	89,958
Capital lease payable						35,413
Unearned revenue					57,293	103,126
Total liabilities	176,687	110	12,360,282		14,789,596	14,689,158
<u>NET ASSETS</u>						
Investment in capital assets					2,064,640	2,425,746
Restricted for managed care risk exposure				1,666,623	1,666,623	1,665,790
Unrestricted	649,985	112,489	12,152,323		28,926,430	24,751,093
Total net assets	\$649,985	\$112,489	\$12,152,323	\$1,666,623	\$32,657,693	\$28,842,629

(Concluded)

COUNTY OF OTTAWA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
For the year ended December 31, 2010
(with comparative totals for the year ended December 31, 2009)

	Information Technology (6360)	Duplicating (6450)	Telecom- munications (6550)	Equipment Pool (6641)	Protected Self-Funded Insurance Programs (6770)	Protected Self-Funded Employee Insurance (6771)
Operating revenues:						
Charges for services	\$2,959,895	\$73,807	\$735,570	\$1,042,341	\$193,121	\$12,747,966
Other revenue						
Total operating revenues	<u>2,959,895</u>	<u>73,807</u>	<u>735,570</u>	<u>1,042,341</u>	<u>193,121</u>	<u>12,747,966</u>
Operating expenses:						
Personnel services	1,612,469	11,527	125,559	37,359	159,049	173,510
Contractual services	845,596	13,874	231,698		49,742	1,113,849
Supplies	60,341	9,772	4,234	4	188	19,564
Depreciation		20,305	112,113	1,036,337		
Building and equipment rental	114,399					
Claims and legal					203,025	10,563,756
Miscellaneous	243,039	15,951	20,813	40,583	4,982	24,741
Total operating expenses	<u>2,875,844</u>	<u>71,429</u>	<u>494,417</u>	<u>1,114,283</u>	<u>416,986</u>	<u>11,895,420</u>
Operating income (loss)	<u>84,051</u>	<u>2,378</u>	<u>241,153</u>	<u>(71,942)</u>	<u>(223,865)</u>	<u>852,546</u>
Nonoperating revenues (expenses):						
Interest on investments	30,873	7,992	33,413	36,057	187,087	43,351
Net change in the fair value of investments						
Gain (loss) on retirement of capital assets				(24,359)		
Total nonoperating revenues (expenses)	<u>30,873</u>	<u>7,992</u>	<u>33,413</u>	<u>11,698</u>	<u>187,087</u>	<u>43,351</u>
Income (loss) before transfers	114,924	10,370	274,566	(60,244)	(36,778)	895,897
Transfers in (out):						
Ottawa County Building Authority - Debt Service			(150,000)			
Total transfers			<u>(150,000)</u>			
Change in net assets	114,924	10,370	124,566	(60,244)	(36,778)	895,897
Total net assets, beginning of year	2,624,354	689,195	3,141,580	4,636,445	3,764,473	2,171,491
Total net assets, end of year	<u>\$2,739,278</u>	<u>\$699,565</u>	<u>\$3,266,146</u>	<u>\$4,576,201</u>	<u>\$3,727,695</u>	<u>\$3,067,388</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, 2010
(with comparative totals for the year ended December 31, 2009)

	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	
					2010	2009
Operating revenues:						
Charges for services	\$35,749	\$173,358	\$1,765,196		\$19,727,003	\$19,720,205
Other revenue			26,899		26,899	74,442
Total operating revenues	<u>35,749</u>	<u>173,358</u>	<u>1,792,095</u>		<u>19,753,902</u>	<u>19,794,647</u>
Operating expenses:						
Personnel services	56,241	7,608			2,183,322	2,137,007
Contractual services	14,966	163,290	591,690		3,024,705	2,463,946
Supplies					94,103	187,295
Depreciation					1,168,755	1,312,244
Building and equipment rental					114,399	121,084
Claims and legal	176,155		242,773		11,185,709	15,068,899
Miscellaneous	7,931	5,425			363,465	446,599
Total operating expenses	<u>255,293</u>	<u>176,323</u>	<u>834,463</u>		<u>18,134,458</u>	<u>21,737,074</u>
Operating income (loss)	<u>(219,544)</u>	<u>(2,965)</u>	<u>957,632</u>		<u>1,619,444</u>	<u>(1,942,427)</u>
Nonoperating revenues (expenses):						
Interest on investments	10,524	1,188	416,472	\$833	767,790	715,244
Net change in the fair value of investments			1,752,189		1,752,189	1,992,299
Gain (loss) on retirement of capital assets					(24,359)	49,428
Total nonoperating revenues (expenses)	<u>10,524</u>	<u>1,188</u>	<u>2,168,661</u>	<u>833</u>	<u>2,495,620</u>	<u>2,756,971</u>
Income (loss) before transfers	<u>(209,020)</u>	<u>(1,777)</u>	<u>3,126,293</u>	<u>833</u>	<u>4,115,064</u>	<u>814,544</u>
Transfers in (out):						
Ottawa County Building Authority - Debt Service			(150,000)		(300,000)	(300,000)
Total transfers			<u>(150,000)</u>		<u>(300,000)</u>	<u>(300,000)</u>
Change in net assets	<u>(209,020)</u>	<u>(1,777)</u>	<u>2,976,293</u>	<u>833</u>	<u>3,815,064</u>	<u>514,544</u>
Total net assets, beginning of year	859,005	114,266	9,176,030	1,665,790	28,842,629	28,328,085
Total net assets, end of year	<u>\$649,985</u>	<u>\$112,489</u>	<u>\$12,152,323</u>	<u>\$1,666,623</u>	<u>\$32,657,693</u>	<u>\$28,842,629</u>

(Concluded)

COUNTY OF OTTAWA
 INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 For the Year Ended December 31, 2010
 (with comparative totals for the year ended December 31, 2009)

	Information Technology (6360)	Duplicating (6450)	Tele- communications (6550)	Equipment Pool (6641)
Cash flows from operating activities:				
Cash received from interfund services provided	\$2,954,016	\$73,807	\$678,774	\$1,042,341
Cash payments to suppliers for goods and services	(1,248,117)	(422)	(172,749)	(40,587)
Cash payments for self-funded insurance claims				
Cash payments to employees for services	(1,612,470)	(11,527)	(125,560)	(37,649)
Net cash provided by (used for) operating activities	<u>93,429</u>	<u>61,858</u>	<u>380,465</u>	<u>964,105</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		(39,169)	(211,361)	(546,066)
Payment on capital lease				(35,413)
Proceeds from sale of equipment				
Net cash provided by (used for) capital and related financing activities		<u>(39,169)</u>	<u>(211,361)</u>	<u>(581,480)</u>
Cash flows from investing activities:				
Purchase of investments				
Interest on investments	25,869	7,157	28,286	26,055
Proceeds on sale of investments				
Net cash provided by (used for) investing activities	<u>25,869</u>	<u>7,157</u>	<u>28,286</u>	<u>26,055</u>
Net increase (decrease) in cash and pooled investments	119,298	29,846	47,390	408,681
Cash and pooled investments, beginning of year	<u>2,347,690</u>	<u>628,052</u>	<u>2,669,726</u>	<u>2,774,142</u>
Cash and pooled investments, end of year	<u><u>\$2,466,988</u></u>	<u><u>\$657,898</u></u>	<u><u>\$2,717,116</u></u>	<u><u>\$3,182,823</u></u>

(Continued on next page)

COUNTY OF OTTAWA
 INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 For the Year Ended December 31, 2010
 (with comparative totals for the year ended December 31, 2009)

	Protected Self-Funded Insurance Programs (6770)	Protected Self-Funded Employee Insurance (6771)	Protected Self-Funded Unemployment (6772)	Long-Term Disability Insurance (6775)
Cash flows from operating activities:				
Cash received from interfund services provided	\$193,121	\$12,747,966	\$35,749	\$173,358
Cash payments to suppliers for goods and services	(54,912)	(1,158,154)	(38,760)	(163,709)
Cash payments for self-funded insurance claims	(75,123)	(11,272,724)	(89,958)	
Cash payments to employees for services	(159,049)	(173,510)	(56,241)	(7,608)
Net cash provided by (used for) operating activities	<u>(95,963)</u>	<u>143,578</u>	<u>(149,210)</u>	<u>2,041</u>
Cash flows from noncapital financing activities:				
Transfers in from other funds	84,732			
Transfers out to other funds				
Net cash provided by (used for) noncapital financing activities	<u>84,732</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	11,231	40,729	10,838	1,089
Proceeds on sale of investments				
Net cash provided by (used for) investing activities	<u>11,231</u>	<u>40,729</u>	<u>10,838</u>	<u>1,089</u>
Net increase (decrease) in cash and pooled investments		184,307	(138,372)	3,130
Cash and pooled investments, beginning of year		<u>3,288,984</u>	<u>954,520</u>	<u>99,264</u>
Cash and pooled investments, end of year	<u>None</u>	<u>\$3,473,291</u>	<u>\$816,148</u>	<u>\$102,394</u>

(Continued on next page)

COUNTY OF OTTAWA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2010
 (with comparative totals for the year ended December 31, 2009)

	Ottawa County, Michigan Insurance Authority (6780)	Protected Self-Funded Insurance - Mental Health (6782)	<u>Totals</u>	
			2010	2009
Cash flows from operating activities:				
Cash received from interfund services provided	\$1,979,182		\$19,878,314	\$20,016,460
Cash payments to suppliers for goods and services	(225,212)		(3,102,622)	(3,060,093)
Cash payments for self-funded insurance claims	(611,943)		(12,049,748)	(13,259,384)
Cash payments to employees for services			(2,183,613)	(2,137,014)
Net cash provided by (used for) operating activities	<u>1,142,027</u>		<u>2,542,331</u>	<u>1,559,969</u>
Cash flows from noncapital financing activities:				
Transfers in from other funds			84,732	119,933
Transfers out to other funds	(150,000)		(300,000)	(300,000)
Net cash provided by (used for) noncapital financing activities	<u>(150,000)</u>		<u>(215,268)</u>	<u>(180,067)</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets			(796,597)	(874,936)
Payment on capital lease			(35,413)	(35,413)
Proceeds from sale of equipment				81,387
Net cash provided by (used for) capital and related financing activities			<u>(832,010)</u>	<u>(828,962)</u>
Cash flows from investing activities:				
Purchase of investments	(12,622,126)		(12,622,126)	(21,136,834)
Interest on investments	420,061	833	572,148	1,110,920
Proceeds on sale of investments	11,288,711		11,288,711	21,357,404
Net cash provided by (used for) investing activities	<u>(913,354)</u>	<u>833</u>	<u>(761,267)</u>	<u>1,331,490</u>
Net increase (decrease) in cash and pooled investments	78,673	833	733,786	1,882,430
Cash and pooled investments, beginning of year	<u>231,180</u>	<u>1,665,790</u>	<u>14,659,348</u>	<u>12,776,918</u>
Cash and pooled investments, end of year	<u>\$309,853</u>	<u>\$1,666,623</u>	<u>\$15,393,134</u>	<u>\$14,659,348</u>

(Continued on next page)

COUNTY OF OTTAWA
 INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 For the Year Ended December 31, 2010
 (with comparative totals for the year ended December 31, 2009)

	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)	\$84,051	\$2,378	\$241,153	(\$71,942)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation		20,305	112,113	1,036,337
Change in assets and liabilities not affecting cash provided by (used for) operating activities:				
(Increase) decrease in receivables	(5,879)		(10,963)	
(Increase) decrease in due from other governmental units				
(Increase) decrease in inventory	(3,999)			
(Increase) decrease in prepaid expenses	9,992		5,617	
Increase (decrease) in unpaid claims liability				
Increase (decrease) in unearned revenue			(45,833)	
Increase (decrease) in accounts payable	9,264	39,175	78,378	(290)
Increase (decrease) in due to other other governmental units				
Increase (decrease) in due to other funds				
Net cash provided by (used for) operating activities	\$93,429	\$61,858	\$380,465	\$964,105

(Continued on next page)

COUNTY OF OTTAWA
 INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 For the Year Ended December 31, 2010
 (with comparative totals for the year ended December 31, 2009)

	Protected Self-Funded Insurance Programs (6770)	Protected Self-Funded Health (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)	(\$223,865)	\$852,546	(\$219,544)	(\$2,965)
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		(78,140)		
(Increase) decrease in due from other governmental units				
(Increase) decrease in inventory				
(Increase) decrease in prepaid expenses		(219,758)		5,023
Increase (decrease) in unpaid claims liability				
Increase (decrease) in unearned revenue				
Increase (decrease) in accounts payable	127,902	(411,070)	(15,863)	(17)
Increase (decrease) in due to other other governmental units			86,197	
Increase (decrease) in due to other funds				
Net cash provided by (used for) operating activities	<u>(\$95,963)</u>	<u>\$143,578</u>	<u>(\$149,210)</u>	<u>\$2,041</u>

(Continued on next page)

COUNTY OF OTTAWA
 INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 For the Year Ended December 31, 2010
 (with comparative totals for the year ended December 31, 2009)

	Ottawa County, Michigan Insurance Authority (6780)	Protected Self-Funded Insurance - Mental Health (6782)	<u>Totals</u>	
			<u>2010</u>	<u>2009</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$957,632		\$1,619,444	(\$1,942,427)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation			1,168,755	1,312,244
Change in assets and liabilities not affecting cash provided by (used for) operating activities:				
(Increase) decrease in receivables			(94,982)	(410,632)
(Increase) decrease in due from other governmental units				
(Increase) decrease in inventory			(3,999)	(3,241)
(Increase) decrease in prepaid expenses	1,118		(198,008)	(106,864)
Increase (decrease) in unpaid claims liability	7,421		7,421	1,823,992
Increase (decrease) in unearned revenue			(45,833)	(45,833)
Increase (decrease) in accounts payable			(172,520)	714,302
Increase (decrease) in due to other other governmental units			86,197	43,323
Increase (decrease) in due to other funds	175,856		175,856	175,105
Net cash provided by (used for) operating activities	<u>\$1,142,027</u>	<u>None</u>	<u>\$2,542,331</u>	<u>\$1,559,969</u>
				<i>(Concluded)</i>

COUNTY OF OTTAWA

FIDUCIARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2010

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 the County's libraries.

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, 2010

(with comparative totals for December 31, 2009)

	Agency Funds				Total	
	Trust and Agency 7010	Library Penal Fine 7210	Imprest Payroll 7040	Inland Lake Improvement 8725	2010	2009
ASSETS						
Cash and pooled investments	\$2,179,732	\$520,058	\$1,230,841	\$181,868	\$4,112,499	\$4,128,330
Receivables:						
Accounts	80,159				80,159	100,651
Due from other governmental units	22,614				22,614	26,945
Total assets	<u>\$2,282,505</u>	<u>\$520,058</u>	<u>\$1,230,841</u>	<u>\$181,868</u>	<u>\$4,215,272</u>	<u>\$4,255,926</u>
LIABILITIES						
Liabilities:						
Due to other governmental units:						
Due to State of Michigan	\$933,375		\$220,258		\$1,153,633	\$1,359,968
Fines and fees due to local libraries		\$520,058			520,058	723,738
Agency deposits	1,349,130		1,010,583	\$181,868	2,541,581	2,172,220
Total liabilities	<u>\$2,282,505</u>	<u>\$520,058</u>	<u>\$1,230,841</u>	<u>\$181,868</u>	<u>\$4,215,272</u>	<u>\$4,255,926</u>

COUNTY OF OTTAWA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2010

	Balances January 1, 2010	Additions	Deductions	Balances December 31, 2010
<u>TRUST AND AGENCY FUND (7010)</u>				
<u>ASSETS</u>				
Cash and pooled investments	\$1,533,323	\$130,656,796	\$130,010,387	\$2,179,732
Accounts receivable	105,559	794,796	820,196	80,159
Due from other governmental units	41,551	179,247	198,184	22,614
Total assets	\$1,680,433	\$131,630,839	\$131,028,767	\$2,282,505
<u>LIABILITIES</u>				
Due to other taxing units		\$41,309,359	\$41,309,359	
Due to State of Michigan	\$820,877	64,201,892	64,089,394	\$933,375
Agency deposits	859,556	92,923,692	92,434,118	1,349,130
Total liabilities	\$1,680,433	\$198,434,943	\$197,832,871	\$2,282,505
 <u>LIBRARY PENAL FINE FUND (7210)</u>				
<u>ASSETS</u>				
Cash and pooled investments	\$581,685	\$1,119,783	\$1,181,410	\$520,058
Total assets	\$581,685	\$1,119,783	\$1,181,410	\$520,058
<u>LIABILITIES</u>				
Fines and fees due to local libraries	\$581,685	\$1,119,783	\$1,181,410	\$520,058
Agency deposits		1,161,593	1,161,593	
Total liabilities	\$581,685	\$2,281,376	\$2,343,003	\$520,058

(Continued on next page)

COUNTY OF OTTAWA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2010

	Balances January 1, 2010	Additions	Deductions	Balances December 31, 2010
<u>IMPREST PAYROLL FUND (7040)</u>				
<u>ASSETS</u>				
Cash and pooled investments	\$1,052,995	\$68,843,727	\$68,665,881	\$1,230,841
Accounts receivable		66,776,814	66,776,814	
Total assets	<u>\$1,052,995</u>	<u>\$135,620,541</u>	<u>\$135,442,695</u>	<u>\$1,230,841</u>
<u>LIABILITIES</u>				
Due to State of Michigan	\$230,786	\$1,874,460	\$1,884,988	\$220,258
Agency deposits	822,209	71,018,508	70,830,134	1,010,583
Total liabilities	<u>\$1,052,995</u>	<u>\$72,892,968</u>	<u>\$72,715,122</u>	<u>\$1,230,841</u>
<u>INLAND LAKE IMPROVEMENT (8725)</u>				
<u>ASSETS</u>				
Cash and pooled investments	\$150,433	\$564,003	\$532,568	\$181,868
Total assets	<u>\$150,433</u>	<u>\$564,003</u>	<u>\$532,568</u>	<u>\$181,868</u>
<u>LIABILITIES</u>				
Agency deposits	\$150,433	\$552,669	\$521,234	\$181,868
Total liabilities	<u>\$150,433</u>	<u>\$552,669</u>	<u>\$521,234</u>	<u>\$181,868</u>
<u>TOTALS - AGENCY FUNDS</u>				
<u>ASSETS</u>				
Cash and pooled investments	\$3,318,436	\$201,184,309	\$200,390,246	\$4,112,499
Accounts receivable	105,559	67,571,610	67,597,010	80,159
Due from other governmental units	41,551	179,247	198,184	22,614
Total assets	<u>\$3,465,546</u>	<u>\$268,935,166</u>	<u>\$268,185,440</u>	<u>\$4,215,272</u>
<u>LIABILITIES</u>				
Due to other taxing units		\$41,309,359	\$41,309,359	
Due to State of Michigan	\$1,051,663	66,076,352	65,974,382	\$1,153,633
Fines and fees due to local libraries	581,685	1,119,783	1,181,410	520,058
Agency deposits	1,832,198	165,656,462	164,947,079	2,541,581
Total liabilities	<u>\$3,465,546</u>	<u>\$274,161,956</u>	<u>\$273,412,230</u>	<u>\$4,215,272</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.

Contents

	<u>Page</u>
Financial Trends	
<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>	190
Revenue Capacity	
<i>These schedules contain information to help the reader assess the County’s most significant local revenue source, the property tax.</i>	196
Debt Capacity	
<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>	200
Demographic and Economic Information	
<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>	203
Operating Information	
<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>	205

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									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Governmental Activities										
Invested in capital assets, net of related debt	\$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	\$35,558,261
Restricted	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	25,622,231
Unrestricted	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	48,344,792
Total Governmental Activities										
Net Assets	\$188,256,829	\$187,997,445	\$190,869,466	\$189,321,290	\$179,429,486	\$163,419,452	\$140,832,260	\$127,615,725	\$116,481,610	\$109,525,284
Business-Type Activities										
Invested in capital assets, net of related debt	\$0	\$0	\$2,025	\$3,037	\$4,049	\$5,423	\$6,873	\$8,690	\$10,433	\$13,084
Restricted	222,198	232,381								
Unrestricted	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	27,416,325
Total Business-Type Activities										
Net Assets	\$24,271,796	\$24,727,300	\$24,562,182	\$24,406,620	\$24,236,439	\$24,343,239	\$25,227,438	\$26,578,001	\$27,493,777	\$27,429,409
Primary Government										
Invested in capital assets, net of related debt	\$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	\$35,571,345
Restricted	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	25,622,231
Unrestricted	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	75,761,117
Total Primary Government										
Net Assets	\$212,528,625	\$212,724,745	\$215,431,648	\$213,727,910	\$203,665,925	\$187,762,691	\$166,059,698	\$154,193,726	\$143,975,387	\$136,954,693

**COUNTY OF OTTAWA
CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Expenses										
Governmental Activities:										
Legislative	\$476,002	\$547,466	\$548,719	\$627,625	\$520,618	\$548,532	\$469,994	\$485,174	\$495,502	\$475,045
Judicial	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	12,314,531
General government	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	9,462,268
Public safety	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	19,734,031
Public works	1,625,519	2,153,528	(739,191)	1,264,883	(1,437,838)	(508,530)	1,044,377	742,711	26,442	4,567,437
Health and welfare	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	39,924,234
Community and economic development	572,601	638,164	624,254	601,758	605,805	555,485	848,964	558,852		
Culture and recreation	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	1,324,736
Interest on long-term debt	1,120,937	1,215,945	1,308,463	1,018,189	741,070	709,485	890,774	958,283	1,009,585	1,274,567
Total Governmental Activities Expenses	129,357,603	128,547,626	119,560,102	114,487,006	108,917,424	104,199,241	100,176,150	94,929,707	92,487,568	89,076,849
Business-Type Activities:										
Delinquent tax collection	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	1,884,112
Total Business-Type Activities Expenses	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	1,884,112
Total Primary Government Expenses	\$131,976,967	\$131,184,641	\$122,162,330	\$117,028,556	\$111,160,863	\$105,988,902	\$102,064,360	\$96,822,071	\$94,381,237	\$90,960,961
Program Revenues										
Governmental Activities:										
Charges for services:										
Judicial	\$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	\$3,372,516
General government	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	7,002,539
Public safety	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	3,327,639
Public works	349,904	344,926	405,175	403,922	446,501	441,146	417,824	417,582	445,492	432,764
Health and welfare	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	2,280,064
Community and economic development	18,552	441	10,901	10,605	23,770	20,997	411,092	355,147	276,531	274,806
Culture and recreation	474,325	522,197	522,973	560,488	289,658	301,842	2,243,461	2,351,754	2,357,518	2,359,120
Interest on long-term debt	2,388,298	2,779,913	2,774,563	2,769,438	2,439,503	2,008,656	2,043,461	38,146,000	39,075,902	38,045,513
Operating grants and contributions	59,187,333	53,071,822	51,809,963	51,516,123	46,999,986	47,211,640	42,742,884	944,647	412,699	613,085
Capital grants and contributions	898,053	2,213,859	613,507	1,513,884	850,262	9,250,395	464,436			
Total Governmental Activities Program Revenues	\$83,318,675	\$78,065,649	\$76,038,643	\$76,071,865	\$70,443,914	\$78,446,451	\$64,544,608	\$60,757,789	\$59,822,674	\$57,708,046
Business-Type Activities:										
Charges for services:										
Delinquent tax collection	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	1,234,332
Total Business-Type Activities Program Revenues	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	1,234,332
Total Primary Government Program Revenues	\$85,432,457	\$80,861,399	\$78,240,237	\$77,783,780	\$71,735,767	\$79,541,692	\$65,481,089	\$61,762,278	\$60,998,279	\$58,942,378

(continued on next page)

**COUNTY OF OTTAWA
CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Net (Expense)/Revenue										
Governmental activities	(\$46,038,928)	(\$50,481,977)	(\$43,521,459)	(\$38,415,141)	(\$38,473,510)	(\$25,752,790)	(\$35,631,542)	(\$34,171,918)	(\$32,664,894)	(\$31,368,803)
Business-type activities	(505,582)	158,735	(400,634)	(829,635)	(951,586)	(694,420)	(951,729)	(887,875)	(718,064)	(649,780)
Total Primary Government Net Expense	(\$46,544,510)	(\$50,323,242)	(\$43,922,093)	(\$39,244,776)	(\$39,425,096)	(\$26,447,210)	(\$36,583,271)	(\$35,059,793)	(\$33,382,958)	(\$32,018,583)
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Taxes										
Property taxes	\$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	\$27,635,964
Unrestricted grants and contributions	51,346	52,393	29,044	21,545	24,657	31,374	1,448,461	4,236,699	4,759,864	5,456,975
Investment earnings	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	5,974,915
Miscellaneous	502,476	368,669	379,989	524,250	261,156	307,525	316,890	258,117	413,552	629,538
Capital contributions						0	100,000	6,149,100		
Transfers	189,008	202,815	176,960	24,224	7,738	618,987	805,899	746,305	442,988	508,140
Special item: Contribution to West Michigan Enforcement Team for formation								(481,329)		
Total Governmental Activities	\$46,298,312	\$47,609,956	\$45,069,635	\$49,051,083	\$54,483,544	\$48,339,982	\$46,718,809	\$45,009,022	\$39,621,220	\$40,205,532
Business-Type Activities:										
Unrestricted grants	200,078	157,817	702,619	999,816	844,786	440,423	401,166	547,099	1,332,432	1,421,743
Investment earnings	0	(1,434)								
Miscellaneous	(150,000)	(150,000)	(150,000)			(630,202)	(800,000)	(575,000)	(550,000)	(525,000)
Transfers	50,078	6,383	556,196	999,816	844,786	(189,779)	(398,834)	(27,901)	782,432	896,743
Total Business-Type Activities	\$46,348,390	\$47,616,339	\$45,625,831	\$50,050,899	\$55,328,330	\$48,150,203	\$46,319,975	\$44,981,121	\$40,403,652	\$41,102,275
Total Primary Government										
Changes in Net Assets										
Governmental activities	\$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	\$8,836,729
Business-type activities	(455,504)	165,118	155,562	170,181	(106,800)	(884,199)	(1,350,563)	(915,776)	64,368	246,963
Total Primary Government	(\$196,120)	(\$2,706,903)	\$1,703,738	\$10,806,123	\$15,903,234	\$21,702,993	\$9,736,704	\$9,921,328	\$7,020,694	\$9,083,692

