

SUBJECT: CLEMIS Funds – Financial Statements and Schedules For
The Year Ended September 30, 2009

DATE: December 4, 2009

This letter of transmittal covers the following fund financial statements as of and for the year ended September 30, 2009 – Radio Communications, Fire Records Management System, CLEMIS Operating, and COPS MORE Grant Funds.

RADIO COMMUNICATIONS FUND

The following schedules described as Exhibit A relating to the Radio Communications Fund operations for the year ended September 30, 2009:

- Statement of Net Assets (Exhibit A) as of September 30, 2009. This statement provides the assets, liabilities and net assets (e.g., equity) of the Radio Communications Fund.
- Statement of Revenues, Expenses, and Changes in Net Assets (Exhibit A-1) for the year ended September 30, 2009. This statement compares the adopted budget to actual operating results.
- Financial Report (Exhibit A-2) for the year ended September 30, 2009. This report segregates the operations between the ‘old’ County radio communications system currently in operation, the ‘new’ radio communications system under construction and now, a new column relating to the activities surrounding the NG-911 (referenced as 911-IP) project.

The combined equity details in Exhibit A-2 by project (“old system”, “new system”, and NG-911 project) agrees with the equity totals in the balance sheet as of September 30, 2009 (Exhibit A). The NG-911 project has \$2,540,000 in fund equity at September 30, 2009, including an operating transfer of \$350,000 for the call-taking equipment applicable for the Sheriff’s dispatch center funded by the County’s General Fund. Should the actual amount of the Sheriff’s dispatch center be less than \$350,000, the excess amounts will be returned to the General Fund – likely in 2010. During 2009, \$200,000 was returned to the General Fund, leaving \$150,000 in the Fund as of September 30, 2009. The Sheriff’s Office is scheduled for conversion to the new system from January to March 2010.

The 911 System financial statement as part of Exhibit A-2 indicates that roughly \$468,000 has been expended in the acquisition of call-taking equipment on behalf of the local PSAPs. Essentially, the funds applicable to this operation will eventually be distributed to cover the PSAP call-taking equipment. During the course of the past quarter, one PSAP (Walled Lake) has chosen to contract with the Sheriff’s Office and the movement may not require any additional expenditure for the Sheriff’s Office relating to call-taking equipment. Given these recent

events, a revised 911 project analysis needs to be completed and shared with the PSAPs.

Presently, the County is financially supporting a review of the Troy, Madison Heights and Royal Oak dispatch operations with the possibility of consolidating these three dispatch operations into one dispatch center.

- CIP Summary activity for the year ended September 30, 2009 – in thousands:

| | <u>9/30/08</u> | <u>Change</u> | <u>9/30/09</u> |
|----------------------|-----------------|---------------|-----------------|
| M/A COM | \$17,835 | \$309 | \$18,144 |
| Radian – towers | 4,713 | - | 4,713 |
| VFP | 419 | - | 419 |
| Cummins – generators | 379 | - | 379 |
| All others | <u>1,864</u> | <u>48</u> | <u>1,912</u> |
| TOTAL: | \$25,210 | \$357 | \$25,567 |

- Operating Transfers In and Out (Exhibit A-3) details the operating transfers in for the year ended September 30, 2009. The \$350,000 operating transfer in from the County's General Fund represents a provision for the Sheriff's Office call-taking equipment replacement (excess amounts of \$200,000 were returned to the General Fund during 2009 – with the remaining amount pending implementation of the Sheriff's Office new radio system in early calendar 2010). The \$165,809 transfer in covers one-half of the maintenance on the local PSAPs. The \$200,000 operating transfer out to the CLEMIS Operating Fund represents a cost reimbursement to CLEMIS for the administrative support of the radio project for the quarter.
- Brief Explanations (Exhibit A-4) – represents a set of explanations of various matters including in the financial statements and schedules above.

Comments on some recent events surrounding the Radio Communications Fund:

- The hardware and software issues have been repaired and the existing radios in operation have largely been replaced. A revised and detailed roll-out schedule has been prepared and shared with the PSAPs on August 18, 2009. Ferndale and Hazel Park were recently completed with Pontiac in progress. After the holidays, the next large agency will be the Sheriff – scheduled to take roughly three months given the size and complexity.
- The County was notified in February that the re-banding effort should be completed no later than June 30, 2009. The County requested an extension relating to the funding of the re-banding project and the delay in the implementation. The resolution of the application is pending.