(concluded)

**COUNTY OF OTTAWA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General Fund										
Reserved	\$2,485,417	\$2,463,646	\$2,399,141	\$2,383,291	\$2,359,739	\$1,914,675	\$1,734,514	\$1,630,225	\$1,388,523	\$1,368,696
Unreserved	15,494,084	14,249,311	19,685,285	19,763,187	17,503,887	15,970,916	15,567,791	12,932,053	10,929,404	13,797,056
Total General Fund	<u>\$17,979,501</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>	<u>\$15,165,752</u>
All Other Governmental Funds										
Reserved	\$4,730,743	\$9,311,357	\$17,787,698	\$22,544,510	\$24,704,233	\$19,584,065	\$7,559,074	\$580,576	\$564,962	\$488,764
Unreserved, reported in:										
Special revenue funds	27,199,784	27,151,539	30,712,913	36,148,248	34,129,511	33,089,612	39,980,174	43,869,777	49,118,501	41,504,475
Capital projects funds				4,766,982	253,715	2,374,153				
Permanent funds	648	581	484	266		331	209			4,996
Debt service funds			10,488	10,801	10,381					
Total	<u>\$31,931,175</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>	<u>\$41,998,235</u>

COUNTY OF OTTAWA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS

	2010	2009	2008	2007	2006
Revenues					
Taxes	\$42,348,687	\$43,680,112	\$43,141,153	\$41,740,361	\$49,182,314
Intergovernmental	64,864,135	60,128,208	56,434,209	56,197,074	50,708,309
Charges for services	9,182,235	8,512,541	9,964,645	9,767,081	9,646,695
Fines and forfeits	1,059,777	1,008,906	943,444	1,019,126	1,054,192
Investment earnings	686,816	598,424	3,470,029	4,362,275	3,184,509
Licenses and permits	682,162	652,886	639,978	624,236	674,810
Rental Income	5,888,783	6,372,474	6,272,068	6,442,950	5,998,857
Other revenues	1,872,377	1,514,342	1,665,938	1,764,038	1,832,591
Total Revenues	126,584,972	122,467,893	122,531,464	121,917,141	122,282,277
Expenditures					
Legislative	486,009	540,483	559,364	625,263	524,438
Judicial	14,069,261	14,357,862	14,485,029	13,576,215	12,723,585
General government	13,293,991	13,303,007	13,068,576	12,752,949	12,749,953
Public safety	28,961,133	28,255,423	27,511,087	25,809,803	24,539,124
Public works	1,267,255	1,137,666	807,457	863,260	668,915
Health and welfare	63,515,125	59,250,617	58,809,002	57,774,307	54,607,601
Community and economic development	579,516	634,793	633,980	600,570	605,318
Culture and recreation	2,234,518	2,123,869	1,774,863	1,498,687	1,641,099
Other governmental functions	225,829	149,627	272,874	147,251	163,642
Capital outlay	2,556,903	17,165,013	20,669,867	8,856,079	5,140,660
Debt service					
Interest and fiscal charges	2,035,000	1,207,113	1,302,601	1,059,013	733,395
Principal	1,115,198	2,335,000	2,235,000	1,830,000	1,720,000
Total Expenditures	130,339,738	140,460,473	142,129,700	125,393,397	115,817,730
Excess of Revenues					
Over (Under) Expenditures	(3,754,766)	(17,992,580)	(19,598,236)	(3,476,256)	6,464,547
Other Financing Sources (Uses)					
Transfers from other funds	15,888,171	26,901,059	28,937,698	18,396,869	17,593,905
Transfers to other funds	(15,435,158)	(26,398,244)	(24,360,738)	(18,343,645)	(18,030,738)
Transfers to component units					
Proceeds from capital lease	35,995	70,190			
Issuance of bonds				10,000,000	
Refunding bonds issued					
Premium on bonds issued				78,851	
Payment to refunding bond escrow agent					
Total Other Financing Sources (Uses)	489,008	573,005	4,576,960	10,132,075	(436,833)
Special Item:					
Contribution to West Michigan					
Enforcement Team for formation					
Net Change in Fund Balances	(\$3,265,758)	(\$17,419,575)	(\$15,021,276)	\$6,655,819	\$6,027,714
Debt Service as a					
Percentage of Noncapital Expenditures (1)	2.47%	2.87%	2.91%	2.48%	2.22%

(1) Capital expenditures within the functional expenditure categories have been deducted.

COUNTY OF OTTAWA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS

	2005	2004	2003	2002	2001
Revenues					
Taxes	\$44,867,713	\$41,606,745	\$30,477,703	\$29,108,216	\$27,635,964
Intergovernmental	56,055,124	47,634,209	45,591,195	46,857,944	46,792,519
Charges for services	9,795,022	10,135,135	10,797,855	9,335,988	8,468,512
Fines and forfeits	1,076,449	1,033,297	1,000,292	1,068,804	1,083,225
Investment earnings	1,561,657	1,413,570	1,826,467	4,442,975	4,804,119
Licenses and permits	745,950	704,422	661,333	545,031	533,326
Rental Income	5,442,363	5,253,344	5,244,366	5,504,855	5,424,089
Other revenues	2,189,691	989,481	1,013,754	1,153,830	1,378,215
Total Revenues	121,733,969	108,770,203	96,612,965	98,017,643	96,119,969
Expenditures					
Legislative	549,673	463,217	480,630	489,564	469,478
Judicial	12,124,762	11,754,724	11,717,496	12,709,838	12,190,228
General government	12,470,763	11,528,237	9,828,250	9,789,942	8,235,430
Public safety	23,646,691	21,889,931	20,811,049	21,798,498	16,521,273
Public works	550,295	682,435	677,432	746,928	625,731
Health and welfare	51,346,970	47,197,156	43,501,375	43,083,010	39,256,986
Community and economic development	555,363	843,051	555,858		
Culture and recreation	1,507,733	1,310,643	977,414	1,126,684	1,156,873
Other governmental functions	119,565	107,577	99,322	60,411	49,341
Capital outlay	17,313,458	8,915,367	12,504,071	1,658,659	3,942,697
Debt service	1,298,259	904,901	965,822	1,020,975	1,072,564
	1,460,000	1,395,000	1,340,000	1,295,000	1,245,000
Total Expenditures	122,943,532	106,992,239	103,458,719	93,779,509	84,765,601
Excess of Revenues Over (Under) Expenditures	(1,209,563)	1,777,964	(6,845,754)	4,238,134	11,354,368
Other Financing Sources (Uses)					
Transfers from other funds	21,046,183	18,932,766	12,420,974	16,127,216	15,080,069
Transfers to other funds	(19,880,952)	(14,881,599)	(11,141,169)	(15,527,947)	(14,274,755)
Transfers to component units					(2,461,108)
Proceeds from capital lease					
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)				
Total Other Financing Sources (Uses)	9,301,553	4,051,167	1,279,805	599,269	(1,655,794)
Special Item: Contribution to West Michigan Enforcement Team for formation			(481,329)		
Net Change in Fund Balances	\$8,091,990	\$5,829,131	(\$6,047,278)	\$4,837,403	\$9,698,574
Debt Service as a Percentage of Noncapital Expenditures (1)	2.61%	2.34%	2.54%	2.51%	2.87%

(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

Fiscal Year Ended Dec 31,	Residential Property (1)	Commercial Property (1)	Industrial Property (1)	Other Property (1)	Total Assessed Value (2)	Total Direct Tax Rate	Total Taxable Value (3)	Total Estimated Actual Value	Percentage of Assessed to Estimated Values
2001	\$5,276,733,794	\$1,131,363,739	\$913,986,052	\$515,736,876	\$7,837,820,461	4.3760	\$6,677,256,800	\$15,743,384,265	49.78%
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%

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**

	2001	2002	2003	2004	2005	2006	2007	2008	2009
County Direct Rates									
Operating	3.6000	3.5000	3.4000	3.4000	4.6666	4.6666	4.7666	3.6000	3.6000
Parks	0.3245	0.3229	0.3208	0.3182	0.3174	0.3168	0.3165	0.3165	0.3165
E-911	0.4515	0.4493	0.4464	0.4429	0.4419	0.4411	0.4407	0.4407	0.4407
Total Direct Rate (1)	4.3760	4.2722	4.1672	4.1611	5.4259	5.4245	5.5238	4.3572	4.3572
City and Village Rates									
Coopersville	15.2882	15.2700	15.1222	14.9036	14.9939	14.7991	14.9025	15.1987	14.4594
Ferrysburg	11.9971	11.9899	11.9864	11.9788	11.9788	11.9788	11.5828	11.5027	10.3377
Grand Haven	13.4788	12.7319	12.8663	13.2423	13.0859	13.0859	13.1853	14.3642	14.3609
Holland	15.9104	15.6662	15.5895	15.5695	15.5396	15.4996	15.6497	15.9894	15.9904
Hudsonville	12.2369	12.2369	12.2342	12.2322	12.2322	11.2226	11.2050	11.2623	11.2639
Zeeland	12.8858	12.3852	11.3854	11.3854	11.3854	11.3854	11.3854	11.4854	11.2354
Spring Lake Village	12.1619	12.1619	13.1619	13.1619	13.0619	11.9619	11.8619	11.8619	11.6619
Township Rates	1.09-9.33	1.03-8.11	1.0-8.02	1.21-8.02	1.21-8.08	1.35-8.12	1.35-8.12	1.35-7.97	1.35-7.97
School Rates									
Homestead	3.40 - 9.23	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
Non-Homestead	21.40 - 26.69	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

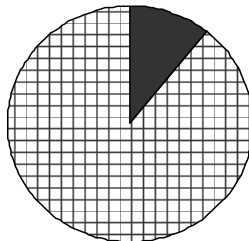
(1) In October of 2004, the State of Michigan eliminated State Revenue Sharing payments to counties. To assist counties in preventing the loss of key services, the county property tax levy will gradually be moved up from December to July over three years. Effective December 2004 through 2006 tax collection, one t of the levy is placed into the Revenue Sharing Reserve Fund (RSRF) that the County will manage and be able to withdraw 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	2010			2001		
		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	\$654,895,905	1	6.81%	\$325,758,703	1	4.88%
Gentex Corporation	Automotive Components	95,295,111	2	0.99%			
Mead Johnson and Co.	Food Products	55,568,395	3	0.58%	61,086,965	3	0.91%
Herman Miller Inc.	Office Furniture	52,686,915	4	0.55%	78,194,589	2	1.17%
Leprino Foods Inc.	Cheese Production	40,835,104	5	0.42%			
Johnson Controls Interiors	Automotive Components	35,191,371	6	0.37%	36,764,893	7	0.55%
Shape Corp.	Metal Extrusion	30,171,947	7	0.31%	21,670,026	10	0.32%
Bil Mar Foods Inc./Sara Lee	Food Products	30,053,454	8	0.31%	26,753,424	8	0.40%
Request Foods	Food Products	22,369,600	9	0.23%			0.00%
Michigan Electric Transmission	Utility	18,503,913	10	0.19%			
Parke-Davis Co.	Pharmaceutical				58,162,492	4	0.87%
Delphi Automotive	Automotive Components				42,056,175	5	0.63%
Meijer	Retail Store				24,617,415	9	0.37%
Donnelly Corp.	Automotive Components				37,176,121	6	0.56%
		<u>\$1,035,571,715</u>		<u>10.76%</u>	<u>\$712,240,803</u>		<u>10.66%</u>

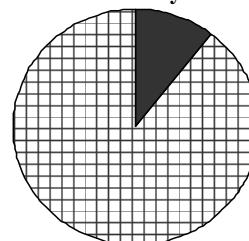
Source: Ottawa County Equalization Department. The 2010 and 2001 total Taxable Values were \$9,612,697,661 and \$6,192,771,645.

**Concentration of Taxpayers in
Ottawa County - 2010**



■ Top Ten Taxpayers □ All Other Taxpayers

**Concentration of Taxpayers in
Ottawa County - 2001**



■ Top Ten Taxpayers □ All Other Taxpayers

**County of Ottawa
Property Tax Levies and Collections
Last Ten Calendar Years**

Fiscal Year Ended Dec 31,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2001	\$27,098,718	\$25,716,262	94.90%	\$1,253,132	\$26,969,394	99.52%
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	35,555,360	34,244,434	96.31%	1,276,732	35,521,166	99.90%
2005/2006 (1)	36,588,240	35,249,126	96.34%	886,676	36,135,802	98.76%
2006	38,982,510	37,412,013	95.97%	904,946	38,316,959	98.29%
2007	41,867,866	40,269,739	96.18%	896,723	41,166,462	98.32%
2008	43,144,926	41,437,107	96.04%	1,030,897	42,468,004	98.43%
2009	43,598,505	42,093,132	96.55%	936,707	43,029,839	98.70%
2010	41,800,971	40,617,242	97.17%	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)	Per Capita Personal Income (2)	Population (2)	Direct Per Capita Debt	Assessed Value (3)	Bonds Percent of Assessed Value
2001	\$20,825,000	\$391,595	n/a	\$21,216,595	0.31%	\$6,769,599	\$27,801	243,502	87.13	\$7,837,820,461	0.27%
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	n/a	n/a	n/a	263,801	87.65	10,990,874,852	0.21%

(1) Does not include the landfill reclamation, compensated absences, and the net pension obligation.

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, 2010

	<u>Net Debt Outstanding</u>	<u>Percentage Applicable To County of Ottawa</u>	<u>Amount Applicable To County of Ottawa</u>
Direct:			
County at large	<u>\$23,075,000</u>	100.0%	<u>\$23,075,000</u>
Total Direct	<u>\$23,075,000</u>		<u>\$23,075,000</u>
Overlapping:			
Townships Debt Guaranteed by County (1)	\$111,134,192	100.0%	\$111,134,192
School districts	865,175,385	77.1%	667,335,713
Cities and villages (1)	88,421,042	83.5%	73,787,817
Grand Rapids Community College	52,655,000	1.3%	700,312
Library	10,610,000	100.0%	10,610,000
Holland Area Swimming Pool	<u>6,005,000</u>	63.8%	<u>3,832,992</u>
Total Overlapping	<u>\$1,134,000,619</u>		<u>\$867,401,026</u>
Grand Total	<u><u>\$1,157,075,619</u></u>		<u><u>\$890,476,026</u></u>

(1) Includes county-issued bonds paid by local municipalities

Source: Michigan Municipal Advisory Council

COUNTY OF OTTAWA

RATIO OF NET GENERAL OBLIGATION DEBT OUTSTANDING AND LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Assessed Value of Property	\$ 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	\$ 7,837,820,461
Debt Limit 10% of Assessed Value	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	783,782,046
Amount of Debt Applicable to Limit General Obligation Bond Debt (1)	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	104,101,021
Other Debt	-	-	-	28,840	101,232	167,703	228,737	284,781	336,242	429,095
Less: Resources Restricted to Paying Principal	(684,327)	(225,925)	(147,515)	(167,828)	(1,448,703)	(1,433,484)	(1,303,300)	(2,104,346)	(1,453,457)	(799,270)
Total Net debt applicable to Limit	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	103,730,846
Legal Debt Margin	\$ 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	\$ 680,051,200
Total Net Debt applicable to the Limit as a percentage of Debt Limit	13.11%	11.32%	10.23%	11.20%	8.02%	9.17%	9.34%	10.17%	11.94%	13.23%
Ratio of Net General Obligation Debt to Assessed Value of Property	1.311%	1.132%	1.023%	1.120%	0.802%	0.917%	0.934%	1.017%	1.194%	1.323%
Debt Per Capita of Total Net General Obligation Debt	\$546.06	\$505.71	\$470.30	\$507.11	\$344.24	\$372.99	\$360.53	\$373.52	\$414.73	\$426.00

(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 Road Commission or the Numica 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**

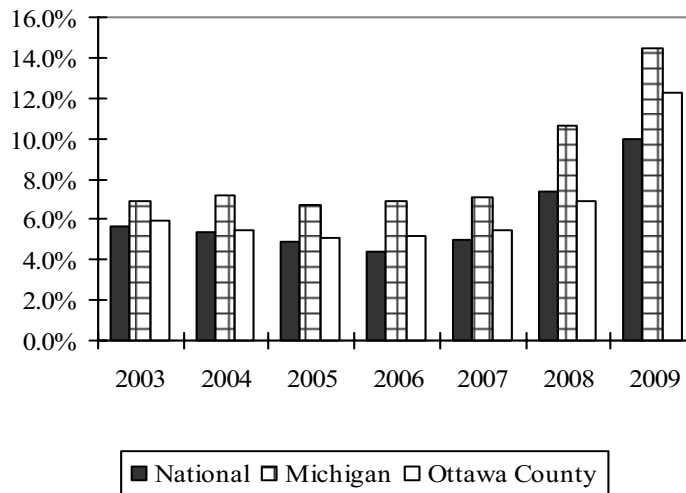
Fiscal Year	Population (1)	Personal Income (thousands of dollars) (1)	Per Capita Income (1)	Median Age (2)	School Enrollment (3)	Unemployment Rate (4)
2001	243,502	\$6,769,599	\$27,801	32.4	54,620	4.1%
2002	246,332	6,816,596	27,672	32.6	55,293	5.4%
2003	249,228	7,089,238	28,445	32.9	55,060	5.9%
2004	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	n/a	n/a	n/a	55,234	11.0%

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	2010			2001		
		Employees (1)	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Herman Miller	Office Furniture	3,398	1	3.0%	5,766	1	4.5%
Gentex Corporation	Automotive Mirrors	2,766	2	2.4%	1,700	7	1.3%
Grand Valley State University (3)	Higher Education	2,555	3	2.2%	1,735	6	1.3%
Johnson Controls (2) , (4)	Automotive Interior Parts	1,924	4	1.7%	5,000	2	3.9%
Haworth (2)	Office Furniture	1,806	5	1.6%	2,474	3	1.9%
Shape Corporation	Metal Roll Forming	1,471	6	1.3%			
Holland Hospital	Health Care	1,780	5	1.6%	1,520	8	1.2%
Magna Mirrors (2)	Automotive Windows	1,300	7	1.1%	2,140	4	1.7%
Meijer	Retailer	1,297	8	1.1%	1,989	5	1.5%
County of Ottawa	Government	1,168	9	1.0%	1,097	10	0.9%
Hudsonville Public Schools	Education	943	10	0.8%			
Holland Public Schools	Education				1,511	9	1.2%
		20,408		17.8%	24,932		19.2%

Source: Ottawa County Economic Development Office, Inc. and State of Michigan Total employment in 2010 was 114,805 and in 2001 was 129,577.

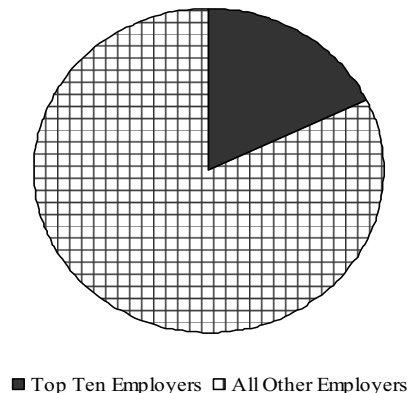
(1) Excludes temporary employment agencies

(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

(4) Excludes SAFT battery operation

Concentration of Employers in Ottawa County



**COUNTY OF OTTAWA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Legislative	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	13,000	13,000
Judicial	125,025	132,075	126,775	125,775	127,900	127,175	129,727	142,975	149,975	145,600
General Government	166,075	180,500	179,650	180,150	181,150	181,750	175,350	172,350	166,975	161,825
Public Safety	219,893	222,200	218,950	217,200	211,200	210,490	204,800	205,100	182,100	174,460
Public Works	4,420	4,720	4,720	4,720	4,600	4,600	2,600	2,590	2,090	1,590
Health and welfare	342,755	366,954	375,455	382,455	393,160	397,800	376,100	361,860	362,620	346,460
Community and economic development	5,950	6,950	6,950	6,950	6,950	6,950	6,950	7,950	7,950	4,950
Culture and recreation	15,000	15,000	13,000	13,000	12,000	12,000	10,000	9,540	9,540	9,540
Total	890,118	939,399	936,500	941,250	947,960	951,765	916,527	913,365	894,250	857,425

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	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Judicial										
Circuit Court										
Total Civil Cases	1,328	1,465	1,340	1,263	1,237	1,202	2,105	1,713	1,614	1,833
Total Criminal Cases	1,048	1,090	1,127	1,218	1,169	1,055	1,359	1,136	1,104	977
District Court										
Felony Cases	1,420	1,419	1,542	1,584	1,477	1,347	1,385	1,392	1,449	1,325
Misdemeanor Cases	9,314	9,646	10,301	10,606	10,317	9,714	8,889	10,695	11,634	12,182
General Civil Cases	6,292	6,367	7,067	6,532	4,918	4,341	4,625	4,142	3,544	3,225
Probate Court										
Open Cases	7,419	6,940	6,487	6,031	5,838	4,894	3,328	3,587	1,899	1,725
Juvenile Court										
Total Offenses	3,024	3,387	2,494	3,019	2,439	2,737	2,760	3,086	3,115	2,810
Public Safety										
Jail:										
Subject Admitted	7,622	7,864	8,079	8,473	9,002	8,533	9,095	9,287	9,551	9,530
Average daily population	330.7	352.0	366.6	395.0	368.0	328.9	356.6	341.0	335.8	299.1
Police:										
Calls for Service	64,773	67,754	72,665	76,171	73,523	71,737	71,459	70,293	67,179	66,005
Criminal Arrests	7,748	8,616	9,177	9,755	10,122	9,890	9,412	9,615	11,075	9,954
Traffic Violations	21,321	24,886	24,170	26,283	28,011	25,937	20,272	20,657	22,557	23,723
Health and welfare										
Public Health										
# of Fixed Food Service Inspections	1,065	1,022	1,124	1,123	1,122	1,032	1,150	1,132	1,007	1,004
% of new entrants enrolled in school immunized	99%	99%	99%	98%	N/A	N/A	N/A	N/A	N/A	N/A
Maternal/Infant Health Services										
# of Visits	3,146	3,645	4,155	4,720	4,847	4,997	4,258	7,529	10,300	11,227
# of Dental Services with Miles of Smiles and Sealant Program	8,981	8,498	8,940	7,748	8,245	7,344	6,917	8,447	9,083	8,174
Mental Health										
# of Persons Served	3,205	3,203	3,064	3,076	2,964	3,041	2,955	3,088	3,008	3,228
Culture and recreation										
Parks:										
# of Operating Days	98	101	99	100	101	101	97	100	95	99
Daily Permits	38,576	30,670	31,524	30,450	30,663	30,933	23,068	28,454	32,925	31,507
Annual Permits	6,420	5,431	5,115	5,925	5,638	5,850	4,218	4,857	5,470	5,379
General Government										
Register of Deeds:										
# of Deeds Recorded	9,633	8,933	9,428	10,173	10,156	11,625	12,452	13,549	12,145	11,243

**COUNTY OF OTTAWA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
County Clerk: # of Certified Copies (Births, Deaths, etc.)	19,382	19,016	21,096	21,182	19,294	19,097	18,773	21,178	22,913	23,895
County Treasurer: # of Receipts Written	16,729	18,357	14,239	15,172	15,477	15,271	17,950	24,199	23,892	23,768
Real Properties Returned Delinquent	6,800	7,493	7,179	7,043	6,349	6,814	6,453	6,887	7,672	7,632
Fiscal Services: # of A/P Checks Processed	24,330	24,399	25,278	25,678	26,517	26,891	25,471	25,633	26,188	25,768
# of Invoices Issued	11,087	10,839	15,200	11,929	11,002	10,388	8,823	8,015	7,701	7,199
Facilities Maintenance: # of Work Orders Processed	39,223	45,054	44,211	41,775	38,016	35,569	32,547	30,206	26,881	23,844

Source: Ottawa County Departments

**COUNTY OF OTTAWA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Public Safety:										
Vehicular Patrol Units	133	136	137	134	133	130	131	130	128	116
Sheriff's Substations	8	8	8	8	8	7	7	7	7	6
Health and welfare										
Number of Clinics	3	3	4	4	4	4	4	4	4	4
Culture and recreation										
Total Park Acres	3,542	3,429	3,560	3,360	3,351	3,032	2,369	2,073	781	781
General Government										
Total Square Footage of Buildings	647,104	647,104	728,033	582,161	582,161	538,612	542,173	542,173	542,173	542,173
Number of IT Servers	57	49	33	28	28	24	14	11	11	10

Source: Ottawa County Departments

Action Request



Committee: Finance and Administration Committee

Meeting Date: 6/21/2011

Requesting Department: Fiscal Services

Submitted By: Bob Spaman

Agenda Item: County of Ottawa's Single Audit Report – Vredeveld Haefner LLC

SUGGESTED MOTION:

To receive for information and forward to the Board of Commissioners the County of Ottawa's Single Audit Report for the year ended December 31, 2010.