- The Board of Commissioners extended the operational funding through a telephone operating surcharge for the Radio Communications Fund for the nine months ended June 30, 2008 at \$.28 per telephone line, as defined and \$.25 per line from July 1, 2008 through February 28, 2009 (end of enabling legislation). Nine cents of each amount collected during 2007 (through June 30, 2008 and then \$.07 from July 1, 2008 through February 28, 2009) is contributed to the development of the new centralized call-taking equipment infrastructure (referenced as the “NG-911” project) enabling the replacement of the Positron equipment in the various PSAPs acquired in the late 1990s. Exhibit A-3 segregates the operations as noted previously. Effective March 1, 2009, the entire \$.18 per line collected will be credited to the new radio communications cost center.

Comments concerning the financial information follow:

- The Fund has approximately \$20.3 million in cash, investments, and receivables (net of liabilities and excluding prepaid expenses / inventories) that largely will support the construction of the new radio communications system and acquisition of call-taking equipment on behalf of the PSAPs. Some of the most costly components (portable and mobile radios) have yet to be expended.

When comparing the cash position as of June 30, 2009 with the earlier projections of cash needed to construct the radio communications system, the cash is on target. A revised cash flow projection will be produced based on the September 30, 2009 year end closing expected to be available in December 2009.

- The equipment related to the old radio system has been completely written off (with the exception of some recently acquired radios - roughly \$17,000).
- The County has invested \$25.6 million in the new radio communications system (towers, centralized equipment, back-up equipment, etc.) to date with the largest expenditure of the portable and mobile radio units still pending. A summary of the construction in progress was presented earlier in this letter of transmittal.

An uncertainty that remains in the deployment of the radio communications system, however, is the funds needed to address coverage enhancements that will not be known until the system is fully operational and field tested. The County is already moving to expand the coverage because of known holes in areas presently operational. The estimated cash position at the conclusion of the project available for use in operations is approximately \$5.9 million at the last estimate (after considering a \$1.5 million coverage enhancement – which, hopefully, will be sufficient to address the coverage ‘holes’). When the next re-benchmarking is finished based on the September 30, 2009 closed balances, the sufficiency of reserves for the anticipated additional coverage issues will be reviewed.

Finally, the Grant Allocation Committee (e.g. local planning team of the Urban Area Security Initiative grant – a homeland security grant) requested and received a \$250,000

allocation of the homeland security grants for the project as well. These latter funds must be expended no later than January 2010.

FIRE RECORDS MANAGEMENT SYSTEM

The following schedules described as Exhibit B relate to the Fire Records Management System Fund for the year ended September 30, 2009:

- Statement of Net Assets (Exhibit B) as of September 30, 2009.
- Statement of Revenues, Expenses and Changes in Net Assets (Exhibit B-1) for the year ended September 30, 2009. This Fund statement provides a budget to actual comparison for the operations.
- Operating Transfers In (Exhibit B-2). This schedule represents the detail of the operating transfers in for the nine months ended June 30, 2009.
- Brief Explanations (Exhibit B-3) - represents explanations of various matters included in the financial statements noted above.

Comments on the FRMS financial statements follow:

- The balance sheet reflects cash, investments and similar assets, net of liabilities (e.g. amounts owed, which is zero at that time) of roughly \$361,800 and is roughly equal to the equity at September 30, 2009. The balance has increased by roughly \$28,000 from last year end to this year end.

During 2007, the County's General Fund contributed \$100,000 as an operating transfer in for the acquisition mobile inspection program hardware and software. The \$55,877 noted as designated equity is the remaining amounts in the Fund arising from this distribution.

- Most of the originally-acquired equipment is now fully depreciated with a minor amount remaining - \$2,240. In the prior years, operations bore the cost of new local computers that should last the fire departments for several more years prior to a need for replacement. These remaining balances will be written off over the next year. In addition, since there is no depreciation being incurred, no funding provision has been provided in the operations to capture funds sufficient to replace the recently-distributed computers in roughly 2 years.
- The 2009 County General Fund operating transfer in amounted to \$449,733 for its share of operating costs. In addition, there has been one agency that joined the Fire Records Management System in the current year with \$6,708 funded by the County's General Fund.. The General Fund contribution for those entities is also included in the Operating Transfer In schedule (Exhibit B-2).