SUMMARY OF REQUEST:

The single audit is an organization audit of an entity that expends \$500,000 or more in Federal funds and is required by Circular A-133.

FINANCIAL INFORMATION:

Total Cost: \$0.00 General Fund Cost: \$0.00 Included in Budget: Yes No

If not included in budget, recommended funding source:

ACTION IS RELATED TO AN ACTIVITY WHICH IS:

Mandated Non-Mandated New Activity

ACTION IS RELATED TO STRATEGIC PLAN:

Goal: 1: To Maintain and Improve the Strong Financial Position of the County.

Objective:

- 1: Maintain and improve the financial position of the County through legislative advocacy.
- 2: Implement processes and strategies to address operational budget deficits with pro-active, balanced approaches.
- 3: Approve strategies to reduce the negative impact of rising employee benefit costs on the budget.
- 4: Maintain or improve bond ratings.

ADMINISTRATION RECOMMENDATION: Recommended Not Recommended Without Recommendation

County Administrator: **Alan G. Vanderberg**

Digitally signed by Alan G. Vanderberg
DN: cn=Alan G. Vanderberg, o=US, ou=County of Ottawa, ou=Administrator's Office, email=avanderberg@coottawa.org
Reason: I am approving this document
Date: 2011.06.16 10:32:05 -0400

Committee/Governing/Advisory Board Approval Date:

Action Request



Committee: Finance and Administration Committee

Meeting Date: 6/21/2011

Requesting Department: Information Technology

Submitted By: Marie Waalkes

Agenda Item: Personnel Request to Downgrade a Community Mental Health (CMH) Programmer/Analyst (06A) to Programmer (04A).

SUGGESTED MOTION:

To approve and forward to the Board of Commissioners the proposal from the Information Technology Department and Community Mental Health to downgrade one (1) FTE Programmer/Analyst Unclassified (06A) position supporting CMH to one (1) FTE Programmer Unclassified (04A) at a savings of \$11,407.00.

SUMMARY OF REQUEST:

This position will be vacant after May 31, 2011. As part of the overall CMH organizational restructuring this position will be downgraded from a Programmer Analyst (06A) to a Programmer (04A). Under the general direction of the CMH IT Coordinator, this position will develop, test, analyze and maintain software applications. This position will also research, design, document and modify software specifications to improve the functionality of proprietary and purchased software applications. This position will also assist the CMH IT Coordinator in delivering other IT Services and support as needed to Community Mental Health.

FINANCIAL INFORMATION:

Total Cost: \$68,845.00 | General Fund Cost: \$68,845.00 | Included in Budget: Yes | No

If not included in budget, recommended funding source:

ACTION IS RELATED TO AN ACTIVITY WHICH IS:

Mandated | Non-Mandated | New Activity

ACTION IS RELATED TO STRATEGIC PLAN:

Goal: 4: Continually Improve County Organization

Objective: 2: Review and evaluate the organization, contracts, programs and services for potential efficiencies.

ADMINISTRATION RECOMMENDATION: Recommended | Not Recommended | Without Recommendation

County Administrator: Alan G. Vanderberg

Digitally signed by Alan G. Vanderberg
DN: cn=Alan G. Vanderberg, o=US, ou=County of Ottawa, ou=Administrator's Office, email=avanderberg@mottawa.org
Reason: I am approving this document
Date: 2011.06.16 09:52:16 -0400

Committee/Governing/Advisory Board Approval Date: Pick from list

COUNTY OF OTTAWA
2011 REGULAR FULL-TIME OR PART-TIME (BENEFITED) POSITION
REQUEST FORM

Please Print Form and Return to the Fiscal Services Department

POSITION TITLE: Programmer (CMH)

FUND/DEPARTMENT NUMBER: 2220/

CHECK ONE: New Position: Number of hours per week requested: 40
 Expansion of Existing Hours: From: _____ To: _____ per week

GENERAL INFORMATION:

1. Bargaining Unit: Unclassified

2. Proposed Pay Grade: 04A

3. Briefly describe the functions of this position:
Under the general direction of the Community Mental Health (CMH) IT Coordinator, develops, tests, analyzes, and maintains software applications. Researches, designs, documents, and modifies software specifications to improve functionality of proprietary and purchased software applications. Collaborates with users to analyze and articulate departmental operating procedures and functionality of software applications that support them. Assists the CMH IT Coordinator in delivering other IT Services and support as needed to Community Mental Health.
4. Describe the justification for this position (Provide supporting documentation if appropriate.)
This position is part of the CMH reorganization process being implemented by the CMH Director. This position replaces a Programmer/Analyst (Pay Grade 06A) position.
5. Please identify the goals in the Board of Commissioners' Strategic Plan that this position will help to fulfill.
Goal 4: Continually Improve County Organization
Objective 2: Review and evaluate the organization, contracts, programs and services for potential efficiencies.

6. Will the job functions of this position be for mandated or discretionary functions of the department?
Discretionary
7. How will this position specifically impact the department's performance measurements and what process will be used to measure the outcomes?
Accuracy of information and timeliness of reporting results in funding for services. Improve service delivery by streamlining processes. Measures: medicaid funding and customer satisfaction, CMH Staff productivity.

(If the position being requested does not have an existing job description, please attach a description of anticipated duties.)

COST INFORMATION:

ESTIMATED SALARY COST FOR THE BUDGET YEAR: \$45,482.00

ESTIMATED FRINGE BENEFIT COSTS FOR THE BUDGET YEAR: \$22,063.00

ESTIMATED COST OF EQUIPMENT NEEDED IN CONJUNCTION WITH POSITION: \$1,300.00
(If equipment is required, please complete an equipment request form and indicate it is for a new position.)

SIGNED: _____ DATE: _____

BUDGET DATA: _____
Fiscal Services Department Use Only

CONTROL #: _____
Fiscal Services Department Use Only

OTTAWA COUNTY HUMAN RESOURCES

JOB NUMBER: 2860
TITLE: PROGRAMMER / IT SPECIALIST (CMH)
DEPARTMENT: INFORMATION TECHNOLOGY
DATE: 02/12/2009

EMPLOYEEGROUP: UNCLASSIFIED
GRADE: 04A
FLSA STATUS: EXEMPT

JOB SUMMARY:

Under the general direction of the Community Mental Health (CMH) IT Coordinator, develops, tests, analyzes, and maintains software applications. Researches, designs, documents, and modifies software specifications to improve functionality of proprietary and purchased software applications. Collaborates with users to analyze and articulate departmental operating procedures and functionality of software applications that support them. Assists the CMH IT Coordinator in delivering other IT Services and support as needed to Community Mental Health.

REPORTS TO: Manager of Applications and Data

SUPERVISES: N/A

ESSENTIAL JOB FUNCTIONS: The essential functions of this position include, but are not limited to, the following:

1. Analyzes and assesses end-user existing business systems and procedures, and develops specifications for new and modifications of existing software applications.
2. Writes, codes, tests and analyzes software programs and applications according to specifications.
3. Collaborates with external vendors and developers to resolve problems in purchased software applications.
4. Participates in software development project plans, including scoping, scheduling, and implementation.
5. Researches, identifies, analyzes, and fulfills requirements of all internal and external program users.
6. Writes programming scripts to enhance functionality and/or performance of proprietary and purchased applications as necessary.
7. Creates local software applications for specific end-user projects.
8. Creates custom queries and reports for end-users and resolves problems in producing required reports for external funding and monitoring agencies.
9. Designs, runs and monitors software performance tests on new and existing programs to identify and correct errors, identify needed improvements, and perform general debugging.
10. Moves data and files from test to production environments.
11. Migrates data and applications from obsolete to current computing platforms.

12. Applies vendor patches and fixes for purchased applications software and creates patches and fixes for proprietary and purchased applications.
13. Provides reports on progress against benchmarks for assigned program development and implementation projects.
14. Develops and maintains user manuals and guidelines.
15. Trains end-users to operate new or modified programs.
16. Researches emerging application development software products, languages, and standards.
17. Recommends, schedule, and perform software improvements and upgrades.
18. Installs software products for end-users as required.
19. Performs other functions as assigned.

CONTACTS: This position has frequent contact with:

1. CMH Director.
2. CMH Department Managers.
3. CMH Staff.
4. End-users throughout the County.
5. Government and private organizations.
6. Contracted service providers.
7. Applications and network support for other external data communications systems with which the County interfaces.
8. Applications software developers and vendors.
9. Professional organizations.

REQUIRED KNOWLEDGE AND SKILLS:

1. Good working knowledge a variety of higher level programming languages and programming tools.
2. Good understanding of coding methods and best practices.
3. Good working knowledge of relational database design and functions.
4. Good understanding of a variety of computing platforms.
5. Sound working knowledge of the principles and practices of software testing and debugging.
6. Sound working knowledge of current Internet technologies.
7. Working knowledge of the business practices and requirements of end-user departments.

8. Good analytical skills and ability to deconstruct end-user operating processes and procedures.
9. Program documentation skills.
10. Thorough working of the legal environment with respect to the privacy and security of end-user department client data.
11. Good written, oral, and interpersonal communication skills.
12. Ability to prioritize the workload and maintain project schedules.
13. Ability to interact positively and objectively with department directors, elected officials, coworkers, end-users, user committees, vendors, regulatory and funding agency programming staff, and other clients from a wide range of cultural and socio-economic backgrounds and with varying levels of technical knowledge and skills.

REQUIRED EDUCATION, TRAINING AND EXPERIENCE:

Bachelor's degree from an accredited institution in computer science, information technology, or closely related field combined with one year of progressively responsible experience in programming; or an equivalent combination of education and experience. Experience with Windows Server administration is preferred. Experience with object oriented programming languages, scripting, database structures and Crystal Reporting Software is beneficial. Experience in supporting Health and specifically Mental Health organizations highly desired.

LICENSES AND CERTIFICATIONS:

Valid Michigan Driver's License.

PHYSICAL REQUIREMENTS:

Must be able to perform essential job functions with or without reasonable accommodations, including, but not limited to, visual and/or audiological appliances and devices to increase mobility.

WORKING CONDITIONS:

Work is performed in a normal office environment.

County of Ottawa
 Estimated Personnel Costs
 IT

Budget year: 2011

Employee Name	Union code	W/C code	FTE	Salaries Permanent	FICA	Hospitalization	OPEB	Life	Retirement	Dental	W/C	Unemployment	Optical	Disability	Total Fringes	Total Salaries & fringes
Programmer/Analyst (U06A-C step)	14	8810	1.0000	\$54,657	\$4,181	\$9,302	\$974	\$162	\$8,603	\$628	\$13	\$191	\$93	\$148	\$24,295	\$78,952
Programmer/Tech (U04A-C step)	14	8810	1.0000	\$45,482	\$3,479	\$9,302	\$974	\$135	\$7,159	\$628	\$11	\$159	\$93	\$123	\$22,063	\$67,545
Difference			0.0000	-\$9,175	-\$702	\$0	\$0	-\$27	-\$1,444	\$0	-\$2	-\$32	\$0	-\$25	-\$2,232	-\$11,407
				7040.0000	7150.0000	7160.0000	7160.0020	7170.0000	7180.0000	7190.0000	7200.0000	7220.0000	7230.0000	7240.0000		

Action Request



Committee: Finance and Administration Committee

Meeting Date: 6/21/2011

Requesting Department: CMH

Submitted By: Marie Waalkes

Agenda Item: Community Mental Health Personnel Request to Create One (1) Mental Health Clinician

SUGGESTED MOTION:

To approve and forward to the Board of Commissioners the request from Community Mental Health to create one (1) FTE Mental Health Clinician, (Unclassified, Paygrade 14, C Step) at a cost of \$34,089.00. Funding to come from Medicaid Funds.

SUMMARY OF REQUEST:

This is a professional position responsible for providing mental health services to children and adolescents with developmental disabilities and their families as needed. Services provided include conducting assessments, making diagnoses, developing treatment plans, conducting individual and family therapy, monitoring progress, and documenting case management. Additionally, this position may also be involved in collaboration and consultation with other community human services agencies.

This position will allow for enhancement of mental health services to children and their families in accordance with the CMHOC FY2011-2015 Strategic Plan to elevate Children's Services to a stand-alone program.

FINANCIAL INFORMATION:

Total Cost: \$34,089.00 General Fund Cost: \$0.00 Included in Budget: Yes No

If not included in budget, recommended funding source: Funding to come from Medicaid Funds

ACTION IS RELATED TO AN ACTIVITY WHICH IS:

Mandated Non-Mandated New Activity

ACTION IS RELATED TO STRATEGIC PLAN:

Goal: 3: To contribute to a Healthy Physical, Economic and Community Environment

Objective: 4: To continue initiatives to positively impact the community.

ADMINISTRATION RECOMMENDATION: Recommended Not Recommended Without Recommendation

County Administrator: Alan G. Vanderberg

Digitally signed by Alan G. Vanderberg
DN: cn=Alan G. Vanderberg, o=US, ou=County of Ottawa, ou=Administrator's Office, email=avanderberg@mottaweb.org
Reason: I am approving this document
Date: 2011.06.16 10:02:57 -0400

Committee/Governing/Advisory Board Approval Date: Pick from list

COUNTY OF OTTAWA
2011 REGULAR FULL-TIME OR PART-TIME (BENEFITED) POSITION
REQUEST FORM

Please Print Form and Return to the Fiscal Services Department

POSITION TITLE: Mental Health Clinician

FUND/DEPARTMENT NUMBER: 6421-5522

CHECK ONE: New Position: Number of hours per week requested: 40
 Expansion of Existing Hours: From: _____ To: _____ per week

GENERAL INFORMATION:

1. Bargaining Unit: Group T

2. Proposed Pay Grade: 14C

3. Briefly describe the functions of this position:
This is a professional position responsible for providing mental health services to children and adolescents with developmental disabilities and their families as needed. Services provided include conducting assessments, making diagnoses, developing treatment plans, conducting individual and family therapy, monitoring progress, and documenting case management. Additionally, this position may also be involved in collaboration and consultation with other community human services agencies
4. Describe the justification for this position (Provide supporting documentation if appropriate.)
This position will allow for enhancement of mental health services to children and their families in accordance with the CMHOC FY2011-2015 Strategic Plan to elevate Children's Services to a stand-alone program
5. Please identify the goals in the Board of Commissioners' Strategic Plan that this position will help to fulfill.
Goal 3: Contribute to a healthy physical, economic and community environment; Goal 4: To continually improve the county's organization and services
6. Will the job functions of this position be for mandated or discretionary functions of the department?
Mandated
7. How will this position specifically impact the department's performance measurements and what process will be used to measure the outcomes?
The Strategic Plan calls for the development and implementation of a DD outcome measurement system

(If the position being requested does not have an existing job description, please attach a description of anticipated duties.)

COST INFORMATION:

ESTIMATED SALARY COST FOR THE BUDGET YEAR: \$22,613.00

ESTIMATED FRINGE BENEFIT COSTS FOR THE BUDGET YEAR: \$9,809.00

ESTIMATED COST OF EQUIPMENT NEEDED IN CONJUNCTION WITH POSITION: \$1,667.00
(If equipment is required, please complete an equipment request form and indicate it is for a new position.)

SIGNED: _____ DATE: _____

BUDGET DATA: _____
Fiscal Services Department Use Only

CONTROL #: _____
Fiscal Services Department Use Only

County of Ottawa
 Estimated Personnel Costs
 2220 CMH

2011 Budget Year - Remaining 6 months

Union code	W/C code	FTE	Salaries * Permanent	Salaries Temp	FICA	Hospit- ization	OPEB	Life	Retirement	Dental	W/C	Unemployment	Optical	Disability	Total Fringes	Total Salaries & fringes
12	8835	0.5000	\$22,613		\$1,730	\$5,082	\$325	\$46	\$2,031	\$325	\$76	\$66	\$58	\$70	\$9,809	\$32,422
12	8835	0.5000	\$19,863		\$1,520	\$5,082	\$325	\$41	\$1,784	\$325	\$67	\$58	\$58	\$62	\$9,322	\$29,185
12	8810	0.2400		\$6,084	\$465						\$1	\$18			\$484	\$6,568
			\$42,476	\$6,084	\$3,715	\$10,164	\$650	\$87	\$3,815	\$650	\$144	\$142	\$116	\$132	\$19,615	\$68,175

7040.0000 7050.0000 7150.0000 7160.0000 7160.0020 7170.0000 7180.0000 7190.0000 7200.0000 7220.0000 7230.0000 7240.0000

Action Request



Committee: Finance and Administration Committee

Meeting Date: 6/21/2011

Requesting Department: CMH

Submitted By: Marie Waalkes

Agenda Item: Community Mental Health Personnel Request to Create One (1) Mental Health Specialist

SUGGESTED MOTION:

To approve and forward to the Board of Commissioners the request from Community Mental Health to create one (1) FTE Mental Health Specialist (Unclassified, Paygrade 12, C Step) at a cost of \$29,352.00. Funding to come from Medicaid Funds.

SUMMARY OF REQUEST:

This is a classified, professional position responsible for providing case management services to families that have children with developmental disabilities or severe emotional disturbance, with or without physical handicaps. This involves conducting assessments, developing case management treatment plans, and collaborating with community agencies to provide services to the identified families.

This position will allow for enhancement of mental health services to children and their families in accordance with the CMHOC FY2011-2015 Strategic Plan to elevate Children's Services to a stand-alone program.

FINANCIAL INFORMATION:

Total Cost: \$29,352.00 General Fund Cost: \$0.00 Included in Budget: Yes No

If not included in budget, recommended funding source: Funding to come from Medicaid Funds

ACTION IS RELATED TO AN ACTIVITY WHICH IS:

Mandated Non-Mandated New Activity

ACTION IS RELATED TO STRATEGIC PLAN:

Goal: 3: To Contribute to a Healthy Physical, Economic and Community Environment

Objective: 4: To continue initiatives to positively impact the community.

ADMINISTRATION RECOMMENDATION: Recommended Not Recommended Without Recommendation

County Administrator: Alan G. Vanderberg

Digitally signed by Alan G. Vanderberg
DN: cn=Alan G. Vanderberg, o=County of Ottawa, ou=Administrator's Office, email=avanderberg@ottawacounty.org
Reason: I am approving this document
Date: 2011.06.16 10:05:54 -0400

Committee/Governing/Advisory Board Approval Date: Pick from list

COUNTY OF OTTAWA
2011 REGULAR FULL-TIME OR PART-TIME (BENEFITED) POSITION
REQUEST FORM

Please Print Form and Return to the Fiscal Services Department

POSITION TITLE: Mental Health Specialist

FUND/DEPARTMENT NUMBER: 6421-5522

CHECK ONE: New Position: Number of hours per week requested: 40
 Expansion of Existing Hours: From: _____ To: _____ per week

GENERAL INFORMATION:

1. Bargaining Unit: Group T

2. Proposed Pay Grade: 12C

3. Briefly describe the functions of this position:

This is a classified, professional position responsible for providing case management services to families that have children with developmental disabilities or severe emotional disturbance, with or without physical handicaps. This involves conducting assessments, developing case management treatment plans, and collaborating with community agencies to provide services to the identified families

4. Describe the justification for this position (Provide supporting documentation if appropriate.)

This position will allow for enhancement of mental health services to children and their families in accordance with the CMHOC FY2011-2015 Strategic Plan to elevate Children's Services to a stand-alone program

5. Please identify the goals in the Board of Commissioners' Strategic Plan that this position will help to fulfill.

Goal 3: Contribute to a healthy physical, economic and community environment; Goal 4: To continually improve the county's organization and services

6. Will the job functions of this position be for mandated or discretionary functions of the department?

Mandated

7. How will this position specifically impact the department's performance measurements and what process will be used to measure the outcomes?

The Strategic Plan calls for the development and implementation of a DD outcome measurement system

(If the position being requested does not have an existing job description, please attach a description of anticipated duties.)

COST INFORMATION:

ESTIMATED SALARY COST FOR THE BUDGET YEAR: \$19,863.00

ESTIMATED FRINGE BENEFIT COSTS FOR THE BUDGET YEAR: \$9,322.00

ESTIMATED COST OF EQUIPMENT NEEDED IN CONJUNCTION WITH POSITION: \$1,667.00
(If equipment is required, please complete an equipment request form and indicate it is for a new position.)

SIGNED: _____ DATE: _____

BUDGET DATA: _____
Fiscal Services Department Use Only

CONTROL #: _____
Fiscal Services Department Use Only

County of Ottawa
 Estimated Personnel Costs
 2220 CMH

2011 Budget Year - Remaining 6 months

Union code	W/C code	FTE	Salaries * Permanent	Salaries Temp	FICA	Hospit- ization	OPEB	Life	Retirement	Dental	W/C	Unemployment	Optical	Disability	Total Fringes	Total Salaries & fringes
12	8835	0.5000	\$22,613		\$1,730	\$5,082	\$325	\$46	\$2,031	\$325	\$76	\$66	\$58	\$70	\$9,809	\$32,422
12	8835	0.5000	\$19,863		\$1,520	\$5,082	\$325	\$41	\$1,784	\$325	\$67	\$58	\$58	\$62	\$9,322	\$29,185
12	8810	0.2400		\$6,084	\$465						\$1	\$18			\$484	\$6,568
			\$42,476	\$6,084	\$3,715	\$10,164	\$650	\$87	\$3,815	\$650	\$144	\$142	\$116	\$132	\$19,615	\$68,175

7040.0000 7050.0000 7150.0000 7160.0000 7160.0020 7170.0000 7180.0000 7190.0000 7200.0000 7220.0000 7230.0000 7240.0000

Action Request



Committee: Finance and Administration Committee

Meeting Date: 6/21/2011

Requesting Department: CMH

Submitted By: Marie Waalkes

Agenda Item: Community Mental Health Personnel Request to Create One (1) Mental Health Clerk.

SUGGESTED MOTION:

To approve and forward to the Board of Commissioners the request from Community Mental Health to create one (1) FTE Mental Health Clerk (Temporary Unbenefitted) at a cost of \$8,095.00. Funding to come from Medicaid Funds.

SUMMARY OF REQUEST:

Under the supervision of a Team Supervisor or Program Coordinator, performs a variety of clerical tasks to support clinical treatment teams serving consumers of CMHOC. Provides assistance to consumers and the public, answering questions and providing information. Assists in enrolling clients in treatment programs. Types a variety of forms and documents. Completes various documents with information from the consumer, team members, supervisor, or from file documentation. Assists in maintaining recordkeeping systems.

The newly formed Psychology Team will require assistance from clerical support staff on a regular basis, although full-time support will not be required.

FINANCIAL INFORMATION:

Total Cost: \$8,095.00 General Fund Cost: \$0.00 Included in Budget: Yes No

If not included in budget, recommended funding source: Funding to come from Medicaid Funds.

ACTION IS RELATED TO AN ACTIVITY WHICH IS:

Mandated Non-Mandated New Activity

ACTION IS RELATED TO STRATEGIC PLAN:

Goal: 3: To Contribute to a Healthy Physical, Economic and Community Environment.

Objective: 4: To continue initiatives to positively impact the community.

ADMINISTRATION RECOMMENDATION: Recommended Not Recommended Without Recommendation

County Administrator: **Alan G. Vanderberg**

Digitally signed by Alan G. Vanderberg
DN: cn=Alan G. Vanderberg, o=US, ou=County of Ottawa, ou=Administrator's Office, email=avanderberg@mottawa.org
Reason: I am approving this document
Date: 2011.06.16 10:07:43 -0400

Committee/Governing/Advisory Board Approval Date: Pick from list

COUNTY OF OTTAWA
2011 NEW TEMPORARY (UNBENEFITED) POSITION REQUEST FORM

Please Return Form to the Fiscal Services Department

POSITION TITLE: Mental Health Clerk

FUND/DEPARTMENT NUMBER: 6491.5522

CHECK ONE: New Position: Number of hours per week requested: 19.5
 Expansion of Existing Hours: From: _____ To: _____ per week

CHECK ONE: Temporary Salaries (Account Number 7050.0000)
 Temporary Salaries – Sheriff Reserves (Account Number 7050.0040)
 Outside Temporary Service (Account Number 8210.0060)

GENERAL INFORMATION:

1. Description of help being requested:

Under the supervision of a Team Supervisor or Program Coordinator, performs a variety of clerical tasks to support clinical treatment teams serving consumers of CMHOC. Provides assistance to consumers and the public, answering questions and providing information. Assists in enrolling clients in treatment programs. Types a variety of forms and documents. Completes various documents with information from the consumer, team members, supervisor, or from file documentation. Assists in maintaining recordkeeping systems.