- The Brief Explanations reference the explanations of the fluctuations in the accounts with some level of detail and are not repeated herein.

During the quarter, the County was notified that North Oakland County Fire Authority (Holly and Rose Townships) would be terminating its membership in the FRMS at a time when the Authority can bring on-line its records management system which was November 1, 2009.

CLEMIS OPERATING FUND

Attached are the following financial statements and schedules as Exhibit C for the CLEMIS Operating Fund for the year ended September 30, 2009:

- Statement of Net Assets (Exhibit C) as of June 30, 2009.
- Statement of Revenues, Expenses, and Changes in Net Assets (Exhibit C-1) for the year ended September 30, 2009. This statement provides a budget to actual comparison for operations.
- Financial Report (Exhibit C-2) as of and for the year ended September 30, 2009 segregating the general CLEMIS operations from those of the MDC operations. In the future, this schedule will reflect the operations of the OakVideo program as well – once the existing bond proceeds have been expended. Presently, there is approximately \$356,000 of bond proceeds remaining as of September 30, 2009; such bond proceeds are recorded in a fund separate from the CLEMIS funds. When the time the bond proceeds are exhausted, the operations will need to be funded via CLEMIS or an as yet identified source – see subsequent discussions.
- Operating Transfers-In (Exhibit C-3) for the year ended September 30, 2009. The schedule includes the normal operating transfer in from the County's General Fund (a transfer of \$1,389,117 for the year). In addition, \$200,000 of transfers in from the Radio Communications Fund occurred to cover administration of the implementation of the new radio system.
- Brief Explanations (Exhibit C-4) – represents explanations of various matters included in the financial statements noted above.

Comments on the CLEMIS Operating Fund financial statements follow:

- The cash, investment and similar liquid assets (excluding inventory and prepaid expenses) held by the Fund, net of liabilities, indicates that there is roughly \$864,000 down from the cash and liquid assets as of September 30, 2008 of \$1,584,000. The significant decline in liquidity over the past several year (at September 30, 2007 there was over \$2 million available) arises from the use of cash in operations and the implementation of the fingerprint program (roughly \$710,000 – equal to the decline in designated equity between year end balances),

the expenditures relating to the e-Citation program and other capitalized development (increases in fixed assets not contributed from the COPS MORE grant) and general operations. **The CLEMIS Operating Fund cannot continue to lose this level of cash and sustain its service levels** – at this pace, the Fund will be out of cash and other liquid assets in fiscal 2010.

A separate memorandum covering the Fund's business issues was issued as of July 21, 2009 and has been supplied to the CLEMIS Advisory Board. Several actions have been undertaken to resolve the operating short-fall and discussed in previous CLEMIS quarter transmittals. At this time, the continued cash losses of the CLEMIS Operating Fund are not yet completely resolved and the actions undertaken have not stemmed the losses.

During the January 2009 CLEMIS Advisory Board meeting, a discussion was held and a hand-out distributed that covered the changes (uses) of the working capital (similar to cash), investments in capital assets (e.g. equipment, etc.) and equity dated January 17, 2009. Some Oakland County actions were undertaken internally to cover the operating short-fall (namely, roughly \$850,000 in costs were moved from the CLEMIS Fund to the Radio Communication Fund and General Fund). In addition to the amounts flowing through the CLEMIS Fund, the Information Technology Department cited that they covered roughly \$900,000 in costs funded by Oakland County on behalf of CLEMIS, portions of which are one-time capital costs.

This comprehensive memorandum dated July 21, 2009 indicated that there are several key regional issues remaining unresolved including the parity issue applicable to the costs of maintaining the CAD systems outside the County's borders, the ultimate funding of the OakVideo system operations and maintenance and several other issues.

In the next month or so, an updated projection will be made along with the recommendations to resolve the issues. Open issues are:

- Parity with Oakland County for the operations of computer-aided dispatch. Oakland County is funding its operations from an operating surcharge. The costs for those CLEMIS members outside the County's borders should be (but are not) covered within the membership fees. Essentially, the membership fees need to be increased for the costs of the dispatch operations for CLEMIS, now retroactive to the County's acceptance for the operations of its dispatch
- OakVideo – the source of the long-term operations of the OakVideo program for video conferencing must be determined.
- Full funding for the re-write of the records management system and other major components of CLEMIS.