2. Briefly explain why the help is being requested and the specific effect on your performance measures and outcomes:

The newly formed Psychology Team will require assistance from clerical support staff on a regular basis, although full-time support will not be required.

3. Estimated duration that help is needed:

There is no anticipated end date for this position.

4. What is the projected duration of the need for this position?

On going

5. How will progress to meet or eliminate the need for the position be measured?

The position will be in place for an unspecified amount of time as the newly formed Psychology Team determines the need for clerical support.

COST INFORMATION:

ESTIMATED SALARY COST FOR THE BUDGET YEAR: \$6,084.00

ESTIMATED FRINGE BENEFIT COSTS FOR THE BUDGET YEAR: \$484.00

ESTIMATED COST OF EQUIPMENT NEEDED IN CONJUNCTION WITH POSITION: \$1,527.00
(If equipment is required, please complete an equipment request form and indicate it is for a new position.)

SIGNED: _____ DATE: _____

BUDGET DATA: _____
Fiscal Services Department Use Only

CONTROL #: _____
Fiscal Services Department Use Only

County of Ottawa
 Estimated Personnel Costs
 2220 CMH

2011 Budget Year - Remaining 6 months

Union code	W/C code	FTE	Salaries * Permanent	Salaries Temp	FICA	Hospit- ization	OPEB	Life	Retirement	Dental	W/C	Unemployment	Optical	Disability	Total Fringes	Total Salaries & fringes
12	8835	0.5000	\$22,613		\$1,730	\$5,082	\$325	\$46	\$2,031	\$325	\$76	\$66	\$58	\$70	\$9,809	\$32,422
12	8835	0.5000	\$19,863		\$1,520	\$5,082	\$325	\$41	\$1,784	\$325	\$67	\$58	\$58	\$62	\$9,322	\$29,185
12	8810	0.2400		\$6,084	\$465						\$1	\$18			\$484	\$6,568
			\$42,476	\$6,084	\$3,715	\$10,164	\$650	\$87	\$3,815	\$650	\$144	\$142	\$116	\$132	\$19,615	\$68,175

7040.0000 7050.0000 7150.0000 7160.0000 7160.0020 7170.0000 7180.0000 7190.0000 7200.0000 7220.0000 7230.0000 7240.0000

Action Request



Committee: Finance and Administration Committee

Meeting Date: 6/21/2011

Requesting Department: Road Commission

Submitted By: Bob Spaman

Agenda Item: Spring Lake Township 2011 Wastewater System Pump Station Improvements and Refunding

SUGGESTED MOTION:

To approve and forward to the Board of Commissioners the Resolution authorizing the County Road Commission to issue Act 342 Bonds in the not-to-exceed amount of \$1,360,000 to finance the Spring Lake 2011 Wastewater System Pump Station Improvements Project and Refund the 1999 Bond Issue.

SUMMARY OF REQUEST:

The Spring Lake Township Board has approved a resolution requesting the county of Ottawa to issue Act 342 Bonds in the amount of \$1,360,000 in order finance the Township's 2011 Wastewater System Improvements and refunding of prior bonds. The proposed new bonds include: Series 2011A \$840,000 Wastewater System Pump Station Improvements and Series 2011 B \$520,000 Refunding of the 1999 Wastewater Collection System Bonds.

FINANCIAL INFORMATION:

Total Cost: \$1,360,000.00	General Fund Cost: \$0.00	Included in Budget:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
----------------------------	---------------------------	---------------------	------------------------------	--

If not included in budget, recommended funding source:

ACTION IS RELATED TO AN ACTIVITY WHICH IS:

<input type="checkbox"/> Mandated	<input checked="" type="checkbox"/> Non-Mandated	<input type="checkbox"/> New Activity
-----------------------------------	--	---------------------------------------

ACTION IS RELATED TO STRATEGIC PLAN:

Goal: 3: To Contribute to a Healthy Physical, Economic, & Community Environment.

Objective:

- 3: Continue initiatives to preserve the physical environment.
- 4: Continue initiatives to positively impact the community.

ADMINISTRATION RECOMMENDATION:	<input checked="" type="checkbox"/> Recommended	<input type="checkbox"/> Not Recommended	<input type="checkbox"/> Without Recommendation
---------------------------------------	---	--	---

County Administrator: **Alan G. Vanderberg**

Digitally signed by Alan G. Vanderberg
DN: cn=Alan G. Vanderberg, o=US, ou=County of Ottawa, ou=Administrator's Office, email=avanderberg@mottawa.org
Reason: I am approving this document.
Date: 2011.06.16 10:10:15 -0400

Committee/Governing/Advisory Board Approval Date:

Ottawa County Road Commission

14110 Lakeshore Drive
P.O. Box 739
GRAND HAVEN, MI 49417
Phone (616) 842-5400 Fax (616) 850-7237

MEMORANDUM

TO: Ottawa County Board of Commissioners

FROM: Kenneth L. Zarzecki, P.E., Director of Utilities

DATE: June 13, 2011

SUBJECT: **Spring Lake Township 2011 Wastewater System Pump Station Improvements and Refunding**

The Spring Lake Township Board has approved a resolution requesting the County of Ottawa to issue Act 342 Bonds in the amount of \$1,360,000 in order to finance the Township's 2011 Wastewater System Improvements and refunding of prior bonds. The proposed new bonds include: Series 2011A \$840,000 Wastewater System Pump Station Improvements and Series 2011 B \$520,000 Refunding of the 1999 Wastewater Collection System Bonds.

I would like to present a bond resolution at the June 21, 2011 meeting of the Finance and Administration Committee and at the July 12, 2011 meeting of the Board of Commissioners.

Enclosed is a brief summary of the proposed bond issue. Please let me know if you need additional information.

An Indemnification Agreement executed by Spring Lake Township has been submitted to the County Administrator.

This project was included in the proposed improvements section of the Public Utilities Annual Report.

KLZ/pp

Enclosures

Board Resolution: Spring Lake Township 2011 Wastewater System Improvements

Motion: To approve and forward to the Board the Resolution authorizing the County Road Commission to issue Act 342 Bonds in the not-to-exceed amount of \$1,360,000 to finance the Spring Lake 2011 Wastewater System Pump Station Improvements Project and Refund the 1999 Bond Issue.

OTTAWA COUNTY

SPRING LAKE TOWNSHIP 2011 PUMP STATION IMPROVEMENTS AND REFUNDING

1. **PROJECT MAP & DESCRIPTION.** ATTACHED EXHIBIT A
- 2A. **PROJECT COST ESTIMATE.** ATTACHED EXHIBIT B
- 2B. **REFUNDING BONDS.** ATTACHED EXHIBIT C
3. **SECURITY.** Primary security for the bonds will be the full faith and credit pledge of Spring Lake Township. Secondary security is the full faith and credit pledge of Ottawa County. Both the primary and secondary pledges are subject to constitutional, statutory, and charter limitation.
4. **SCHEDULE.** Bonds are expected to be sold in August 2011 with construction starting immediately thereafter.

EXHIBIT A – PROJECT DESCRIPTION

BOARD OF COUNTY ROAD COMMISSIONERS

SPRING LAKE TOWNSHIP OTTAWA COUNTY, MICHIGAN

2011 WASTEWATER SYSTEM PUMP STATION IMPROVEMENTS

Pump station improvements for the wastewater system serving the industrial areas in Spring Lake Township are being proposed and include the nine (9) stations below. The capacity of each proposed improved facility is shown below. Improvements to upgrade the existing facilities include new pumps, motors, piping, valves and replacement of control systems at all stations.

Pump Station Descriptions

<u>Number</u>	<u>Location</u>	<u>Proposed Firm Capacity, gpm</u>
1	Third Street	1300
4	174 th Ave.	850
14	Kelly St.	250
21	152 nd Ave.	400
22	Leonard Rd.	700
23	Fruitport Rd. – N. of Kelly St.	350
27	148 th Ave.	220
29	M-104 – Orchard Market	250
31	Fruitport Rd. – near Walden Dr.	320

New generators will be installed at the main pumping stations in each area. These are Pump Station No. 4 serving the industrial areas along 174th Avenue, Pump Station No. 22 which serves the industrial areas along Cleveland Street (M-104) and 148th Avenue and Pump Station No. 23 which serves the industrial areas along Apple Drive in the northeastern portion of the Township.

In addition, all pumping stations will be interconnected by the installation of a supervisory control and data acquisition system (SCADA). Painting of the stations, replacement of internal equipment such as exhaust blowers, dehumidifiers, and heaters will also be completed.

EXHIBIT A - PROJECT MAP

BOARD OF COUNTY ROAD COMMISSIONERS

SPRING LAKE TOWNSHIP OTTAWA COUNTY, MICHIGAN

2011 WASTEWATER SYSTEM PUMP STATION IMPROVEMENTS

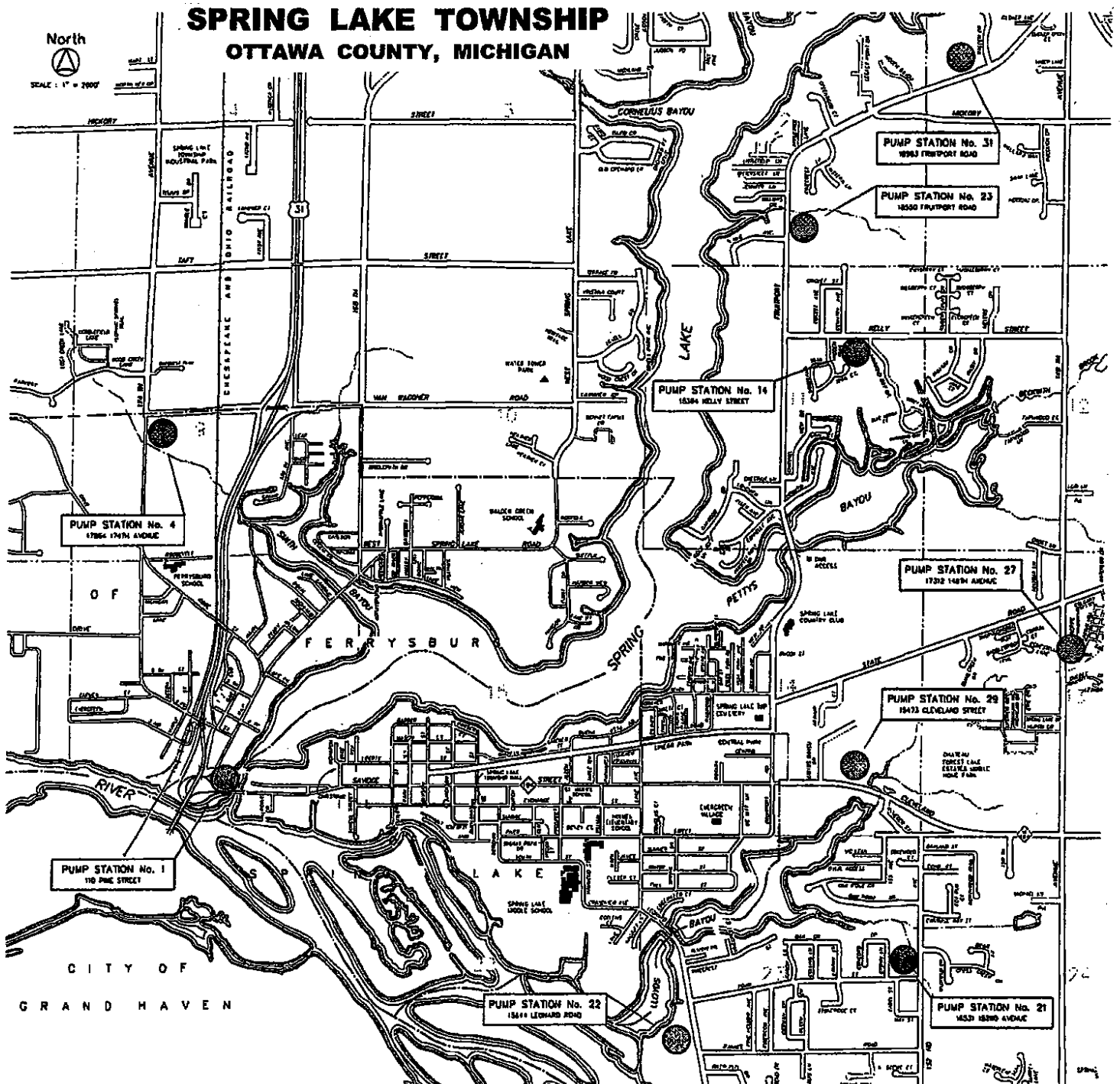


EXHIBIT C – REFUNDING BONDS
BOARD OF COUNTY ROAD COMMISSIONERS
SPRING LAKE TOWNSHIP
OTTAWA COUNTY, MICHIGAN
REFUNDING OF THE 1999 WASTEWATER COLLECTION SYSTEM BONDS

SAVINGS

County of Ottawa
State of Michigan
Ottawa County 2011 Refunding and Water Waste Bonds
(Spring Lake Township)
Limited Tax General Obligation

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 07/01/2011 @ 3.8489696%
03/01/2012	74,237.50	71,585.42	2,652.08	2,773.32
03/01/2013	71,887.50	71,637.50	250.00	259.90
03/01/2014	74,487.50	70,437.50	4,050.00	3,679.39
03/01/2015	76,792.50	74,254.17	2,538.33	2,221.50
03/01/2016	78,822.50	78,000.00	822.50	695.78
03/01/2017	75,572.50	71,433.33	4,139.17	3,337.19
03/01/2018	77,322.50	74,887.50	2,435.00	1,886.64
03/01/2019	78,787.50	77,843.75	943.75	702.55
	607,910.00	590,079.17	17,830.83	15,556.26

Savings Summary

PV of savings from cash flow	15,556.26
Plus: Refunding funds on hand	2,382.56
	17,938.82
Net PV Savings	17,938.82

RE: SPRING LAKE TOWNSHIP WASTEWATER SYSTEM - 2011 PUMP
STATION IMPROVEMENTS AND REFUNDING

Submitted by Commissioner _____:

Mr. Chairman, Ladies, and Gentlemen:

I offer the following resolution:

WHEREAS, pursuant to the provisions of Act No. 342, Public Acts of Michigan, 1939, as amended ("Act 342"), the Board of Supervisors of the County of Ottawa (the "County") authorized and directed that there be established, maintained and operated a countywide system or systems of water and sewer improvements and services and designated the Board of County Road Commissioners of the County to be the agency of the County (the "County Agency") for the purposes set forth in Act 342; and

WHEREAS, by the terms of Act 342, the County and the Township of Spring Lake (the "Township") are authorized to enter into a contract for the acquisition, construction and financing of sewage disposal system improvements to serve the Township, for the payment of the cost thereof by the Township, with interest, and the County is then authorized to issue its bonds to provide the funds necessary therefor; and

WHEREAS, there has been submitted to this Board of Commissioners a proposed contract between the County, by and through its Board of County Road Commissioners, and the Township (only on behalf of the unincorporated area of the Township), which contract provides for the acquisition and construction of sewage disposal system improvements consisting generally of pump station improvements to serve property in the Township (the "Project) and the payment by the Township of the cost of the Project pursuant to Act 342, which contract is hereinafter set forth in full; and

WHEREAS, there has been submitted for approval and adoption by this Board an estimate of the cost of the Project; and

WHEREAS, the contract provides for the issuance of bonds by the County to defray part of the cost of the Project, said bonds to be secured by the contractual obligation of the Township to pay to the County amounts sufficient to pay the principal of and interest on the bonds and to pay such paying agent fees and other expenses as may be incurred on account of the bonds; and

WHEREAS, pursuant to the provisions of Act 342, the Township (only on behalf of the unincorporated area of the Township) and the County, acting by and through the County Agency, have entered into the Spring Lake Township Wastewater Collection System Extension Contract dated as of March 1, 1999 (the "1999 Contract"); and

WHEREAS, pursuant to the 1999 Contract, the County issued its Ottawa County Wastewater Collection System Bonds (Spring Lake Township Extension Project) dated April 1, 1999 in the original principal amount of \$900,000 (the "Prior Bonds"); and

WHEREAS, the Prior Bonds were issued in anticipation of payments to be made to the County by the Township pursuant to the 1999 Contract; and

WHEREAS, the Prior Bonds remain outstanding in the aggregate principal amount of \$490,000, mature in various principal amounts in the years 2012 through 2019 and bear interest at rates per annum which vary from 4.70% to 5.05%; and

WHEREAS, Part VI of Act No. 34, Public Acts of Michigan, 2001, as amended ("Act 34"), authorizes the County to refund all or any part of its outstanding securities; and

WHEREAS, the governing body of the Township has adopted a resolution requesting and authorizing the County to issue its refunding bonds for the purpose of refunding all or part of the Prior Bonds and paying the costs of issuing the refunding bonds and agreeing to continue to make payments to the County in accordance with the 1999 Contract in amounts sufficient to pay the principal of and interest on the refunding bonds and any of the Prior Bonds that are not refunded and all paying agency fees and other expenses and charges (including the County Agency's

administrative expenses) that are payable on account of the refunding bonds and those Prior Bonds that are not refunded; and

WHEREAS, it is in the best interests of the County and the Township that bonds be sold to refund the Prior Bonds.

THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County of Ottawa, Michigan, as follows:

1. DEFINITIONS. In addition to terms defined elsewhere herein, unless the context otherwise requires, the terms defined in this Section 1 shall, for all purposes of this Resolution and the recitals herein, have the following meanings:

(a) "Bonds" means, collectively, the Series 2011A Bonds and the Series 2011B Bonds.

(b) "Code" means the Internal Revenue Code of 1986, as amended.

(c) "Director of Utilities" means the Director of Utilities of the County.

(d) "Sale Order" means the written order of the Director of Utilities approving the sale of the Bonds and making certain determinations regarding the final terms thereof within the parameters of this Resolution.

(e) "Series 2011A Bonds" means the County's Ottawa County Sewage Disposal Bonds (Spring Lake Township), Series 2011A authorized by Sections 4 and 5 of this Resolution.

(f) "Series 2011B Bonds" means the County's Ottawa County Sewage Disposal Bonds (Spring Lake Township), Series 2011B authorized by Sections 4 and 5 of this Resolution.

2. ESTIMATES OF PERIOD OF USEFULNESS AND COST. The estimates of \$2,440,000 as the cost of the Project to the County and 20 years and upwards as the period of usefulness of the Project, as submitted to this Board of Commissioners, are approved and adopted.

3. APPROVAL OF CONTRACT. The Spring Lake Township 2011 Wastewater System Pump Station Improvements Contract dated as of March 1, 2011, between the County, by and through its Board of County Road Commissioners, and the Township (only on behalf of the

unincorporated area of the Township) (the “2011 Contract”) is approved and adopted, and the Chairman and members of the Board of County Road Commissioners are authorized and directed to execute and deliver the same for and on behalf of the County, in as many counterparts as may be deemed advisable, after the 2011 Contract has been executed by the appropriate officials of the Township. The 2011 Contract reads as follows:

COUNTY OF OTTAWA

SPRING LAKE TOWNSHIP 2011 WASTEWATER
SYSTEM PUMP STATION IMPROVEMENTS CONTRACT

THIS CONTRACT, made as of March 1, 2011, by and between the COUNTY OF OTTAWA, a Michigan county corporation (hereinafter called the "County") by and through its Board of County Road Commissioners, and the TOWNSHIP OF SPRING LAKE (only on behalf of the unincorporated area of the Township of Spring Lake), a Michigan general law township located in the County (hereinafter called the "Township");

WITNESSETH:

S P E C I M E N

WHEREAS, the Board of Commissioners of the County of Ottawa heretofore has established the Ottawa County Water Supply and Sewage Disposal System to provide water supply and sewage disposal services to areas in the County pursuant to Act 342, Public Acts of Michigan, 1939, as amended (hereinafter sometimes referred to as "Act 342"), all as appears from the resolution adopted by said Board of Commissioners on January 9, 1961; and

WHEREAS, the Board of County Road Commissioners (hereinafter sometimes referred to as the "County Agency") has been designated by the County Board of Commissioners as the agency of the County in connection with the establishment, maintenance and operation of water supply and sewage disposal systems within the County; and

WHEREAS, it is necessary for the public health to acquire and construct the hereinafter described sewage disposal system improvements to serve the Township; and

WHEREAS, by the terms of Act 342, the County and the Township are authorized to enter into a contract for the acquisition, construction and financing of the aforementioned

improvements and for the payment of the cost thereof by the Township, with interest, over a period of not exceeding forty (40) years, and the County is then authorized, pursuant to appropriate action of its Board of Commissioners, to issue its bonds to provide the funds therefor, secured primarily by the full faith and credit contractual obligation of the Township and, if the bond resolution so provides, secured secondarily by the full faith and credit of the County; and

WHEREAS, the Township and the County have agreed to utilize the provisions of Act 342 to acquire the sewage disposal system improvements necessary for the public health and welfare of the residents of the County within the Township; and

WHEREAS, plans and estimates of the cost and the period of usefulness of the improvements to be acquired and constructed have been prepared by Prein & Newhof, the consulting engineers; and

WHEREAS, in order to issue such bonds, it is necessary that the County and the Township enter into this contract.

NOW, THEREFORE, in consideration of the premises and the covenants of each other, the parties hereto agree as follows:

1. The County and the Township hereby approve and agree to the acquisition, construction and financing of sewage disposal system improvements to serve the Township under and pursuant to Act 342 and approve the designation of "Spring Lake Township 2011 Wastewater System Pump Station Improvements" as the name of the project. The Spring Lake Township 2011 Wastewater System Pump Station Improvements are hereinafter sometimes referred to as the "Project." The Township, by way of compliance with Section 29, Article VII, Michigan Constitution of 1963, consents and agrees to the establishment and location of the

Project and any extension, improvement or enlargement thereof within its corporate boundaries and to the use by the County of its streets, highways, alleys, lands, rights-of-way or other public places for the purpose and facilities of the Project and any improvement, enlargement or extension thereof, and the Township further agrees that, in order to evidence and effectuate the foregoing agreement and consent, it will execute and deliver to the County such grants of easement, right-of-way, license, permit or consent as may be requested by the County.

2. The Project shall consist of the improvements described and specified on Exhibit A, which is hereunto attached and which is made a part hereof, and as are more particularly set forth in the plans prepared and submitted by the consulting engineers, which plans are on file with the County Agency. The Project shall be acquired and constructed substantially in accordance with the said plans and in accordance with final plans and specifications to be prepared and submitted by the consulting engineers, but variations therefrom that do not materially change the location, capacity or overall design of the Project and that do not require an increase in the total estimated cost of the Project may be permitted on the authority of the Township. Other variations or changes may be made if approved by the County Agency and by resolution of the governing body of the Township and if provisions required by paragraph 5 hereof are made for payment or financing of any resulting increase in the total estimated cost. The estimate of cost of the Project and the estimate of period of usefulness thereof as set forth on Exhibit B are approved and adopted.

3. The County Agency shall take or cause to be taken all actions required or necessary, in accordance with Act 342, to procure the issuance and sale of bonds by the County, in one or more series (the "Bonds"), in whatever aggregate principal amount is necessary to be so financed to defray that portion of the cost of the Project not paid from other sources (the "municipal cost"). The Bonds shall be issued in anticipation of and be payable from the payments to be made by the Township to the County as provided in this contract, and the Bonds

shall be payable in annual maturities the last of which shall be not more than forty years from the date thereof.

4. The County Agency shall proceed to take construction bids for the Project and, subject to the sale and delivery of the Bonds, enter into construction contracts with the lowest responsible bidder or bidders, procure from the contractors all necessary and proper bonds, cause the Project to be constructed within a reasonable time and do all other things required by this contract and the laws of the State of Michigan. All certificates for required payments to contractors shall be approved by the consulting engineers before presentation to the County Agency and the latter shall be entitled to rely on such approval in making payment. Acquisition of the Project shall be deemed to include reimbursement of the Township for funds which have been expended by the Township in connection with the acquisition and construction of the Project.

5. In the event that it shall become necessary to increase the estimated municipal cost of the Project for any reason, or if the actual municipal cost of the Project shall exceed the estimated municipal cost, whether as the result of variations or changes made in the approved plans or otherwise, then the County Agency shall not be obligated to pay such increased or excess municipal cost unless the governing body of the Township shall have adopted a resolution approving such increase and excess and agreeing that the same (or such part thereof as is not available from other sources) shall be defrayed by the issuance of increased or additional Bonds in anticipation of increased or additional payments agreed to be made by the Township to the County in the manner hereinafter provided.

6. The Township shall pay to the County the entire municipal cost of the Project. The municipal cost of the Project will be defrayed by the issuance of the Bonds as provided in paragraphs 3 and 5 hereof. The Township covenants and agrees to pay the principal of and

interest on the Bonds and all paying agency and transfer fees and other expenses and charges (including the County Agency's administrative expenses) that are payable on account of the Bonds (such fees, expenses and charges being herein called "bond service charges"). Such payments shall be made to the County in annual installments that shall be due and payable at least thirty days prior to the day of the month specified in the Bonds as the annual principal maturity date thereof. Such annual installments shall be so paid in each year if any principal or noncapitalized interest on the Bonds falls due during the twelve-month period beginning on such principal maturity date in said year, and the aggregate amount of the installments so due and payable shall be at least sufficient to pay all principal and interest thus falling due and all bond service charges then due and payable. The County Agency, within thirty days after delivery of the Bonds to the purchaser, shall furnish the treasurer of the Township with a schedule of the principal of and interest on the Bonds, and the County Agency also, at least thirty days before each payment is due to be made by the Township, shall advise the treasurer of the amount payable to the County on such date. If the Township fails to make any payment to the County when due, the same shall be subject to a penalty of 1% thereof for each month or fraction thereof that such amount remains unpaid after due. Failure of the County Agency to furnish the schedule or give the notice as above required shall not excuse the Township from the obligation to make payment when due. Payments shall be made by the Township when due whether or not the Project has then been completed or placed in operation. The foregoing obligations shall apply to all Bonds issued by the County to defray the municipal cost of the Project.

7. If the Township shall pay the municipal cost of the Project, or any portion thereof, prior to the issuance of the Bonds, the obligations of the Township shall be adjusted accordingly. The Township may pay in advance of maturity all or any part of an annual installment due the County on the Bonds by surrendering to the County bonds issued hereunder of a like principal amount maturing in the same calendar year.

8. The proceeds of sale of the Bonds shall be used solely and only to pay the municipal cost of the Project, and after completion thereof and payment of all costs in connection therewith, any surplus remaining from the sale of the Bonds shall be (1) used to purchase the Bonds on the open market or (2) retained by the County Agency as a reserve for the payment of the Bond principal and interest maturities next falling due, and in such event the contract obligation of the Township in respect to the Bonds or such maturities shall be reduced by the principal amount of Bonds so purchased or of said reserve, said reduction, in case of the purchase of Bonds, to be applied as to year in accordance with the year of the maturity of the Bonds so purchased. Any Bonds so purchased shall be canceled. In the alternative, such surplus may be used, on request of the Township and approval by the County Agency, to provide additional sewage disposal system facilities in the Township.

9. The Township, pursuant to the authorization of Section 5a of Act 342, but only on behalf of the unincorporated area of the Township, hereby pledges its full faith and credit for the prompt and timely payment of its obligations expressed in this contract and each year shall levy a tax in an amount that, taking into consideration estimated delinquencies in tax collections, will be sufficient to pay its obligations under this contract becoming due before the time of the following year's tax collections; Provided, however, that the annual tax levy may be reduced by the amount of special assessment installments, principal and interest, and sewage disposal system revenues reasonably anticipated to be collected and available for the payment of such obligations and by the amount of cash or other funds that the Township has on hand (or to its credit in the hands of the County) and available for the payment of such obligations. The governing body of the Township each year, at least 90 days prior to the final date provided by law for the making of the annual tax levy, shall submit to the County Agency a written statement setting forth the amount of its obligations to the County that become due and payable under this contract prior to the time of the next following year's tax collections, the amount of the funds that the Township has or will have on hand (or to its credit in the hands of the County) that are or will be available

for payment of its obligations to the County and the amount of the taxes next proposed to be levied for the purpose of raising money to meet the obligations. The County Agency shall review such statement promptly and, if it finds that the proposed tax levy is insufficient after taking into account such other available funds, it shall so notify the governing body, and the Township covenants and agrees that it will increase its levy to such extent as may be required by the County Agency. Taxes levied by the Township for the payment of its obligations to the County pursuant to this contract shall be subject to applicable statutory and constitutional tax limitations and shall be levied only on property located in the unincorporated area of the Township.

10. In the event that the Township shall fail for any reason to pay to the County Agency at the times herein specified the amounts herein required to be paid, the state treasurer or other official charged with the disbursement of unrestricted state funds returnable to the Township pursuant to the Michigan constitution hereby is authorized to withhold sufficient funds to make up any default or deficiency in funds. In addition to the foregoing, the County shall have all other rights and remedies provided by law to enforce the obligations of the Township to make payments in the manner and at the times required by this contract. It is specifically recognized by the Township that the payments required to be made by it pursuant to the terms of this contract are to be pledged for the payment of the principal of and interest on bonds to be issued by the County, and the Township covenants and agrees that it will make its required payments to the County promptly and at the times herein specified, without regard as to whether the Project herein contemplated is actually completed or placed in operation; provided, only that nothing herein contained shall limit the obligation of the County to perform in accordance with the covenants contained herein.

11. No change in the jurisdiction over territory in the Township shall in any manner impair the obligations of this contract. In the event all or any part of the territory of the Township is incorporated as a new municipality or is annexed to or becomes a part of the

territory of another municipality, the municipality into which such territory is incorporated or to which such territory is annexed, shall assume the proper proportionate share of the contractual obligations and right to have sewage disposal service from the Project for the territory that is taken, based upon a division determined by the County Agency that shall make such determination after taking into consideration all factors necessary to make the division equitable, and in addition, prior to such determination, shall receive a written recommendation as to proper division from a committee composed of one representative designated by the governing body of the Township from which the territory is taken, one designated by the governing body of the new municipality or the municipality annexing such territory, and one independent registered engineer appointed by the County Agency. The Township and the municipality shall appoint their representatives within fifteen (15) days after being notified to do so by the County Agency and within a like time the County Agency shall appoint the engineer third member. If either the Township or the municipality shall fail to appoint its representative within the time above provided, the County Agency may proceed without the recommendation. If the committee shall not make its recommendation within forty-five (45) days after its appointment or within any extension thereof by the County Agency, the County Agency may proceed without a recommendation of the committee.

12. The County shall not be obligated to acquire or construct any facilities other than those described in paragraph 2 hereof. The responsibility for providing any additional facilities as may be needed shall be that of the Township which shall have the right to cause to be constructed and maintained, either directly or through the County, such necessary additional facilities.

13. After completion, the operation and maintenance of the Project shall be in accordance with applicable agreements pertaining to the operation and maintenance of sewage disposal system facilities in the Township. The parties agree that all premises located within the

service area of the Project will be served on an equal and ratable basis and no preference shall be given to one portion of the service area over any other portion of the service area. The parties agree that the Project will be operated in a manner which will assure that the interest on the Bonds will be and will remain excludable from gross income for federal income tax purposes.

14. The County and the Township expressly agree that the County and the County Agency shall not be liable and the Township shall pay, indemnify and save the County and the County Agency harmless of, from and against all liability of any nature whatever regardless of the nature in which such liability may arise, for any and all claims, actions, demands, expenses, damages and losses of every conceivable kind whatsoever (including, but not limited to, liability for injuries to or death of persons and damages to or loss of property) asserted by or on behalf of any person, firm, corporation or governmental authority arising out of, resulting from, or in any way connected with the ownership, acquisition and construction of the Project, this contract, or the issuance, sale and delivery by the County of the Bonds. In connection with any proceeding brought about by reason of any such claim or demand, the Township shall also pay, indemnify and save the County and the County Agency harmless from and against all costs, reasonable attorneys' fees and disbursements of any kind or nature incidental to or incurred in said defense, and will likewise pay all sums required to be paid by reason of said claims, demands, or any of them, in the event it is determined that there is any liability on the part of the County or the County Agency. Upon the entry of any final judgment or a final award by an arbitration panel against the County or the County Agency on any claim, action, demand, expense, damage or loss contemplated by this Section 14 and notwithstanding that the County or the County Agency has not paid the same, the Township shall be obligated to pay to the County or the County Agency, as the case may be, upon written demand therefor, the amount thereof not more than sixty (60) days after such demand is made. In the event that any action or proceeding is brought against the County or the County Agency by reason of any such claims or demands, whether such claims or demands are groundless or not, the Township shall, upon written notice and demand from the

County or the County Agency, resist and defend such action or proceeding on behalf of the County or the County Agency, as the case may be, but will not settle any such action or proceeding without the consent of the County or the County Agency, as the case may be. Notwithstanding the foregoing, nothing contained in this Section 14 shall be construed to indemnify or release the County or the County Agency against or from any liability which it would otherwise have arising from the wrongful or negligent actions or failure to act on the part of the County's or the County Agency's employees, agents or representatives with respect to matters related to the ownership, acquisition or construction of the Project, this contract or the issuance, sale or delivery of the Bonds. This Section 14 shall not apply to a lawsuit instituted by the Township to enforce its rights under this contract.

15. If Bonds are not sold to finance the acquisition and construction of the Project within three years from the date of this contract through no fault of the County or if the Project is abandoned for any reason, the Township shall pay all engineering, legal and other costs and expenses incurred by the County Agency in connection with the Project and the Township shall be entitled to all plans, specifications and other engineering data and materials. The provisions of this Section 15 may be waived or extended, either before or after the expiration of the three year period, by resolutions of the governing body of the Township and the Board of Commissioners of the County.

16. All powers, duties and functions vested by this contract in the County shall be exercised and performed by the County Agency, for and on behalf of the County, unless otherwise provided by law or in this contract. The County Agency, prior to the submission of County financial information to a rating agency, shall consult with the Controller/Administrator and the County Treasurer with respect to the accuracy of such information.

17. In the event that any one or more of the provisions of this contract shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions hereof, and this contract shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein.

18. The County and the Township recognize that the holders from time to time of the Bonds issued by the County under the provisions of Act 342, and secured by the full faith and credit pledges of the Township to the payment of the principal of and interest on the Bonds as set forth in this contract, will have contractual rights in this contract, and it is covenanted and agreed by each of them that so long as any of the Bonds shall remain outstanding and unpaid, the provisions of this contract shall not be subject to any alteration or revision that would affect adversely either the security for the Bonds or the prompt payment of the principal of or interest on the Bonds. The right to make changes in this contract, by amendment, supplemental contract or otherwise, nevertheless is reserved insofar as the same do not have such adverse affect. The Township and the County Agency further covenant and agree that they will comply with their respective duties and obligations under the terms of this contract promptly, at the times and in the manner herein set forth and will not suffer to be done any act that would in any way impair the Bonds, the security therefor or the prompt payment of the principal thereof and the interest thereon. It is declared that the terms of this contract, insofar as they pertain to the security of any Bonds, shall be deemed to be for the benefit of the holders of the Bonds.

19. This contract shall become effective after approval by the governing body of the Township and the Board of Commissioners of the County, execution by the authorized officials of the parties and the expiration of 45 days after the date of publication of the notice required by Section 5b of Act 342; Provided, however, that if, within the 45-day period, a proper petition is filed with the Township Clerk of the Township in accordance with the provisions of Section 5b of Act 342, this contract shall not become effective until approved by the vote of a majority of

the electors of the unincorporated area of the Township qualified to vote and voting thereon at a general or special election. This contract shall terminate forty (40) years from its date or on such earlier date when the Township is not in default hereunder and the principal, interest and bond service charges on the Bonds issued as hereinabove described are fully paid and discharged. This contract shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Nothing herein contained, however, shall require the County to finance the Project if it is unable to sell the Bonds to finance the same. This contract may be executed in any number of counterparts.

SPECIMEN

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed and delivered by their respective duly authorized officers, all as of the day and year first above written.

COUNTY OF OTTAWA
By: Its Board of County Road Commissioners as
County Agency

By: _____

Chairman
SPECIMEN
TOWNSHIP OF SPRING LAKE
By: _____

Supervisor

And: _____

Township Clerk

BLOOMFIELD 9232-186 1102800

EXHIBIT A – PROJECT MAP

BOARD OF COUNTY ROAD COMMISSIONERS

**SPRING LAKE TOWNSHIP
OTTAWA COUNTY, MICHIGAN**

2011 WASTEWATER SYSTEM PUMP STATION IMPROVEMENTS

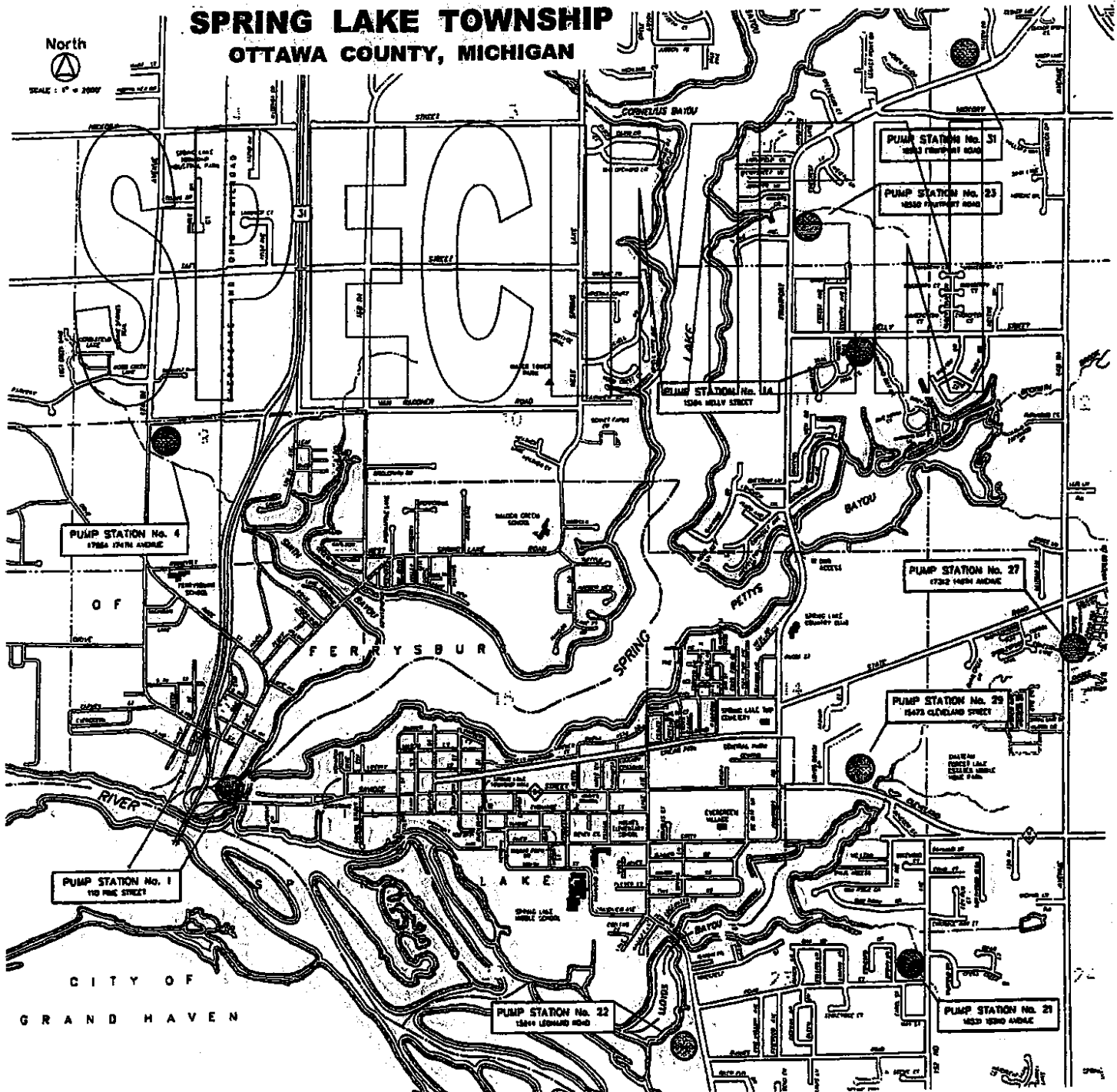


EXHIBIT A – PROJECT DESCRIPTION

BOARD OF COUNTY ROAD COMMISSIONERS

SPRING LAKE TOWNSHIP OTTAWA COUNTY, MICHIGAN

2011 WASTEWATER SYSTEM PUMP STATION IMPROVEMENTS

Pump station improvements for the wastewater system serving the industrial areas in Spring Lake Township are being proposed and include the nine (9) stations below. The capacity of each proposed improved facility is shown below. Improvements to upgrade the existing facilities include new pumps, motors, piping, valves and replacement of control systems at all stations.

<u>Number</u>	<u>Location</u>	<u>Proposed Firm Capacity, gpm</u>
1	Third Street	1300
4	174 th Ave.	850
14	Kelly St.	250
21	152 nd Ave.	400
22	Leonard Rd.	700
23	Fruitport Rd. – N. of Kelly St.	350
27	148 th Ave.	220
29	M-104 – Orchard Market	250
31	Fruitport Rd. – near Walden Dr.	320

New generators will be installed at the main pumping stations in each area. These are Pump Station No. 4 serving the industrial areas along 174th Avenue, Pump Station No. 22 which serves the industrial areas along Cleveland Street (M-104) and 148th Avenue and Pump Station No. 23 which serves the industrial areas along Apple Drive in the northeastern portion of the Township.

In addition, all pumping stations will be interconnected by the installation of a supervisory control and data acquisition system (SCADA). Painting of the stations, replacement of internal equipment such as exhaust blowers, dehumidifiers, and heaters will also be completed.

EXHIBIT B – COST ESTIMATE

BOARD OF COUNTY ROAD COMMISSIONERS

**SPRING LAKE TOWNSHIP
OTTAWA COUNTY, MICHIGAN**

2011 WASTEWATER SYSTEM PUMP STATION IMPROVEMENTS

Construction Cost	\$2,125,000
Construction Contingencies	110,000
Engineering	155,000
Finance, Admin., & Legal Expense	50,000
Project Estimate	\$2,440,000
Less Economic Development Grant	(1,200,000)
Less Cash-on-Hand	(400,000)
Amount of Bonds	\$840,000

The estimated total useful life of this project is 20 years and upwards.

Prein&Newhof



Kevin S. Kieft, P.E.
Prein&Newhof

February 2, 2011

4. AUTHORIZATION OF BONDS – PURPOSE. Two series of bonds of the County aggregating the principal sum of not to exceed One Million Three Hundred Sixty Thousand Dollars (\$1,360,000), as determined by the Director of Utilities in the Sale Order, shall be issued and sold pursuant to the provisions of Act 342, Act 34 and other applicable statutory provisions, for the purpose of defraying part of the cost of the Project and refunding all or part of the Prior Bonds. Subsequent to execution of the 2011 Contract by the parties thereto, the first series of bonds (the “Series 2011A Bonds”) shall be issued in the principal amount of not to exceed Eight Hundred Forty Thousand Dollars (\$840,000), as determined by the Director of Utilities in the Sale Order, for the purpose of defraying part of the cost of the Project, and the second series of bonds (the “Series 2011B Bonds”) shall be issued in the principal amount of not to exceed Five Hundred Twenty Thousand Dollars (\$520,000), as determined by the Director of Utilities in the Sale Order, for the purpose of refunding all or part of the Prior Bonds.

5. BOND DETAILS. The Series 2011A Bonds shall be designated “Ottawa County Sewage Disposal Bonds (Spring Lake Township), Series 2011A” and the Series 2011B Bonds shall be designated “Ottawa County Sewage Disposal Bonds (Spring Lake Township), Series 2011B.” Each series of the Bonds shall be dated as of such date set forth in the Sale Order; shall be issued as serial bonds or term bonds, or a combination thereof, as set forth in the Sale Order; shall be numbered from 1 upwards; shall be fully registered; shall be in the denomination of \$5,000 each or any integral multiple thereof not exceeding the aggregate principal amount for each maturity at the option of the purchaser thereof; shall bear interest at a rate or rates not exceeding 7% per annum, to be determined by the Director of Utilities in the Sale Order, payable on each March 1 and September 1 as provided in the Sale Order; shall mature on March 1 in such principal amounts and in such years as shall be determined by the Director of Utilities in the Sale Order; and shall be sold at a purchase price to be determined by the Director of Utilities in the Sale Order.

6. PRIOR REDEMPTION.

(a) Optional and Mandatory Sinking Fund Redemption. The Series 2011A Bonds may be subject to optional redemption prior to maturity as provided in the Sale Order. The Series 2011B Bonds are not subject to optional redemption prior to maturity. The Bonds shall be subject to mandatory sinking fund redemption prior to maturity as provided in the Sale Order. The Series 2011A Bonds subject to optional redemption may be redeemed on any date on and after March 1, 2021 at a redemption price of 100% of the principal amount thereof plus accrued interest to the redemption date. Bonds subject to mandatory sinking fund redemption shall be redeemed at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. Bonds to be so redeemed shall be selected as provided in the Sale Order.

(b) Notice of Redemption. Not less than thirty days' notice of redemption shall be given by mail to the registered owners of Bonds to be called at the registered address. Bonds or portions of Bonds called for redemption shall not bear interest after the date fixed for redemption, provided funds are on hand with the bond registrar and paying agent to redeem the same.

7. PAYMENT OF PRINCIPAL AND INTEREST. The principal of and interest on the Bonds shall be payable in lawful money of the United States. Principal shall be payable upon presentation and surrender of the Bonds to the bond registrar and paying agent as they severally mature. Interest shall be paid to the registered owner of each Bond as shown on the registration books at the close of business on the 15th day of the calendar month preceding the month in which the interest payment is due. Interest shall be paid when due by check or draft drawn upon and mailed by the bond registrar and paying agent to the registered owner at the registered address.

8. BOOK-ENTRY SYSTEM. Initially, one fully-registered Bond for each maturity of each series of the Bonds, in the aggregate amount of such maturity, shall be issued in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC") for the benefit of other

parties (the "Participants") in the book-entry-only transfer system of DTC. In the event the County determines that it is in the best interests of the County not to continue the book-entry system of transfer or that the interests of the holders of the Bonds might be adversely affected if the book-entry system of transfer is continued, the County may notify DTC and the bond registrar and paying agent, whereupon DTC will notify the Participants of the availability through DTC of bond certificates. In such event, the bond registrar and paying agent shall deliver, transfer and exchange bond certificates as requested by DTC and any Participant or "beneficial owner" in appropriate amounts in accordance with this Resolution. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the County and the bond registrar and paying agent and discharging its responsibilities with respect thereto under applicable law or the County may determine that DTC is incapable of discharging its duties and may so advise DTC. In either such event, the County shall use reasonable efforts to locate another securities depository. Under such circumstances (if there is no successor securities depository), the County and the bond registrar and paying agent shall be obligated to deliver bond certificates in accordance with the procedures established by this Resolution. In the event bond certificates are issued, the provisions of this Resolution shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such certificates. Whenever DTC requests the County and the bond registrar and paying agent to do so, the County and the bond registrar and paying agent shall cooperate with DTC in taking appropriate action after reasonable notice to make available one or more separate certificates evidencing the Bonds to any Participant having Bonds certified to its DTC account or to arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of, interest on and redemption premium, if any, on such Bonds and all notices with respect to the Bonds shall be made and given, respectively, to DTC as provided in the Blanket Issuer Letter of Representations between the County and DTC, and the Director of Utilities is

authorized to sign such additional documents on behalf of the County as may be requested by DTC, in such form as the Director of Utilities deems necessary to accomplish the issuance of the Bonds in accordance with law and this Resolution.

9. BOND REGISTRAR AND PAYING AGENT. The Director of Utilities shall designate, and may enter into an agreement with, a bond registrar and paying agent for the Bonds that shall be a bank or trust company located in the State of Michigan that is qualified to act in such capacity under the laws of the United States of America or the State of Michigan. The Director of Utilities from time to time as required may designate a similarly qualified successor bond registrar and paying agent.

10. EXECUTION, AUTHENTICATION AND DELIVERY OF BONDS. The Bonds shall be executed in the name of the County by the facsimile signatures of the Chairman of the Board of Commissioners and the County Clerk and authenticated by the manual signature of an authorized representative of the bond registrar and paying agent, and the seal of the County (or a facsimile thereof) shall be impressed or imprinted on the Bonds. After the Bonds have been executed and authenticated for delivery to the original purchaser thereof, they shall be delivered by the County Treasurer to the purchaser upon receipt of the purchase price. Additional Bonds bearing the facsimile signatures of the Chairman of the Board of Commissioners and the County Clerk and upon which the seal of the County (or a facsimile thereof) is impressed or imprinted may be delivered to the bond registrar and paying agent for authentication and delivery in connection with the exchange or transfer of Bonds. The bond registrar and paying agent shall indicate on each Bond the date of its authentication.

11. EXCHANGE AND TRANSFER OF BONDS. Any Bond, upon surrender thereof to the bond registrar and paying agent with a written instrument of transfer satisfactory to the bond registrar and paying agent duly executed by the registered owner or his duly authorized attorney, at the option of the registered owner thereof, may be exchanged for Bonds of any other authorized denominations of the same series and aggregate principal amount and maturity date and bearing the same rate of interest as the surrendered Bond.

Each Bond shall be transferable only upon the books of the County, which shall be kept for that purpose by the bond registrar and paying agent, upon surrender of such Bond together with a written instrument of transfer satisfactory to the bond registrar and paying agent duly executed by the registered owner or his duly authorized attorney.

Upon the exchange or transfer of any Bond, the bond registrar and paying agent on behalf of the County shall cancel the surrendered Bond and shall authenticate and deliver to the transferee a new Bond or Bonds of any authorized denomination of the same series and aggregate principal amount and maturity date and bearing the same rate of interest as the surrendered Bond. If, at the time the bond registrar and paying agent authenticates and delivers a new Bond pursuant to this section, payment of interest on the related series of Bonds is in default, the bond registrar and paying agent shall endorse upon the new bond the following: "Payment of interest on this bond is in default. The last date to which interest has been paid is _____, ____."