- Other issues of a lesser significance but also impacting
- The ending equity is amounts to \$11.9 million as of September 30, 2009 and is largely composed of the equipment acquired through the COPS MORE grant for the current operations. The equity also includes \$215,000 applicable to operating transfers from the County's General Fund for projects relating to the new and replacement fingerprint equipment being acquired (this balance was \$926,000 at September 30, 2007). The remaining amount of \$1,203,000 at September 30, 2009 is roughly equal to the balance at September 30, 2008 (\$1.369,000, but still declining) and is unrestricted.
- As has been the case for some time, the CLEMIS Operating Fund has not been funding depreciation and the Fund has no resources for the replacement of the COPS MORE equipment at the time of its disposal. Some equipment (such as the mobile data computers) is now rapidly aging in the field. The aggregate balance of total assets in this Fund is \$37.5 million, with \$27.0 million fully depreciated. Recently, the CLEMIS Advisory Board instructed the law enforcement members to begin setting aside funds in their local operating budgets for the replacement costs related to the mobile data computers in police vehicles.

The COPS MORE grant has come to conclusion as of September 30, 2009. All amounts not expended at that time are to be returned to the federal government. During the year ended September 30, 2010, the County along with the benefitting law enforcement agencies will be assembling a report that demonstrates that the equipment acquired through the COPS MORE grant has provided the equivalent of roughly 683 additional officers on the streets. These 'redeployed' officers were to generally provide services of a community policing nature. CLEMIS will be contacting member agencies for information as appropriate.

COPS MORE GRANT FUND

Attached are the following schedules described as Exhibit D relating to the COPS MORE Grant Fund as of and for the year ended September 30, 2009:

- Balance Sheet (Exhibit D) as of September 30, 2009.
- Statement of Operations (Exhibit D-1) from inception of the grant through September 30, 2009. This statement provides an historical presentation of the actual amounts expended by year from the COPS MORE Grant Fund.
- Financial Status Report (Exhibit D-2) represents the quarter ended September 30, 2009 billing to the federal government for reimbursement of federal program expenditures.

- COPS MORE Financial Status Report Information (Exhibit D-3) reconciles Exhibit D-1 and Exhibit D-2 as they use different bases of accounting and it removes ineligible funding covered by the County's General Fund.
- Summary of Costs (Exhibit D-4) is a recap of costs to date as of September 30, 2009.

Comments concerning the financial statements of the COPS MORE Grant Fund:

- Of the original federal grant of \$17.1 million, the County lapsed back to the federal government \$108,000. The final amounts as part of a close-out will be available in the next few quarterly reports from Fiscal Services Division.
- The ending equity of \$11,254 is the amount remaining from a County General Fund appropriation several years ago and is the amounts necessary to install the mugshot units in the County's Children's Village operations.
- The remaining financial information in this section of the report is relatively straight-forward and should not require further explanation.

Exhibit A

**County of Oakland
Radio Communications Fund
Statement of Net Assets
September 30, 2009**

ASSETS

Current assets:

| | |
|--------------------------------|----------------------|
| Cash and cash equivalents | \$ 29,395,977.81 |
| Accrued interest on investment | 110,585.03 |
| Due from other governments | 79,057.80 |
| Accounts receivable | 823,116.21 |
| Inventories | 585,774.08 |
| Prepaid items | 107,803.71 |
| Deferred charges | 2,894.40 |
| Total current assets | <u>31,105,209.04</u> |

Noncurrent assets:

| | |
|--|------------------------|
| Equipment | 11,030,842.26 |
| Capital projects in progress | 25,566,629.29 |
| Less accumulated depreciation | <u>(11,013,690.70)</u> |
| Total capital assets (net of accumulated depreciation) | <u>25,583,780.85</u> |
| Total assets | <u>56,688,989.89</u> |

LIABILITIES

Current liabilities:

| | |
|---------------------------|-------------------|
| Vouchers payable | 52,826.11 |
| Accounts payable | <u>167,837.33</u> |
| Total current liabilities | <u>220,663.44</u> |
| Total liabilities | <u>220,663.44</u> |