The County and the bond registrar and paying agent may deem and treat the person in whose name any Bond shall be registered upon the books of the County as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Bond and for all other purposes, and all payments made to any such registered owner, or upon his order, in accordance with the provisions of Section 7 of this Resolution shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the County nor the bond registrar and paying agent shall be affected by any notice to the contrary. The County agrees to indemnify and save the bond registrar and paying agent harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence hereunder, in so treating such registered owner.

For every exchange or transfer of Bonds, the County or the bond registrar and paying agent may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by

the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

The bond registrar and paying agent shall not be required to transfer or exchange Bonds or portions of Bonds which have been selected for redemption.

12. FORM OF BONDS. Each series of the Bonds shall be in substantially the following form:

[Bond Form]

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF OTTAWA

OTTAWA COUNTY SEWAGE DISPOSAL SYSTEM BOND
(SPRING LAKE TOWNSHIP), SERIES 2011_

INTEREST RATE MATURITY DATE DATE OF ORIGINAL ISSUE CUSIP

Registered Owner:
Principal Amount:
SPECIMEN

The County of Ottawa, State of Michigan (the "County") acknowledges itself indebted to and for value received hereby promises to pay to the Registered Owner identified above, or registered assigns, the Principal Amount set forth above on the Maturity Date specified above, unless redeemed prior thereto as hereinafter provided, upon presentation and surrender of this bond at _____, _____, Michigan, the bond registrar and paying agent, or at such successor bond registrar and paying agent as may be designated pursuant to the Resolutions identified below, and to pay to the Registered Owner, as shown on the registration books at the close of business on the 15th day of the calendar month preceding the month in which an interest payment is due, by check or draft drawn upon and mailed by the bond registrar and paying agent by first class mail postage prepaid to the Registered Owner at the registered address, interest on such Principal Amount from the Date of Original Issue or such later date through which interest shall have been paid until the County's obligation with respect to the payment of such Principal Amount is discharged at the rate per annum specified above. Interest is payable on the first days of March and September in each year, commencing _____ 1, 201_. Principal and interest are payable in lawful money of the United States of America.

This bond is one of a series of bonds aggregating the principal sum of _____ Dollars (\$) _____ issued by the County under and

pursuant to and in full conformity with the Constitution and Statutes of Michigan (especially Act No. 342, Public Acts of 1939, as amended[, and Act No. 34, Public Acts of 2001, as amended]) and a bond authorizing resolution adopted by the Board of Commissioners of the County and an order executed by the Director of Utilities of the County (collectively, the "Resolutions") for the purpose of [defraying part of the cost of acquiring and constructing sewage disposal system improvements to serve the Township of Spring Lake (the "Township")] [refunding the County's outstanding Ottawa County Wastewater Collection System Bonds (Spring Lake Township Extension Project) dated April 1, 1999, maturing in the years 2012 through 2019]. The bonds of this series are issued in anticipation of and secured by payments to be made by the Township in the aggregate principal amount of _____ Dollars (\$ _____) pursuant to a contract between the County and the Township. The full faith and credit of the Township have been pledged to the prompt payment of the foregoing amount and the interest thereon as the same become due. As additional security the full faith and credit of the County have been pledged for the prompt payment of the principal of and interest on the bonds of this series. Taxes levied by the Township and the County to pay the principal of and interest on the bonds of this series are subject to constitutional tax limitations.

This bond is transferable, as provided in the Resolutions, only upon the books of the County kept for that purpose by the bond registrar and paying agent, upon the surrender of this bond together with a written instrument of transfer satisfactory to the bond registrar and paying agent duly executed by the Registered Owner or his attorney duly authorized in writing. Upon the exchange or transfer of this bond a new bond or bonds of any authorized denomination, of the same series, in the same aggregate principal amount and of the same interest rate and maturity, shall be authenticated and delivered to the transferee in exchange therefor as provided in the Resolutions, and upon payment of the charges, if any, therein provided. Bonds so authenticated and delivered shall be in the denomination of \$5,000 or any integral multiple thereof not exceeding the aggregate principal amount for each maturity.

The bond registrar and paying agent shall not be required to transfer or exchange bonds or portions of bonds which have been selected for redemption.

MANDATORY PRIOR REDEMPTION

Bonds maturing in the year _____ are subject to mandatory prior redemption at par and accrued interest as follows:

<u>Redemption Date</u>	<u>Principal Amount of Bonds to be Redeemed</u>
------------------------	---

Bonds or portions of bonds to be redeemed by mandatory redemption shall be selected by lot.

[OPTIONAL PRIOR REDEMPTION

Bonds maturing prior to March 1, 20__, are not subject to optional redemption prior to maturity. Bonds maturing on and after March 1, 20__, are subject to redemption prior to maturity at the option of the County, in such order as shall be determined by the County, on any one or more dates on and after March 1, 20__. Bonds of a denomination greater than \$5,000 may be partially redeemed in the amount of \$5,000 or any integral multiple thereof. If less than all of the bonds maturing in any year are to be redeemed, the bonds or portions of bonds to be redeemed shall be selected by lot. The redemption price shall be the par value of the bond or portion of the bond called to be redeemed plus interest to the date fixed for redemption without premium.]

Not less than thirty days notice of redemption shall be given to the holders of bonds called to be redeemed by mail to the registered holder at the registered address. Bonds or portions of bonds called for redemption shall not bear interest after the date fixed for redemption, provided funds are on hand with the bond registrar and paying agent to redeem the same.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the bonds of this series, existed, have happened and have been performed in due time, form and manner as required by law, and that the total indebtedness of the County, including the series of bonds of which this bond is one, does not exceed any constitutional or statutory limitation.

S I R E G I M E N

IN WITNESS WHEREOF, the County of Ottawa, Michigan, by its Board of Commissioners, has caused this bond to be executed in its name by facsimile signatures of the Chairman of the Board of Commissioners and the County Clerk and its corporate seal (or a facsimile thereof) to be impressed or imprinted hereon. This bond shall not be valid unless the Certificate of Authentication has been manually executed by an authorized representative of the bond registrar and paying agent.

COUNTY OF OTTAWA

By: _____

Its: Chairman, Board of Commissioners

[SEAL] SPECIMEN
And
Its: Clerk
CERTIFICATE OF AUTHENTICATION

This bond is one of the Series 2011_ Bonds described in the within mentioned Resolutions.

Bond Registrar and Paying Agent

By: _____
Authorized Representative

AUTHENTICATION DATE:

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

(please print or type name, address and taxpayer identification number of transferee) the within
bond and all rights thereunder and hereby irrevocably constitutes and appoints

attorney to transfer the within bond on the books kept for registration thereof, with full power of
substitution in the premises.

Dated: _____

Signature Guaranteed: _____

Signature(s) must be guaranteed by an eligible guarantor institution participating in a
Securities Transfer Association recognized signature guarantee program.

SPECIMEN

[End of Bond Form]

13. SECURITY. The Series 2011A Bonds and the Series 2011B Bonds shall be issued in anticipation of payments to be made by the Township pursuant to the 2011 Contract and the 1999 Contract, respectively. The Series 2011A Bonds and the Series 2011B Bonds shall be secured primarily by the full faith and credit pledges made by the Township in the 2011 Contract and the 1999 Contract, respectively, pursuant to the authorization contained in Act 342. As additional and secondary security the full faith and credit of the County are pledged for the prompt payment of the principal of and interest on the Bonds as the same shall become due. If the Township shall fail to make a payment to the County which is sufficient to pay the principal of, premium, if any, and interest on the Bonds as the same shall become due, then an amount sufficient to pay the deficiency shall be advanced from the general fund of the County. Taxes imposed by the County shall be subject to constitutional limitations.

14. DEFEASANCE. In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay, at maturity or irrevocable call for earlier optional redemption, the principal of, premium, if any, and interest on the Bonds, or any portion thereof, shall have been deposited in trust, this Resolution shall be defeased with respect to such bonds, and the owners of the Bonds shall have no further rights under this Resolution except to receive payment of the principal of, premium, if any, and interest on such Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

15. PRINCIPAL AND INTEREST FUND. There shall be established for each series of the Bonds a Principal and Interest Fund which shall be kept in a separate bank account. From the proceeds of the sale of each series of the Bonds there shall be set aside (i) in the related Principal and Interest Fund any accrued interest received from the purchaser of such series of the Bonds at the time of delivery of the same and (ii) in the Principal and Interest Fund for the Series 2011A Bonds, any premium received from the purchaser of the Series 2011A Bonds at the time

of delivery of same. All payments received from the Township pursuant to the 2011 Contract are pledged for payment of the principal of and interest on the Series 2011A Bonds and expenses incidental thereto and as received shall be placed in the Principal and Interest Fund for the Series 2011A Bonds. All payments received from the Township pursuant to the 1999 Contract are pledged for payment of the principal of and interest on the non-refunded Prior Bonds and the Series 2011B Bonds and expenses incidental thereto and as received shall be placed in the Principal and Interest Fund for the Series 2011B Bonds. The County Agency shall transfer moneys in the Principal and Interest Fund for the Series 2011B Bonds to the bond registrar and paying agent for the Prior Bonds and the bond registrar and paying agent for the Series 2011B Bonds as necessary for the payment of the principal of and interest on the non-refunded Prior Bonds and the Series 2011B Bonds.

16. CONSTRUCTION FUND. The remainder of the proceeds of the sale of the Series 2011A Bonds shall be set aside in a construction fund for the Project and used to defray the cost of the Project in accordance with the provisions of the 2011 Contract.

17. PAYMENT OF ISSUANCE EXPENSES - ESCROW FUND. The remainder of the proceeds of the sale of the Series 2011B Bonds shall be used to pay the issuance expenses of the Series 2011B Bonds and to establish an escrow fund for the Prior Bonds that are refunded (the "Refunded Bonds"). After the issuance expenses have been paid or provided for the remaining proceeds shall be used, together with available funds of the Township, if any, to establish an escrow fund (the "Escrow Fund") consisting of cash and investments in direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America or other obligations the principal of and interest on which are fully secured by the foregoing and used to pay the principal of, interest on and redemption premiums, if any, on the Refunded Bonds. The Escrow Fund shall be held by an escrow agent (the "Escrow Agent") in trust pursuant to an escrow agreement (the "Escrow Agreement"), which irrevocably shall direct the Escrow Agent to take all necessary steps to pay the interest on the Refunded Bonds when due and to call the Refunded Bonds for redemption at such time as shall be determined in the Escrow

Agreement. The Director of Utilities is authorized to select the Escrow Agent and enter into the Escrow Agreement on behalf of the County. The amounts held in the Escrow Fund shall be such that the cash and the investments and the income received thereon will be sufficient without reinvestment to pay the principal of, interest on and redemption premiums, if any, on the Refunded Bonds when due at maturity or call for redemption as required by the Escrow Agreement.

18. APPROVAL OF MICHIGAN DEPARTMENT OF TREASURY. The issuance and sale of the Bonds shall be subject to permission being granted therefor by the Department of Treasury of the State of Michigan pursuant to Act 34 and, if necessary, the Director of Utilities is authorized and directed to make application to the Department of Treasury for permission to issue and sell the Bonds as provided by the terms of this Resolution.

19. SALE, ISSUANCE, DELIVERY, TRANSFER AND EXCHANGE OF BONDS. If the Director of Utilities determines that (i) the present value of the savings (net of issuance costs) to be realized by the issuance of the Series 2011B Bonds shall be equal to or greater than 2% of the principal amount of the Refunded Bonds and (ii) the refunding of all or part of the Prior Bonds is in the best interests of the County, the Bonds shall be sold pursuant to a negotiated sale to an underwriter to be selected by the Director of Utilities (the "Underwriter") following consultation with the County's financial advisor, and it is hereby determined that such negotiated sale, or private placement as hereinafter provided, is in the best interests of the County and is calculated to provide the maximum flexibility in pricing the Bonds.

If the Director of Utilities determines that (x) the present value of the savings (net of issuance costs) to be realized by the issuance of the Series 2011B Bonds shall be less than 2% of the principal amount of the Refunded Bonds or (y) the refunding of all or part of the Prior Bonds is not in the best interests of the County, the Director of Utilities, following consultation with the County's financial advisor, is authorized to sell the Series 2011A Bonds at a competitive sale or pursuant to a negotiated sale to a purchaser (the "Purchaser") in connection with a private placement, such purchaser to be selected by the Director of Utilities. If a competitive sale is chosen, the Director of Utilities is hereby authorized (1) to approve an Official Notice of Sale for

the Series 2011A Bonds and to publish the same in accordance with law in *The Bond Buyer* at least seven days before the date set for the sale of the Series 2011A Bonds, (2) to receive bids for the purchase of the Series 2011A Bonds up to such time as he shall hereafter determine and (3) following the receipt of such bids, to award the Series 2011A Bonds to the successful bidder therefor pursuant to the Sale Order.

The Director of Utilities is authorized to determine which of the Prior Bonds shall be refunded and the principal amount of the Bonds to be sold and to enter into a Bond Purchase Agreement with the Purchaser or the Underwriter, as the case may be, which shall be approved in the Sale Order. The Sale Order shall be executed by the Director of Utilities at the time of sale of the Bonds and shall set forth the number of the series of the Bonds to be issued and, with respect to each such series of the Bonds, the principal amount, principal maturities and dates, interest rates and interest payment dates, redemption provisions, if any, purchase price to be paid by the Purchaser or the Underwriter, and compensation to be paid to any placement agent for the Purchaser or to the Underwriter, as well as such other terms and provisions as the Director of Utilities determines to be necessary or appropriate in connection with the sale of the Bonds. The members of the Board of County Road Commissioners, the Director of Utilities and other appropriate County officials are authorized to do all things necessary to effectuate the sale, issuance, delivery, transfer and exchange of the Bonds in accordance with the provisions of this Resolution. In making the determination in the Sale Order with respect to principal maturities and dates, interest rates, purchase price of the Bonds and compensation to be paid to any placement agent or the Underwriter, the Director of Utilities shall be limited as follows:

- (a) The interest rate on any Bond shall not exceed 7% per annum.
- (b) The final maturity date of the Series 2011A Bonds shall not be later than March 1, 2031, and the final maturity date of the Series 2011B Bonds shall not be later than March 1, 2019.

(c) The present value of the savings (net of issuance costs) to be realized by the issuance of the Series 2011B Bonds shall be equal to or greater than 2% of the principal amount of the Refunded Bonds.

(d) The purchase price of the Bonds shall not be less than 98% of the principal amount thereof.

(e) The Underwriter's discount with respect to the Bonds or the compensation to be paid to any placement agent or the Underwriter shall not exceed 1% of the principal amount of the Bonds.

20. REPLACEMENT OF BONDS. Upon receipt by the County Agency of proof of ownership of an unmatured Bond, of satisfactory evidence that the Bond has been lost, apparently destroyed or wrongfully taken and of security or indemnity which complies with applicable law and is satisfactory to the County Agency, the County Agency may authorize the bond registrar and paying agent to deliver a new executed Bond to replace the Bond lost, apparently destroyed or wrongfully taken in compliance with applicable law. In the event an outstanding matured Bond is lost, apparently destroyed or wrongfully taken, the County Agency may authorize the bond registrar and paying agent to pay the Bond without presentation upon the receipt of the same documentation required for the delivery of a replacement Bond. The bond registrar and paying agent, for each new Bond delivered or paid without presentation as provided above, shall require the payment of expenses, including counsel fees, which may be incurred by the bond registrar and paying agent and the County in the premises. Any Bond delivered pursuant to the provisions of this Section 20 in lieu of any Bond lost, apparently destroyed or wrongfully taken shall be of the same form and tenor and be secured in the same manner as the Bond in substitution for which such Bond was delivered.

21. TAX COVENANT. The County covenants to comply with all requirements of the Code necessary to assure that the interest on the Bonds will be and will remain excludable from gross income for federal income tax purposes. The Board of County Road Commissioners, the Director of Utilities and other appropriate County officials are authorized to do all things

necessary to assure that the interest on the Bonds will be and will remain excludable from gross income for federal income tax purposes.

22. OFFICIAL STATEMENT. The Board of County Road Commissioners is authorized to cause the preparation of an official statement for the Bonds for the purpose of enabling compliance with Rule 15c2-12 issued under the Securities Exchange Act of 1934, as amended (the "Rule"), by the purchaser and shall do all other things necessary to enable compliance with the Rule by the purchaser. After the award of the Bonds, the County will provide copies of a "final official statement" (as defined in paragraph (e)(3) of the Rule) on a timely basis and in reasonable quantity as requested by the purchaser to enable the purchaser to comply with paragraph (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board.

23. CONTINUING DISCLOSURE. The County Treasurer is hereby authorized to execute and deliver in the name and on behalf of the County (i) a certificate of the County to comply with the requirements for a continuing disclosure undertaking of the County pursuant to subsection (b)(5) of the Rule and (ii) amendments to such certificate from time to time in accordance with the terms of such certificate (the certificate and any amendments thereto are collectively referred to herein as the "Continuing Disclosure Certificate"). The County hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. The remedies for any failure of the County to comply with and carry out the provisions of the Continuing Disclosure Certificate shall be as set forth therein.

24. BOND INSURANCE. The Director of Utilities is authorized and directed to take any actions that may be necessary or appropriate to purchase a policy or policies of municipal bond insurance with respect to the Bonds to the extent that the Director of Utilities determines in the Sale Order that the purchase of such municipal bond insurance is in the best interests of the County. If the Director of Utilities makes such a determination, the purchase of a policy or policies and the payment of premiums therefor and the execution by the Director of Utilities of any necessary commitments or other documents with respect thereto are hereby authorized.

25. CONFLICTING RESOLUTIONS. All resolutions and parts of resolutions insofar as they may be in conflict herewith are hereby rescinded.

YEAS: _____

NAYS: _____

ABSENT: _____

RESOLUTION DECLARED ADOPTED.

COUNTY OF OTTAWA

By: _____
Phillip Kuyers, Chairperson
Board of Commissioners

By: _____
Daniel C. Krueger, County Clerk

STATE OF MICHIGAN)
)ss
COUNTY OF OTTAWA)

I hereby certify that I am the County Clerk of the County of Ottawa, State of Michigan, and that the foregoing is a true and complete copy of a resolution duly adopted by the Board of Commissioners of said County at a regular meeting held on _____, 2011, the original of which resolution is on file in my office. I further certify that notice of said meeting was given in accordance with the provisions of the open meetings act.

Daniel C. Krueger, County Clerk

**AGREEMENT
REGARDING SEWER SYSTEM**

This Agreement is made between the County of Ottawa (“Ottawa”) and Spring Lake Township (“Local Unit”):

**SECTION I
PURPOSE**

The Local Unit owns and operates or causes to be operated a municipal sewer system (“System”) within the Local Unit and which collects and transports sewage to the Grand Haven-Spring Lake Sewer Authority’s Wastewater Treatment Plant located in the City of Grand Haven, Ottawa County, Michigan. The Local Unit contracts with the Ottawa County Road Commission, a legal entity separate from Ottawa, to provide the System with certain operational services.

Over the years, the Local Unit has requested from time to time that Ottawa provide bond financing for certain System fixtures and improvements (collectively, “Improvements”) under the authority of Act 342, Public Acts of Michigan, 1939 (“Act 342”), as amended. While such bonds are outstanding and as a condition thereof, the Improvements acquired thereby, must be owned by Ottawa. Notwithstanding this fact, the Local Unit agrees to pay all of the costs of the bond repayment, bond financings and all operational costs of the System. After the bonds have been paid, there is no reason for Ottawa to own the Improvements and the parties have no desire for Ottawa to own the Improvements.

The Local Unit is requesting that Ottawa further bond finance certain improvements to the System in 2011. The purpose of this Agreement is to clarify the ownership status of the Improvements upon the complete repayment of any bonds previously issued by Ottawa, presently

to be issued or that might be issued in the future, as well as to provide defense and indemnification to Ottawa before, during and after the pendency of bond payments.

SECTION II
OWNERSHIP

Upon repayment of the Act 342 bonds, title to any and all Improvements financed thereby shall immediately and without further documentation or action, pass from Ottawa to the Local Unit. The Local Unit may agree to further define its individual or joint ownership of the Improvements with other municipalities and may have such agreements currently in place as to specific fixtures; however, independent and irrespective of the existence or nonexistence of any such further agreement or understanding, Ottawa will not own the Improvements and the Local Unit or the municipality or municipalities with which the Local Unit contracts will own it. Nothing in this Agreement shall preclude the Local Unit from further assigning or alienating its ownership interest in the Improvements. Nothing in this Agreement shall preclude Ottawa from issuing or the Local Unit from accepting documentation regarding the passage of title.

SECTION III
DEFENSE, RELEASE AND INDEMNIFICATION

In consideration for Ottawa's bonding of certain Improvements to the System in 2011, the Local Unit agrees to indemnify and save Ottawa harmless from all liability of any nature whatsoever regardless of how such liability arises, and from all claims, actions demands, expenses, damages and losses of every conceivable kind whatsoever (including, but not limited to, liability for injuries or death of persons and damages to or loss of property) asserted by or on behalf of any person, firm, corporation or governmental authority arising out of, resulting from, or in any way connected with the operation, maintenance, repair, ownership, acquisition,

construction or reconstruction of the System or the sale and delivery by Ottawa of any bonds to finance Improvements for the System.

In connection with any proceedings brought as a result of any such claim or demand, the Local Unit shall also pay, indemnify and save Ottawa harmless from and against all costs, reasonable attorneys' fees and disbursements of any kind or nature incidental to or incurred in said defense, and will likewise pay all sums required to be paid by reason of said claims, demands, or any of them, in the event it is determined that there is any liability on the party of Ottawa.

Upon the entry of any final judgment or a final award by an arbitration panel against Ottawa on any claim, action, demand, expense, damage or loss contemplated by this provision and notwithstanding that Ottawa has not paid the same, the Local Unit shall be obligated to pay Ottawa upon written demand therefore, the amount thereof not more than sixty (60) days after such demand is made. In the event that any action or proceeding is brought against Ottawa by reason of any such claims or demands, whether such claims or demands are groundless or not, the Local Unit shall, upon written notice and demand from Ottawa, resist and defend such action or proceeding on behalf of Ottawa, but will not settle any such action or proceeding without the consent of Ottawa.

The Local Unit expressly recognizes and stipulates that it is not relying on Ottawa for any Improvement's design, recommendation, construction management, operations, operational management, or other activities associated with the System, including but not limited to any decision as to whether or not the System needs any Improvements and it covenants not to sue or otherwise assert any claim against Ottawa for any such action or inaction.

As to the parties to this Agreement, the provisions of this Section take precedence over any provision contained in any past or future bond related agreement or other Improvements or other understanding unless this Agreement and this Section is expressly identified, described and modified.

The parties recognize that this Agreement and this Section does not involve the Ottawa County Road Commission, which is a separate legal entity, and that any defense, indemnification, release, waiver or other stipulation pertaining to the Ottawa County Road Commission's potential liability for the System's management or operation shall be addressed separately, and the Ottawa County Road Commission's covenants, duties, obligations and responsibilities contained in any prior agreement between the Ottawa County Road Commission and Local Unit and such other agreement or agreements shall continue to remain in effect unless terminated by the parties thereto pursuant to the terms thereof.

Notwithstanding the foregoing, nothing contained in this Section shall be construed to require the Local Unit to defend, indemnify or release Ottawa against and from any liability which Ottawa might have directly to a Local Unit as a result of Ottawa's negligent actions or the failure of Ottawa to act with respect to the ownership, acquisition or construction of the Improvements financed by Ottawa's bonds, provided that this exception to the Local Unit's defense, indemnification and hold harmless obligation shall not apply to any reimbursement for, contribution towards, or defense and indemnification against any third party liability asserted against the Local Unit or that it may incur.

SECTION IV
NO JOINT VENTURE OR THIRD PARTY AGREEMENT

The parties to this Agreement recognize that no joint venture is created by this Agreement or by Ottawa's financing of any Improvements and that it does not inure to the benefit of any third party, with the sole exception of the Ottawa County, Michigan, Insurance Authority.

SECTION V
MISCELANEOUS

5.1 **MERGER**

This Agreement and any indemnification provision contained in any sewage disposal contract signed in conjunction with any bond financing constitute the complete expression of the understanding between the parties on these subjects and there are no other oral or written agreements or understandings between the entities concerning these subjects. Any prior agreements or understandings on the matters addressed in this Agreement are hereby rescinded, revoked or terminated. This Agreement may only be modified or amended by subsequent written agreement approved by each party's governing body.

5.2 **SEVERABILITY**

This Agreement shall be interpreted in a manner consistent with applicable law. If any portion is held to be illegal, invalid or unenforceable, the remainder of the Agreement shall be deemed severable and shall remain in full force and effect.

5.3 **ASSIGNMENT**

This Agreement may not be assigned by any party without the express, written agreement of the parties.

5.4 TERM

This Agreement shall remain in effect indefinitely, unless terminated by resolution or subsequent written Agreement duly approved and executed by all of the parties.

EXECUTION
OTTAWA COUNTY

Attest: Daniel C. Krueger
Ottawa County Clerk

By _____
Phillip D. Kuyers, Chairperson
Ottawa County Board of
Commissioners


CERTIFICATION

I, Daniel C. Krueger, Ottawa County Clerk, hereby certify that its legislative body duly approved this Agreement and directed that it be executed by the Chairperson of the Board of Commissioners, whose signature has been applied above.