NET ASSETS

| | |
|---|--------------------------------|
| Invested in capital assets, net of related debt | 25,583,780.85 |
| Unrestricted - designated for projects | 28,912,253.90 |
| Unrestricted | <u>1,972,291.70</u> |
| Total net assets | <u><u>\$ 56,468,326.45</u></u> |

County of Oakland
Radio Communication Fund
Statement of Revenues, Expenses, and Changes in Net Assets
For the Twelve Months Ended September 30, 2009

| | 2009 | | | Year to Date | | Favorable (Unfavorable) Variance |
|--|-------------------|-----------------------|-----------------|-------------------------|-----------------------|--|
| | Amended Budget | Percent of Revenue | Allotment | Actual | Percent of Revenue | |
| Operating revenues: | | | | | | |
| E-911 surcharge - Radio system | \$ 2,070,258.48 | 50.95% | \$ 2,070,258.48 | \$ 4,302,206.28 | 62.72% | \$ 2,231,947.80 |
| E-911 surcharge - IP system | 805,100.52 | 19.82% | 805,100.52 | 1,043,658.80 | 15.22% | 238,558.28 |
| Antenna site management | 600,000.00 | 14.77% | 600,000.00 | 276,377.04 | 4.03% | (323,622.96) |
| Leased equipment | 256,286.00 | 6.31% | 256,286.00 | 718,482.88 | 10.48% | 462,196.88 |
| Parts and accessories | 25,000.00 | 0.62% | 25,000.00 | 78,958.52 | 1.15% | 53,958.52 |
| Outside agencies | 266,277.00 | 6.55% | 266,277.00 | 398,788.45 | 5.81% | 132,511.45 |
| Productive labor | 40,000.00 | 0.98% | 40,000.00 | 40,153.42 | 0.59% | 153.42 |
| Total operating revenues | 4,062,922.00 | 100.00% | 4,062,922.00 | 6,858,625.39 | 100.00% | 2,795,703.39 |
| Operating expenses: | | | | | | |
| Salaries | 576,517.00 | 14.19% | 576,517.00 | 557,830.86 | 8.13% | 18,686.14 |
| Fringe benefits | 321,295.00 | 7.91% | 321,295.00 | 302,665.98 | 4.41% | 18,629.02 |
| Contractual services: | | | | | | |
| Communications | 200,000.00 | 4.93% | 200,000.00 | 200,097.52 | 2.92% | (97.52) |
| Electrical service | 125,000.00 | 3.08% | 125,000.00 | 84,216.69 | 1.23% | 40,783.31 |
| Equipment repairs and maintenance | 75,000.00 | 1.85% | 75,000.00 | 158,507.59 | 2.31% | (83,507.59) |
| Freight and express | 4,200.00 | 0.10% | 4,200.00 | 1,599.26 | 0.02% | 2,600.74 |
| Indirect costs | 196,000.00 | 4.82% | 196,000.00 | 188,694.00 | 2.75% | 7,306.00 |
| Laundry and cleaning | 1,000.00 | 0.02% | 1,000.00 | 260.78 | 0.00% | 739.22 |
| Maintenance contract | 678,000.00 | 16.69% | 678,000.00 | 195,813.94 | 2.86% | 482,186.06 |
| Memberships, dues | 750.00 | 0.02% | 750.00 | 0.00 | 0.00% | 750.00 |
| Personal mileage | 750.00 | 0.02% | 750.00 | 341.00 | 0.00% | 409.00 |
| Professional services | 125,000.00 | 3.08% | 125,000.00 | 141,396.86 | 2.06% | (16,396.86) |
| Rebillable services | 1,000.00 | 0.02% | 1,000.00 | 911.00 | 0.01% | 89.00 |
| Software rental lease purchase | 0.00 | 0.00% | 0.00 | 816.19 | 0.01% | (816.19) |
| Special projects | 50,000.00 | 1.23% | 50,000.00 | 5,961.54 | 0.09% | 44,038.46 |
| Tower charges | 200,000.00 | 4.92% | 200,000.00 | 219,490.76 | 3.20% | (19,490.76) |
| Training related | 0.00 | 0.00% | 0.00 | 3,630.00 | 0.05% | (3,630.00) |
| Travel and conference | 15,000.00 | 0.37% | 15,000.00 | 28,123.34 | 0.41% | (13,123.34) |
| Workshops and meetings | 100.00 | 0.00% | 100.00 | 0.00 | 0.00% | 100.00 |
| Total contractual services | 1,671,800.00 | 41.15% | 1,671,800.00 | 1,229,860.47 | 17.92% | 441,939.53 |
| Commodities: | | | | | | |
| Dry goods and clothing | 900.00 | 0.02% | 900.00 | 455.00 | 0.01% | 445.00 |
| Expendable equipment expense | 172,374.00 | 4.24% | 172,374.00 | 484,023.95 | 7.06% | (311,649.95) |
| Office supplies | 5,000.00 | 0.12% | 5,000.00 | 2,589.13 | 0.04% | 2,410.87 |
| Parts and accessories | 125,000.00 | 3.08% | 125,000.00 | 80,551.08 | 1.17% | 44,448.92 |
| Shop supplies | 12,000.00 | 0.30% | 12,000.00 | 6,211.72 | 0.09% | 5,788.28 |
| Small tools | 17,500.00 | 0.43% | 17,500.00 | 4,147.21 | 0.06% | 13,352.79 |
| Total commodities | 332,774.00 | 8.19% | 332,774.00 | 577,978.09 | 8.43% | (245,204.09) |
| Depreciation: | | | | | | |
| Equipment | 4,000,000.00 | 98.45% | 4,000,000.00 | 9,095.84 | 0.13% | 3,990,904.16 |
| Total depreciation | 4,000,000.00 | 98.45% | 4,000,000.00 | 9,095.84 | 0.13% | 3,990,904.16 |
| Internal services: | | | | | | |
| Building space allocation | 45,844.00 | 1.13% | 45,844.00 | 45,843.96 | 0.67% | 0.04 |
| Convenience copier | 222.00 | 0.01% | 222.00 | (350.98) | -0.01% | 572.98 |
| Info Tech - CLEMIS | 0.00 | 0.00% | 0.00 | 413,300.00 | 6.03% | (413,300.00) |
| Info Tech - development | 0.00 | 0.00% | 0.00 | 6,761.50 | 0.10% | (6,761.50) |
| Info Tech - operations | 251,817.00 | 6.20% | 251,817.00 | 231,177.00 | 3.37% | 20,640.00 |
| Insurance fund | 20,024.00 | 0.49% | 20,024.00 | 7,892.00 | 0.12% | 12,132.00 |
| Mail room | 131.00 | 0.00% | 131.00 | 0.84 | 0.00% | 130.16 |
| Maintenance department charges | 35,000.00 | 0.86% | 35,000.00 | 307.98 | 0.00% | 34,692.02 |
| Motor pool fuel charges | 11,583.00 | 0.29% | 11,583.00 | 5,893.65 | 0.09% | 5,689.35 |
| Motor pool | 31,108.00 | 0.77% | 31,108.00 | 29,209.81 | 0.43% | 1,898.19 |
| Print shop | 2,937.00 | 0.07% | 2,937.00 | 666.69 | 0.01% | 2,270.31 |
| Telephone communications | 36,602.00 | 0.90% | 36,602.00 | 38,870.61 | 0.57% | (2,268.61) |
| Total internal services | 435,268.00 | 10.72% | 435,268.00 | 779,573.06 | 11.38% | (344,305.06) |
| Total operating expenses | 7,337,654.00 | 180.61% | 7,337,654.00 | 3,457,004.30 | 50.40% | 3,880,649.70 |
| Operating income (loss) | (3,274,732.00) | -80.61% | (3,274,732.00) | 3,401,621.09 | 49.60% | 6,676,353.09 |
| Nonoperating revenues (expenses): | | | | | | |
| Planned use of fund balance | 3,065,730.00 | 75.46% | 3,065,730.00 | 0.00 | 0.00% | (3,065,730.00) |
| Income from investments | 150,000.00 | 3.69% | 150,000.00 | 721,834.57 | 10.52% | 571,834.57 |
| Total nonoperating revenues (expenses) | 3,215,730.00 | 79.15% | 3,215,730.00 | 721,834.57 | 10.52% | (2,493,895.43) |
| Income (loss) before transfers | (59,002.00) | -1.46% | (59,002.00) | 4,123,455.66 | 60.12% | 4,182,457.66 |
| Transfers in | 515,809.00 | 12.70% | 515,809.00 | 515,809.00 | 7.52% | 0.00 |
| Transfers out | (456,807.00) | -11.24% | (456,807.00) | (506,807.00) | -7.39% | (50,000.00) |
| Change in net assets | \$0.00 | 0.00% | \$0.00 | 4,132,457.66 | 60.25% | \$ 4,132,457.66 |
| Total net assets - beginning | | | | 52,335,868.79 | | |
| Total net assets - ending | | | | <u>\$ 56,468,326.45</u> | | |