Daniel C. Krueger

Dated: _____

TOWNSHIP OF SPRING LAKE



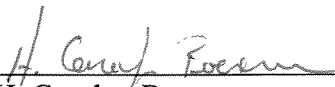
Attest: H. Carolyn Boersma, Clerk

By 

John Nash, Supervisor

CERTIFICATION

I, H Carolyn Boersma, Clerk of the Township of Spring Lake, hereby certify that its legislative body duly approved this Agreement and directed that it be executed by the Supervisor, whose signature has been applied above.



H. Carolyn Boersma

Dated: 5-11-11

Action Request



Committee: Finance and Administration Committee

Meeting Date: 6/21/2011

Requesting Department: Fiscal Services

Submitted By: Bob Spaman

Agenda Item: Study with the City of Grand Haven to Implement Collaborated Services

SUGGESTED MOTION:

To approve and forward to the Board of Commissioners a proposal from Plante and Moran, PLLC to study and implement collaborative services with the City of Grand Haven including Finance, Assessing, Treasury and Information Technology.

SUMMARY OF REQUEST:

The County was recently approached by representatives of the City of Grand Haven to handle Finance, Assessing, Treasury and Information Technology due to several upcoming retirements in these areas supervised by the Finance Director, who is soon retiring. In our discussion with the City, it was determined that we should get a third party to help set this up. Michigan Municipal League (MML) proposed that their organization would conduct a search and fund half of the cost of this study. The County would fund two-thirds of the remaining cost and the City would fund one-third of the remaining cost. The MML search proposed three bidders including Plante and Moran at \$30,000, Prima Ciuitas at \$35,500 and Schumaker & Company at \$85,190. Based on cost and past experience with the aforementioned vendors, the County and the City agreed that Plante & Moran is the best choice.

This study would be used as a model for any future collaboration efforts with other municipalities in the County or future efforts with the City of Grand Haven.

FINANCIAL INFORMATION:

Total Cost: \$30,000.00 | General Fund Cost: \$10,000.00 | Included in Budget: Yes | No

If not included in budget, recommended funding source: Fund Balance

ACTION IS RELATED TO AN ACTIVITY WHICH IS:

Mandated | Non-Mandated | New Activity

ACTION IS RELATED TO STRATEGIC PLAN:

Goal: 4: To Continually Improve the County's Organization and Services.

Objective: 4: Examine opportunities for service-delivery with local units of government.

ADMINISTRATION RECOMMENDATION: Recommended | Not Recommended | Without Recommendation

County Administrator: Alan G. Vanderberg

Digitally signed by Alan G. Vanderberg
DN: cn=Alan G. Vanderberg, o=US, ou=County of Ottawa, ou=Administrator's Office, email=avanderberg@mottawak.org
Reason: I am approving the document
Date: 2011.06.16 10:12:05 -0400

Committee/Governing/Advisory Board Approval Date:



Plante & Moran, PLLC
27400 Northwestern Highway
P.O. Box 307
Southfield, MI 48037-0307
Tel: 248.352.2500
Fax: 248.352.0018
plantemoran.com

June 10th, 2011

Mr. Arnold Weinfeld
President, Michigan Municipal League Foundation
208 N. Capitol Ave First Floor
Lansing MI 48933

RE: **Ottawa County/City of Grand Haven support services**

Dear Mr. Weinfeld,

Plante & Moran, PLLC is pleased to provide this attached Bidders Response Document to the Michigan Municipal League Foundation to perform a business case analysis and implementation plan for the Ottawa County/City of Grand Haven support services project. We are very excited about the possibility of working with the collaborative team on this very important project and believe we have assembled a strong project team. As one of the largest consulting and accounting firms nationally, and the largest based in Michigan, we offer the following benefits:

- **As accountants and advisors to nearly 200 government agencies**, our Firm is well recognized as one of the leading providers of independent, objective advice.
- **Plante & Moran has been providing the full-range of service sharing / consolidation consulting services for the last ten years**, including operational, financial, and legal aspects related to the implementation of shared services initiatives.
- **These experiences have included a wide range of projects** related to public safety, administrative services, information technology services, public works, and city consolidations.
- **Through these experiences we have been able to derive best practices** associated with the design and implementation of shared services agreements.
- **Our approach is designed to identify and assess both the advantages and disadvantages of these service options**, including the full range of relevant cost, service and management issues.

Our proposed team blends the organizational, operational, technical and governmental knowledge with seasoned, management consultants to work on this important initiative. We believe that based upon these experiences and the quality of our proposed team, we are well qualified to provide objective and comprehensive evaluation to the Shared Public Services Initiative (SPSI). If you have any questions concerning this proposal, or need to contact any of the project team members, please contact me at 248-223-3328 or Adam.Rujan@plantemoran.com.

Very truly yours,

PLANTE & MORAN, PLLC

Adam Rujan, Partner

BIDDERS RESPONSE DOCUMENT

CONTACT INFORMATION

Company Name: Plante & Moran, PLLC Date: June 10, 2011

Street Address: 27400 Northwestern Hwy

City: Southfield State: Michigan Zip Code: 48037

Contact Person: Adam Rujan

Phone Number: 248.223.3328

Email Address: Adam.Rujan@plantemoran.com

WORK AND DELIVERABLE

Bidders should identify services (work) to be provided and deliverables for the successful completion of this project. Fully explain and define each deliverable with completion date. All pricing should be fixed firm and deliverable based.

A. Kick-off Meeting with COGs/ISDs and Locals

Include all tasks and deliverables: include time to complete

For the following project:

Ottawa County/City of Grand Haven support services

Plante & Moran will work with the project sponsor to schedule and invite key City and County stakeholders to a project kick off meeting to review and confirm the project scope, examine the project work plan, identify stakeholder expectations, further develop a schedule of project activities, and identify plans to mitigate potential project risks.

Time to Complete: Initial 14 days (included within Business Case Analysis)

B. Business Case Analysis: Development and Communication Strategies

Plante & Moran will work closely with City and County management and staff members to review the operational strategies and financial costs of providing administrative services to the City of Grand Haven. Through this approach we propose the following project activities:

1. Collect Information and Review Documents

Plante & Moran will review existing documentation to gain a comprehensive understanding of both organizations. The following list, while not all-inclusive, details the key information we will review:

- Organization charts
- Job descriptions of current staff members
- Operating policies and procedures
- Historical budget statements

2. Conduct Service Analysis

Plante & Moran will conduct on-site interviews with City and County staff members to evaluate current processes, workload, systems, resources, and related costs with the potential service offerings. The purpose of our interviews will be to review any differences between City and County services, and preliminarily evaluate new processes needed to jointly perform services for both entities.

3. Review and Evaluate Service Delivery Models

Upon completion of the on-site interviews, Plante & Moran will review and evaluate the possible methods for service delivery, and identify the roles and responsibilities of staff members. Service models will be designed to take into account the planned retirements of City staff members. The project team will review service delivery models with City and County staff for operational feasibility before conducting the feasibility analysis.

4. Conduct Feasibility Analysis

Upon approval from City and County staff, Plante & Moran will conduct the initial feasibility analysis to preliminarily identify the following items:

- Potential cost savings
- Preliminary staffing options
- Process improvements
- Revenue impacts
- System and personnel implications
- Potential barriers / challenges to implementation

5. Review Feasibility Analysis with City and County staff

Plante & Moran will review the feasibility analysis with City and County staff to identify the operational and financial feasibility of City / County collaboration of services to determine whether to continue with Phase 2 of the engagement.

Time to Complete: 60 days

C. Implementation plan

1. *Define agreements for services between the City and County*
Working in conjunction with County staff, Plante & Moran will further define and develop the service level operating agreements detailing the services to be provided by the County to the City of Grand Haven. The project team will develop visual representations, in the form of flow charts, to determine the flow of services and information between the County and City.
2. *Develop Detailed Organizational Chart and Staffing Approach*
After agreement regarding the detailed services, the project team will refine the staffing approach and create a detailed organizational chart for the affected County departments.
3. *Finalize Financial Feasibility*
Upon completion of the detailed staffing approach, Plante & Moran will finalize the financial feasibility analysis including the total cost to provide services to the City, and the anticipated fees received by the City. The financial analysis will identify estimated cost savings for both entities that may be achieved through service collaboration.
4. *Assist the County with Proposal for Services to the City of Grand Haven*
Plante & Moran will provide assistance to the County to develop the proposal for the City of Grand Haven. Plante & Moran's role in the County's development of the proposal to the City of Grand Haven is expected to be advisory in nature; the project team will provide the County with the operational and financial data needed to provide a proposal the City, however, the responsibility of the final proposal document to the City will borne by the County.

Time to Complete: 30 days

Table 1: Summary of the Project Cost

No.	Cost Categories	Cost (\$)	Time to Complete	Comments
A.	Business Case Analysis	\$17,500	60 days	Includes project kick off activities
B.	Implementation Plan	\$12,500	30 days	
	Total Costs	\$ 30,000.00		

***Travel expenses will not be reimbursed**

C. Bidders Staff

The Bidder will provide resumes for staff who will be assigned to the Contract, indicating the duties/responsibilities and qualifications of such personnel, and stating the amount of time each will be assigned to the project. The bidder will commit that staff identified in its proposal will actually perform the assigned work.

Subcontractors must be pre-approved by the MMLF. If approved, Bidder must provide a list of all subcontractors, including firm name, address, contact person, and a complete description of the work to be contracted. Include descriptive information concerning subcontractor's organization and abilities.

Plante & Moran Overview

Founded in 1924, Plante & Moran, PLLC is one of the largest management consulting and public accounting firms in the United States. Plante & Moran, PLLC operates as a partnership with a staff of over 1,600 persons organized into four major service areas: Management Consulting, Accounting and Auditing, Tax Consulting, and Personal Financial Planning Services.

Today, Plante & Moran's Management Consulting Services Group is a versatile, general purpose consulting organization consisting of more than 150 consulting professionals that has a proven track record in providing quality professional services. Our emphasis and commitment to management consulting has resulted in the extension of the consulting practice into all major aspects of administrative and policy issues of government organizations.

Our Management Consulting Services Group is centrally organized and administered from our headquarters in Southfield, Michigan but our consultants are dispersed throughout the region in our various offices. This arrangement enables us to provide very responsive and cost effective services to throughout Michigan. It also enables us to centrally assemble multi-disciplinary teams of consulting professionals to serve client needs on particular projects.

Plante & Moran has become a leader in providing services to governmental organizations. We presently work with well over 200 city and county governments throughout the U.S. Our professionals have made substantial commitments to working with local, county and state government agencies. Our extensive experience with governmental clients has enabled us to assemble a project team that we believe is uniquely qualified to perform the proposed project.

Organization – Government Consulting Services

Due to our broad governmental client base, we are able to devote the necessary time to specialize and thus provide maximum service. To assist us in this specialization, staff from our firm are members of numerous municipal government professional associations that have a focus on the application of best practices for government including:

- **Government Finance Officers Association (GFOA)**, an organization composed of finance directors with the goal of improving knowledge, skills and performance, while offering you the high quality support on which today's finance officer thrives.
- **Michigan Local Government Managers Association (MLGMA)**, an organization comprised of local government managers across the State to address current issues and best practices in management of municipal resources.
- **Government Management and Information Sciences (GMIS)**, an organization composed of municipal information technology directors with a primary goal to foster a unified effort among government entities to integrate and disseminate their respective research and design efforts in the area of automated information sciences.

As a result of our continuing involvement with government organizations at all levels, we have acquired in-depth knowledge and experience in dealing with relevant technical, operational and procedural issues, particularly those related to service consolidation. This experience and knowledge and our

commitment to assure objectivity and a high level of independence are fundamental to our proven and consistent ability to meet the needs of our governmental clients.

Plante & Moran Public Sector Consolidation Qualifications

Plante & Moran has been providing service sharing / consolidation consulting services for the last ten years. We provide the full-range of services related to the operational, financial, and legal aspects related to the implementation of shared services initiatives. These experiences have included projects related to public safety (police, fire, dispatch), administrative services, information technology services, department of public works, and full city consolidations.

Through these experiences we have been able to derive best practices associated with the design and implementation of shared services agreements. Our approach is designed to identify and assess both the advantages and disadvantages of these service options, including the full range of relevant cost, service and management issues. Recently, we assisted in the implementation of the South East Regional Emergency Services Authority (SERESA), a dispatch authority consisting of the cities of Eastpointe, Roseville, and St. Clair Shores in Southeast Michigan, which began joint service in December 2010.

A partial listing of clients that we have assisted in providing services related to shared services feasibility and / or implementation within the state of Michigan is as follows:

City of Ann Arbor	Armada Township	City of Birmingham
Bloomfield Township	Clinton Township	City of East Lansing
City of Eastpointe	City of Farmington	City of Farmington Hills
City of Ferndale	City of Fraser	City of Harper Woods
Groveland Township	Grand Haven Township	Grand Traverse Metro Fire Department
Harrison Township	Independence Township	City of Lansing
City of Madison Heights	North Oakland County Fire Authority	City of Novi
City of Richmond	Richmond Township	City of Roseville
City of Royal Oak	City of Saugatuck	Saugatuck Township
Scio Township	City of St. Clair Shores	City of Troy
City of Walled Lake	City of Wixom	City of Wolverine Lake
City of the Village of Clarkston	City of the Village of Douglas	Village of Holly
Village of Armada	Ingham County	Kent County
Macomb County Sherriff's Office	Oakland County	St Clair County

Staffing

For the project with the City / County, we have assembled a very strong project team that has deep experience in assessment, collaboration and implementation planning. The table below summarizes the relevant experiences for each of our proposed team members:

Team Member	Project Role and Responsibility	Relevant Skills	Estimated Time Allocation
Adam Rujan Partner	Project Director Overall responsibilities for ensuring that all project tasks are completed within schedule and budget and that all project deliverables meet the required quality standards.	<ul style="list-style-type: none"> ■ Significant experience in conducting organizational, operational and consolidation reviews for government organizations ■ Experience in identifying synergies and performing feasibility and options analyses ■ Experience in the development and deployment of change management tools, which are frequently associated with implementing consolidation plans 	10%
Craig Frankland Senior Consultant	Project Manager / Lead Project Consultant Responsible for the day-to-day project activities as well as for the development of all deliverables including feasibility analysis and service agreements and financial models.	<ul style="list-style-type: none"> ■ Significant experience performing consolidation feasibility and implementation projects for governmental entities. ■ Recent experience managing the implementation of a consolidated dispatch entity in Southeast Michigan. ■ Significant experience with operations analyses, including developing financial models, creating of organizational structures, and analyzing unique position requirements to give an accurate assessment of employee requirements in planned future environment. 	50%
Mark Warner Manager	Co-Project Manager Responsible for the day-to-day performance of the team and strategic direction of deliverables. Assure that all tasks are completed on schedule, within budget and meet appropriate standards.	<ul style="list-style-type: none"> ■ Experience working on multiple projects with Ottawa County ■ Significant experience in conducting needs assessments and for governmental clients ■ Experience engaging staff to participate and gain consensus. ■ Significant experience with systems needs assessment 	20%

Team Member	Project Role and Responsibility	Relevant Skills	Estimated Time Allocation
Jenny Casler, CPA Consultant	Project Consultant Will participate in data gathering and interview sessions and development of various project analysis materials.	<ul style="list-style-type: none"> ■ Experience with local units of government ■ Financial analysis experience ■ Experience in supporting clients as part of critical projects ■ Experience evaluating organization systems for efficiency, effectiveness, and compliance 	20%

Adam Rujan



Present Position:

Partner
Technology Consulting & Solutions, Government Practice

Experiences Include:

Process Redesign and Information Technology Assistance – Projects typically include assisting clients realize the full potential of technology, including re-engineering, productivity improvement, benefits realization analyses and post implementation reviews. Experiences also include project management system implementation, planning and selection, and data processing internal controls reviews.

Technology Planning – Experience in developing strategic technology plans and conducting information technology assessments for governmental clients that includes the establishment of technology strategies and recommended projects. Through these efforts, he has gained a vast level of experience on technologies relevant to the various areas of government including ERP solutions, CRM solutions, imaging technologies, wireless technologies and others.

Organization and Management Studies – Engagements have varied from analysis of specific functional activities to comprehensive studies of underlying operating policies, procedures, and organizational principles. Analyses have included reviewing resource utilization, future roles and levels of service to be provided, alignment of programs and services, communication channels and working relationships within and outside the organization, supervisory management styles and practices, position requirements and skill levels, administrative practices and training requirements.

Operations & Financial Analysis – Project objectives typically focus on increasing efficiency, identifying and evaluating alternative methods for revenue enhancement, cost/benefit studies. Specific activities have included detailed review and analysis of operational policies and procedures, operational controls, reporting and administrative controls, fiscal and reimbursement practices, the identification of non-value added work activities, and process re-engineering.

Change Management Assistance – Assisted various organizations in understanding and applying the concepts of Change Management and assessing readiness for Change. Engagements have varied from staff and customer surveys and assessments to modifying organizational structures and developing staff training programs. Critical components of our approach typically include empowering client work groups and coaching staff in evaluating various available options for change.

Prior Organizational Affiliations:

Detroit Medical Center; Detroit, Michigan

Manager of Consulting Services in the Management Consulting Group, experience included:

- Implemented and monitored ongoing productivity management systems.
- Developed and implemented nursing patient classification systems.
- Conducted operational reviews for hospitals, ambulatory care and health care related organizations.
- Managed a small staff of computer and management engineering professionals

Adam Rujan resume, continued

Education:

University of Michigan – Master of Business Administration

Wayne State University – Bachelor of Industrial Engineering

Professional Affiliations:

- Public Technology Institute
- Metropolitan Affairs Coalition, Board member
- International City/County Managers Association (ICMA) – Strategic Partner
- Michigan Government Finance Officers Association (MGFOA), past Board member
- Government Finance Officers Association (GFOA)

Mark Warner



Present Position:

Manager
Technology Consulting & Solutions, Government Practice

Experiences Include:

Software Needs Assessment: Identify and quantify technology and operational improvement opportunities and establish a business model for a system selection. Activities include cost benefit analysis, return on investment calculation, identification of barriers and supports for implementing improvements and development of system selection recommendations. Sample client projects include City of Sheboygan, WI; St. Louis County, MO; City of Jackson, MI; Ingham County, MI; Dane County, WI; and others.

Software System Selection: Evaluate ERP, financial, document and other business management software packages for compatibility with client needs. Services include defining and documenting system requirements, evaluating proposed solutions, selecting appropriate software, and identifying relevant cost options. Lead and participate in numerous projects including the City of Kalamazoo, City of St. Clair Shores, Oakland County, Genesee County, Ingham County, City of Mt. Clemens, City of Sault Ste. Marie and others. Leverages prior experience working as an accountant for financial software vendors and value added resellers and has a strong understanding of the software sales, implementation and support process as well as accounting department operations. Utilizes this unique experience, understanding, and perspective in client system selection projects to provide education on best and common practices, engage end users to participate and gain ownership as they select the tools they will use in a new environment, translate user frustration with current environment into relevant system requirements, and help manage user expectations throughout the process to facilitate fair and appropriate evaluation.

Operational and Process Improvement: Reviewed current financial, municipal and student processes and practices, identifying significant issues, and proposed opportunities for operational, technical and process improvement.

Software Implementation Management: Provided implementation management assistance associated with deployment of the newly selected system. Activities have included project planning, review of project deliverables, management of the project issues log, facilitation of status review meetings, review and approval of project invoicing and others as dictated by the project.

Technology Planning: Assisted numerous clients with development of technology plans for individual projects and long-term planning. Specific expertise with ERP systems, web technologies, SQL Server.

System Migration: Conversion of accounting and FMIS data across applications during system implementation.

Software/Systems Development: Custom software requirements gathering, design, process planning, development, testing, implementation and project management for a variety of client projects including creation of homegrown systems as well as customization to pre-packaged systems.

Mark Warner resume, continued

Prior Organizational Affiliations:

First Edge Sorson, LLC. – Business software solution provider

Development manager responsible for departmental operations, staff, project scheduling, workload distribution and billings. Developed, implemented and refined the corporate software development methodology. Mentored several systems analysts and reviewed custom development designs, quotes and project plans for completeness and accuracy. Developed product plans and served as a product manager for several applications and utilities serving to enhance pre-packaged ERP systems. Designed, implemented, managed and supported many customized solutions around middle-market ERP systems.

Epicor Software Corporation – Business software solution provider

Software quality assurance engineer responsible for discovery, validation and documentation of problems with financial software package as well as quality reviews and acceptance testing before release to production.

ValueRx Pharmacy Program – Prescription drug pharmacy program

Staff accountant responsible for accounts payable, general ledger, cash, fixed assets, coordination of departmental operating financials and departmental budgeting initiatives.

Education:

Hillsdale College — Bachelor of Arts, Accounting

Professional Affiliations and Certifications:

- Government Finance Officers Association
- Michigan Government Finance Officers Association – Member and Technology Resource Committee Chair and Nominating Committee Member
- Michigan Government Information Management Sciences (MiGMIS)
- GLIMA Southeast
- AIIM Certified ECM Practitioner

Craig Frankland

Senior Consultant,
Governmental Consulting Practice



Experiences Include:

Operations Analysis: Conducted operations analysis for governmental clients, non-profit agencies, and private industry manufacturing firms. Analyses included documentation of process current state, assessment of process inefficiencies, resolution of current costs, and identification of opportunities for improvement. Improvement recommendations focused on cost reduction strategies, improved service levels, increased efficiency, and enhanced communication and knowledge between different project stakeholders.

Organization Reviews: Performed organizational reviews for governmental and non-profit agencies at the department and organizational level. Assisted clients review strategic objectives, evaluate position requirements and qualifications, allocate resources effectively, and manage training and development practices.

Software Needs Assessment and System Selection: Conducted user interviews to capture software needs for governmental clients, including the development of system requirements. Facilitated cross functional group interviews to gain consensus on system needs. Identified technological and process improvements gained through the use of new client systems.

Business Process Redesign: Assisted clients with redesign efforts designed to increase operational efficiencies and standardize business processes. Successfully implemented group-wide initiative to substantially reduce the lead time of product and project development. Analysis included detailed process mapping of current and future state entities, stakeholder interviews, and efficiency analyses. Activities have also included leading process mapping sessions for governmental clients with a focus on creating “as-is” and the development of “to-be” process models.

Staffing Analysis: Identified and evaluated work load levels for governmental clients as well as a 50 person engineering service group. Conducted interviews and stakeholder review meetings to categorize different types and levels of work based on a project timeline. Projects have included reviewing resource utilization metrics, conducting service level modeling, and analyzing unique position requirements to give an accurate assessment of employee requirements in planned future.

Prior Organizational Affiliations:

Rockwell Automation; Milwaukee, Wisconsin / Aarau, Switzerland
Engineering Associate specializing in Manufacturing and Supply Chain Operations

- Managed production, material flow, and testing issues for multiple manufactured product lines
- Planned daily work load levels for production floor associates
- Organized and implemented product line transfer

Education:

University of Michigan, Ann Arbor – Master of Science in Industrial and Operations Engineering

University of Michigan, Ann Arbor – Bachelor of Science in Industrial and Operations Engineering

Jenny Casler

Present Position:

Consultant
Government Consulting Practice

Experiences Include:

Operational Reviews: Perform numerous operational reviews for corporations, not-for-profits, and public entities. Focuses on ensuring proper internal controls are in place to support business objectives. These reviews also include the assessment of the efficiency and effectiveness of business processes and identification of process improvement opportunities. Activities include process walk-throughs, narrative and flowchart design, stakeholder interviews, economic analysis, and surveys in order to highlight and implement opportunities for improvement. Improvement recommendations focus on cost reduction, increased performance and customer service levels/satisfaction, improved efficiency, business process standardization, and increased communication and knowledge between different project stakeholders.

Financial and Compliance Audits: Performed numerous financial and compliance audits for businesses, not-for-profits, and public entities. Financial audits focused primarily on K-12 schools, not-for-profits, and real estate partnerships. Compliance audits conducted for contracts and federal grant guidelines.

Business Process Reengineering: Performed business process reengineering initiatives for various corporations, not-for-profits, and public entities. Specific focus has been given to reviewing overall organization objectives; business process optimization; the alignment of management long-term goals and short-term practices; the implementation of operational, financial, and compliance related internal controls; documentation of current and future state workflows.

Government Programs: Experience working with government and community groups to support initiatives including master plan development, economic development, brownfield redevelopment, sustainable development, and public-private partnerships.

Education:

University of Michigan – Master of Business Administration

University of Michigan – Master of Science in Natural Resources & Environment

Michigan State University – Bachelor of Arts in Accounting (with honors), International Business Specialization

Certifications:

Certified Public Accountant (CPA)

Professional Affiliations:

- Michigan Association of Certified Public Accountants (MACPA)
- American Institute of Certified Public Accountants (AICPA)

Terms and Conditions

**Addendum to Plante & Moran, PLLC Engagement Letter and Bidders Response Form
Dated June 10, 2011**

This Professional Services Agreement is part of the engagement agreement for our consulting services dated June 6, 2011 between Plante & Moran, PLLC (referred to herein as “P&M”, “we”, “our” or “us”) and the <<ORGANIZATION, TBD>> (referred to herein as “the <<ORGANIZATION, TBD>>”, “you” and “your”).

1. **Management Responsibilities** – The consulting services we will provide are inherently advisory in nature. We have no responsibility for any management decisions or management functions in connection with our engagement to provide these services. Further, you acknowledge that the <<ORGANIZATION, TBD>> is responsible for all such management decisions and management functions; for evaluating the adequacy and results of the services we will provide and accepting responsibility for the results of those services; and for establishing and maintaining internal controls, including monitoring ongoing activities, in connection with our engagement. You have designated <<NAME, TBD>>, <<TITLE, TBD>> to oversee the services we will provide.
2. **Nature of Services** – Our project activities will be based on information and records provided to us by the <<ORGANIZATION, TBD>>. We will rely on such underlying information and records and our project activities will not include audit or verification of the information and records provided to us in connection with our project activities.

The project activities we will perform will not constitute an examination or audit of any the <<ORGANIZATION, TBD>> financial statements or any other items, including the <<ORGANIZATION, TBD>>'s internal controls. This engagement also will not include preparation or review of any tax returns or consulting regarding tax matters. If you require financial statements or other financial information for third-party use, or if you require tax preparation or consulting services, a separate engagement letter will be required. Accordingly, you agree not to associate or make reference to P&M in connection with any financial statements or other financial information of the <<ORGANIZATION, TBD>>. In addition, our engagement is not designed and cannot be relied upon to disclose errors, fraud or illegal acts that may exist. However, we will inform you of any such matters that come to our attention.

3. **Use of Report** – At the conclusion of our project activities, we will provide you with a written report as described in the engagement agreement. Our report will be restricted solely to use by management of the <<ORGANIZATION, TBD>> and you agree that our report will not be distributed to any outside parties for any purpose other than to carry out legal responsibilities of the <<ORGANIZATION, TBD>>. We will have no responsibility to update our report for any events or circumstances that occur or become known subsequent to the date of that report.
4. **Confidentiality, Ownership and Retention of Workpapers** – During the course of this engagement, P&M and P&M staff may have access to proprietary information of the <<ORGANIZATION, TBD>>, including, but not limited to, information regarding trade secrets, business methods, plans, or projects. We acknowledge that such information, regardless of its form, is confidential and proprietary to the <<ORGANIZATION, TBD>>, and we will not use such information for any purpose other than our consulting engagement or disclose such information to any other person or entity without the prior written consent of the <<ORGANIZATION, TBD>>.

In some circumstances, we may use local or international third-party service providers or P&M affiliates to assist us with our engagement. In order to enable these service providers to assist us in this capacity, we must disclose information to these service providers that is relevant to the services they provide. Disclosure of such information shall not constitute a breach of the provisions of this agreement.

In the interest of facilitating our services to you, we may communicate or exchange data by internet, e-mail, facsimile transmission or other methods. While we use our best efforts to keep such communications and transmissions secure in accordance with our obligations under applicable laws and professional standards, you recognize and accept that we have no control over the unauthorized interception of these communications or transmissions once they have been sent, and consent to our use of these electronic devices during this engagement.

Professional standards require that we create and retain certain workpapers for engagements of this nature. All workpapers created in the course of this engagement are and shall remain the property of P&M. We will maintain the confidentiality of all such workpapers as long as they remain in our possession.

Both the <<ORGANIZATION, TBD>> and P&M acknowledge, however, that we may be required to make our workpapers available to regulatory authorities or by court order or subpoena. Disclosure of confidential information in accordance with requirements of regulatory authorities or pursuant to court order or subpoena shall not constitute a breach of the provisions of this agreement. In the event that a request for any confidential information or workpapers covered by this agreement is made by regulatory authorities or pursuant to a court order or subpoena, we agree to inform the <<ORGANIZATION, TBD>> in a timely manner of such request and to cooperate with the <<ORGANIZATION, TBD>> should you attempt, at your cost, to limit such access. This provision will survive the termination of this agreement.

We reserve the right to destroy, and it is understood that we will destroy, workpapers created in the course of this engagement in accordance with our record retention and destruction policies, which are designed to meet all relevant regulatory requirements for retention of workpapers. P&M has no obligation to maintain workpapers other than for its own purposes or to meet those regulatory requirements.

Upon the <<ORGANIZATION, TBD>>'s written request, we may, at our sole discretion, allow others to view any workpapers remaining in our possession if there is a specific business purpose for such a review. We will evaluate each written request independently. You acknowledge and agree that we will have no obligation to provide such access or to provide copies of our workpapers, without regard to whether access had been granted with respect to any prior requests.

- 5. Fee Estimates** – In any circumstance where we have provided estimated fees, fixed fees or not to exceed fees, these estimated, fixed or not-to-exceed fees are based on the <<ORGANIZATION, TBD>> personnel providing P&M staff the assistance necessary to satisfy the <<ORGANIZATION, TBD>> responsibilities under the scope of services. This assistance includes availability and cooperation of those the <<ORGANIZATION, TBD>> personnel relevant to our project activities and providing needed information to us in a timely and orderly manner. In the event that undisclosed or unforeseeable facts regarding these matters causes the actual work required for this engagement to vary from our estimates, our estimated fees will be adjusted for the additional time we incur as a result.

In any circumstance where our work is rescheduled, we offer no guarantee, express or implied that we will be able to meet any previously established deadline related to the completion of our work. Because rescheduling our work imposes additional costs on us, in any circumstance where we have provided estimated fees, those estimated fees may be adjusted for additional time we incur as a result of rescheduling our work.

Any fee adjustments will be determined in accordance with the Fee Adjustments provision of this agreement.

6. **Payment Terms** – Our invoices for professional services are due upon receipt unless otherwise specified in our engagement letter. In the event any of our invoices are not paid in accordance with the terms of this agreement, we may elect, at our sole discretion, to suspend work until we receive payment in full for all amounts due or terminate this engagement. In the event that work is suspended, for nonpayment or other reasons, and subsequently resumed, we offer no guarantee, express or implied, that we will be able to meet any previously established deadlines related to the completion of our consulting work or issuance of our consulting report upon resumption of our work.
7. **Fee Adjustments** – Any fee adjustments for reasons described in this agreement will be determined based on the actual time that P&M staff expend at our standard hourly rates, plus all reasonable and necessary travel and out-of-pocket costs incurred, and included as an adjustment to our invoices related to this engagement. You acknowledge and agree that payment for all such fee adjustments will be made in accordance with the payment terms provided in this agreement.
8. **Termination of Engagement** –This agreement may be terminated by either party upon written notice. Upon notification of termination, our services will cease and our engagement will be deemed to have been completed. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination of this engagement.
9. **Hold Harmless and Indemnification** - As a condition of this engagement, Charter <<ORGANIZATION, TBD>> of Washington agrees to hold P&M, and all of its partners and staff, harmless against any losses, claims, damages, or liabilities, to which P&M may become subject in connection with services performed in the engagement, unless a court having jurisdiction shall have determined in a final judgment that such loss, claim, damage, or liability resulted primarily from the willful misconduct or gross negligence of P&M, or one of its partners or staff. This hold harmless includes the agreement to reimburse P&M for any legal or other expenses incurred by P&M, as incurred, in connection with investigating or defending any such losses, claims, damages, or liabilities. This provision shall survive any termination of this engagement.
10. **Conflicts of Interest** - Our engagement acceptance procedures include a check as to whether any conflicts of interest exists that would prevent our acceptance of this engagement. No such conflicts have been identified. You understand and acknowledge that P&M may be engaged to provide professional services, now or in the future, unrelated to this engagement to parties whose interests may not be consistent with yours.
11. **Agreement Not to Influence** – The <<ORGANIZATION, TBD>> and P&M each agree that each respective organization and its employees will not endeavor to influence the other’s employees to seek any employment or other contractual arrangement with it, during this engagement or for a period of one year after termination of the engagement. The <<ORGANIZATION, TBD>> agrees that P&M employees are not “contract for hire.” P&M may release the <<ORGANIZATION, TBD>> from these restrictions if the <<ORGANIZATION, TBD>> agrees to reimburse P&M for its recruiting, training, and administrative investment in the applicable employee. In such event, the reimbursement amount shall be equal to two hundred hours of billings at the standard hourly rate for the P&M employee.
12. **Governing Law** – This agreement shall be governed by and construed in accordance with the laws of the State of Michigan.

End of Professional Services Agreement – Consulting Services



County of Ottawa

Office of the Treasurer

Bradley J. Slagh
County Treasurer

Cheryl Clark
Chief Deputy Treasurer

Steven Brower
Deputy Treasurer

12220 Fillmore St., Room 155, West Olive, MI 49460

bslagh@miottawa.org

Phone: (616) 994-4505
1-800-764-4111, ext. 4505

Fax: (616) 994-4509

Web Site: www.miOttawa.org

Report To: Ottawa County Finance & Administration Committee

From: Bradley Slagh

Date: June 9, 2011

Re: Financial month end update for May 2011

Attached are the graphs representing an overview of the status of the General Fund portfolio for the County as of May 31, 2011. As depicted in the graphs the asset distribution of the General Pooled Funds by percentage and maturity meet the requirements of the County's Investment Policy.

This month's report shows the first impact of changes to the County Investment Policy that was approved by the Board last November. We have been able to make our initial investments in Municipal Bond market. Thankfully, we have made this segment of investments possible as pricing has been better with these than Agencies or Treasuries. Our first two purchases are bonds issued for the State of Michigan Schools, and U of M.

The 2-year Treasury yields have continued to fall over the past two months, from approximately .80% on April 1 to .43% on May 31. This continued reduction in rates in what is a staple of PA 20 investing aggravates our ability to bring better returns on our investments for the County.

I have also included a sheet from Ambassador Capital that provides several graphs on the status of Michigan Banks. It is encouraging that the percentages of banks begin graded as "F" (failing) is going down. ** Ambassador Capital provides my office with a quarterly report card on all of the Michigan banks that we or our local governmental units use. **

I anticipate being at the Finance Committee meeting to answer any questions. Please feel free to call or email me if you have any questions during your review of this material.

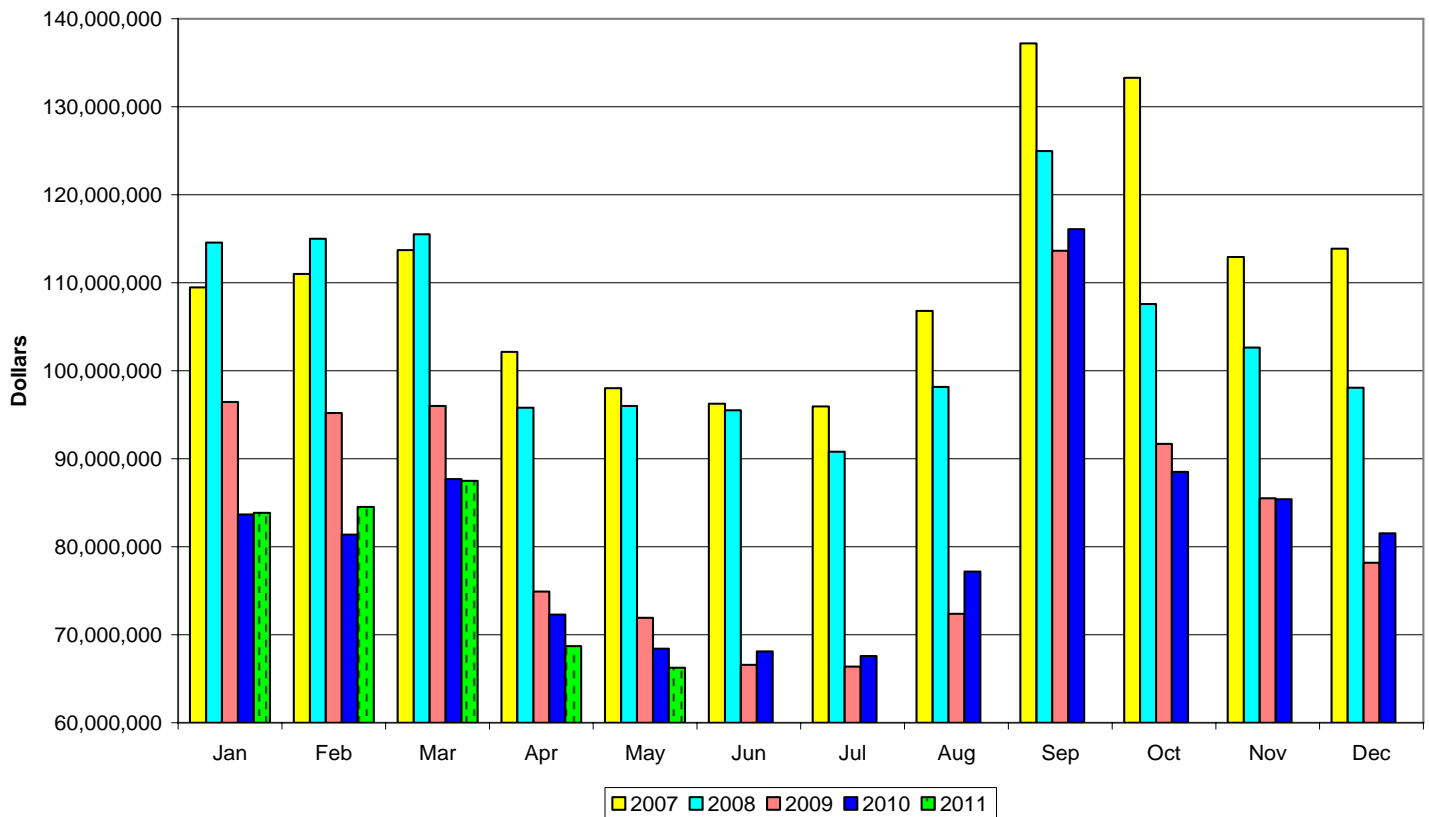
Ottawa County General Pooled Funds

Current Portfolio Size

May 31, 2011

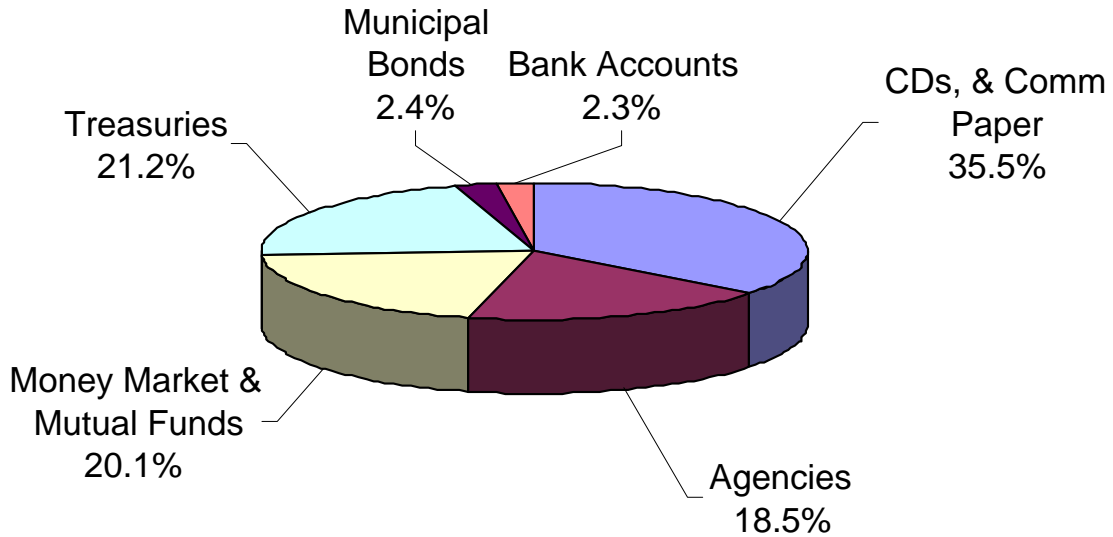
<i>CDs, & Comm Paper</i>	\$23,545,268.07
<i>Agencies</i>	\$12,307,172.75
<i>Money Market & Mutual Funds</i>	\$13,365,322.37
<i>Treasuries</i>	\$14,060,365.45
<i>Municipal Bonds</i>	\$1,584,466.30
<i>Bank Accounts</i>	\$1,523,089.75
Total	\$66,385,684.69

Historical Comparison By Month

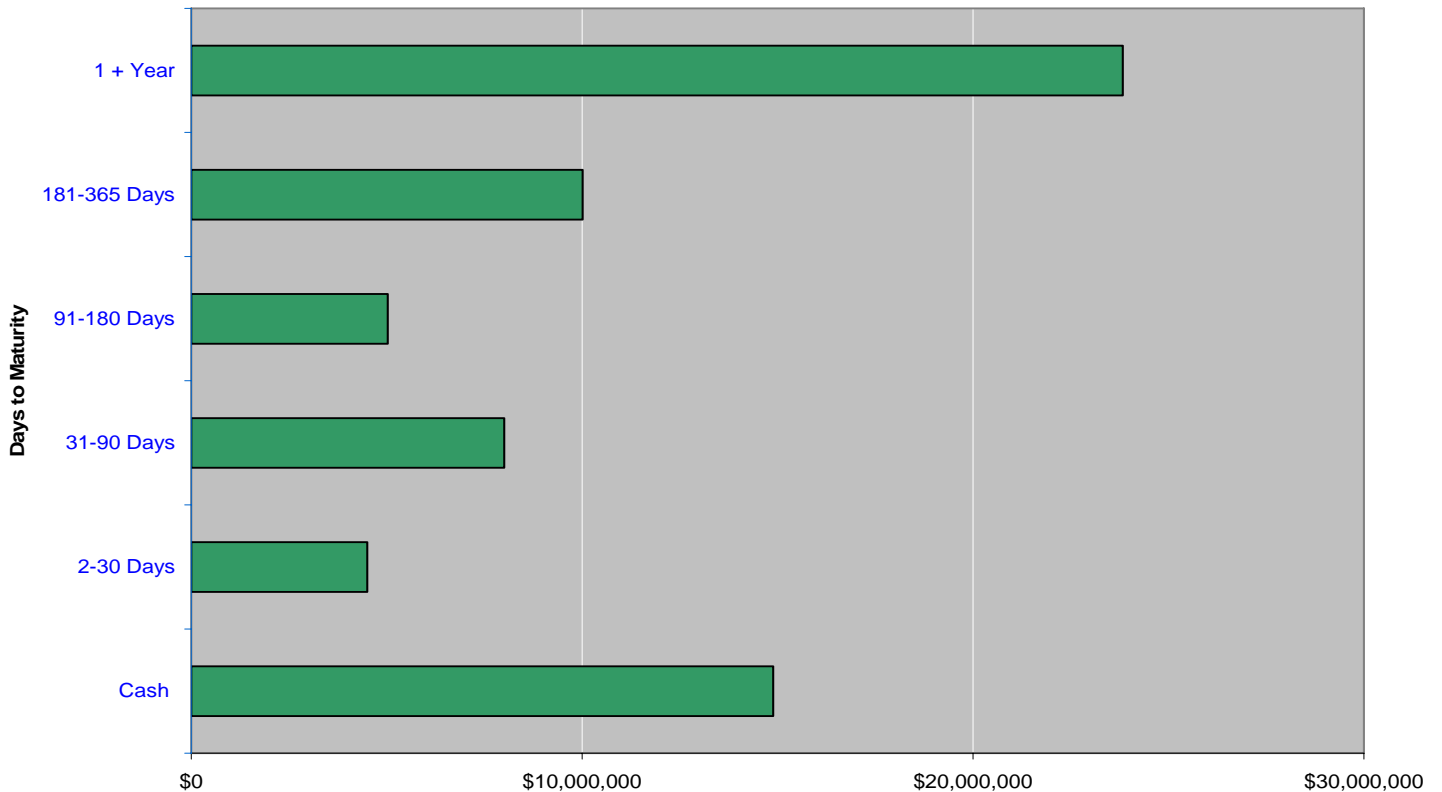


Ottawa County General Pooled Funds

Diversification by Investment May 31, 2011

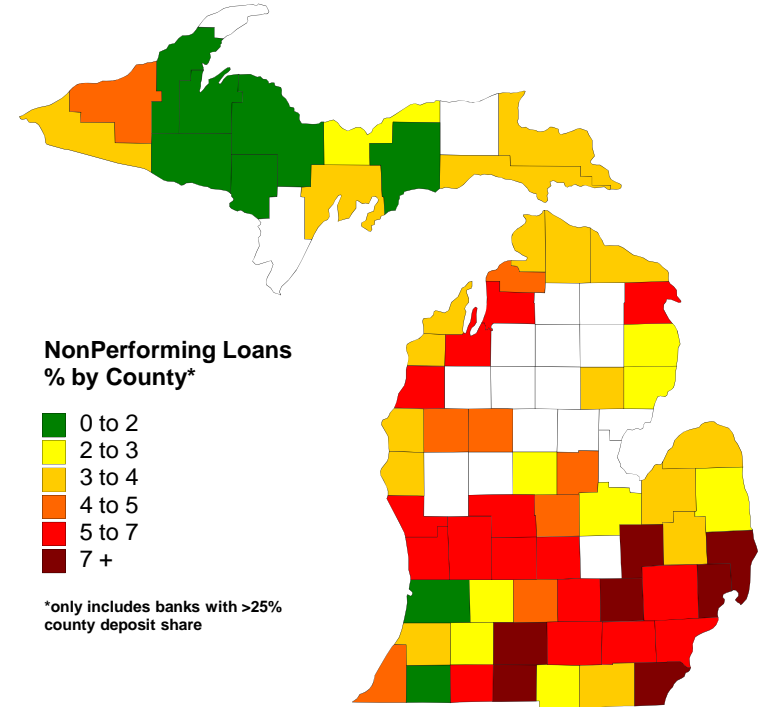
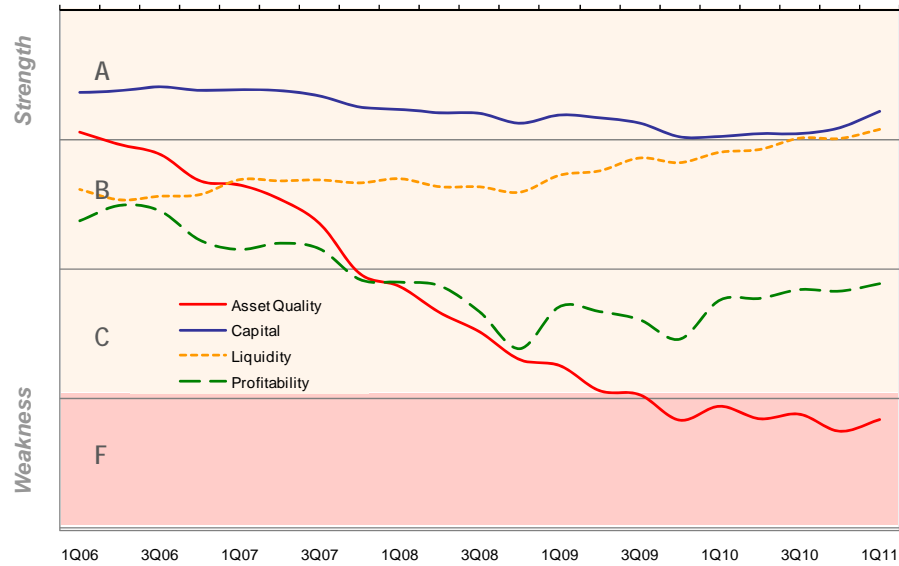


Diversification By Maturity Date - May 31, 2011

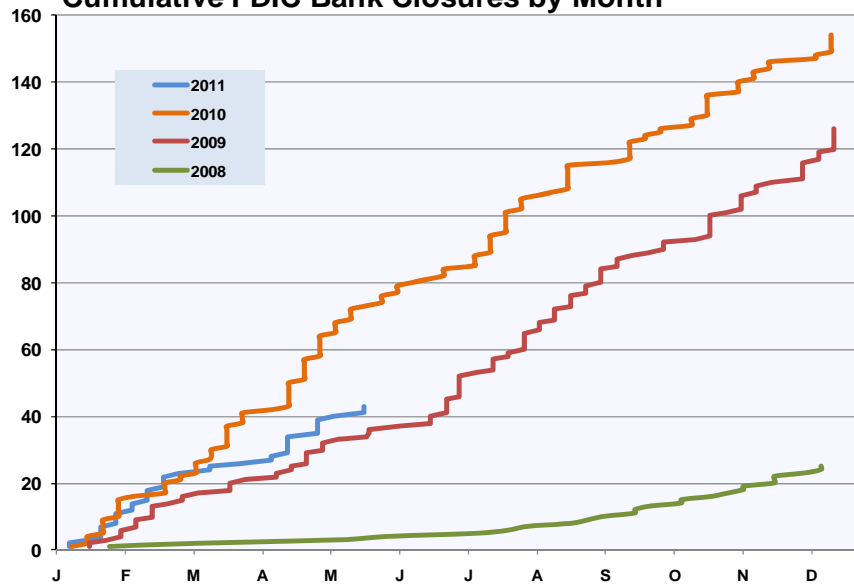


Ambassador Banking Graphs and Charts

Michigan Banking Financial Measures



Cumulative FDIC Bank Closures by Month



Bank Analysis - % of "F" Banks