**COUNTY OF OAKLAND
RADIO COMMUNICATIONS FUND
FINANCIAL REPORT AS OF SEPTEMBER 30, 2009**

STATEMENT OF NET ASSETS**ASSETS**

| | |
|---------------------------------|-----------------|
| Current Assets: | |
| Cash - Operating | \$29,395,977.81 |
| Accrued Interest on Investment | \$110,585.03 |
| Accounts Receivable | 823,116.21 |
| Due from Municipalities | 79,057.80 |
| Inventories at Cost | 585,774.08 |
| Prepaid Expenses | 107,803.71 |
| Deferred Charges | 2,894.40 |
| Total Current Assets | 31,105,209.04 |
| Noncurrent Assets: | |
| Property and Equipment at Cost: | |
| Capital Projects in Progress | 25,566,629.29 |
| Equipment | 11,030,842.26 |
| Accumulated Depreciation | (11,013,690.70) |
| Property and Equipment - Net | 25,583,780.85 |
| Total Assets | \$56,688,989.89 |

LIABILITIES

| | |
|---------------------------|-------------|
| Current Liabilities: | |
| Vouchers Payable | \$52,826.11 |
| Accounts Payable | 167,837.33 |
| Other Liabilities | 0.00 |
| Total Current Liabilities | 220,663.44 |

NET ASSETS

| | |
|---|-----------------|
| Invested in Capital Assets | 25,583,780.85 |
| Designated for Projects (911 Surcharge) | 28,912,253.90 |
| Unrestricted | 1,972,291.70 |
| Total Net Assets | \$56,468,326.45 |

STATEMENT OF OPERATIONS

| | <u>Total Operations</u> | <u>806 MHz System</u> | <u>821 MHz System</u> | <u>911 IP System</u> |
|---------------------------------|-------------------------|-----------------------|-----------------------|----------------------|
| Operating Revenues: | | | | |
| E-911 Surcharge | \$4,302,206.28 | \$0.00 | \$4,302,206.28 | \$0.00 |
| E-911 Surcharge/IP System | 1,043,658.80 | 0.00 | 0.00 | 1,043,658.80 |
| Antenna Site Management | 276,377.04 | 276,377.04 | 0.00 | 0.00 |
| Leased Equipment | 718,482.88 | 718,482.88 | 0.00 | 0.00 |
| Parts & Accessories | 78,958.52 | 78,958.52 | 0.00 | 0.00 |
| Outside Agencies | 398,788.45 | 398,788.45 | 0.00 | 0.00 |
| Productive Labor | 40,153.42 | 40,153.42 | 0.00 | 0.00 |
| Income from Investments | 721,834.57 | 129,750.22 | 533,481.70 | 58,602.65 |
| Operating Transfers In | 515,809.00 | 0.00 | 0.00 | 515,809.00 |
| TOTAL REVENUES | 8,096,268.96 | 1,642,510.53 | 4,835,687.98 | 1,618,070.45 |
| Operating Expenses: | | | | |
| Salaries | 557,830.86 | 557,830.86 | 0.00 | 0.00 |
| Fringe Benefits | 302,665.98 | 302,665.98 | 0.00 | 0.00 |
| Communications | 200,097.52 | 0.00 | 200,097.52 | 0.00 |
| Electrical Service | 84,216.69 | 40,552.44 | 43,664.25 | 0.00 |
| Equipment Repairs & Maintenance | 158,507.59 | 75,281.34 | 83,226.25 | 0.00 |
| Freight & Express | 1,599.26 | 1,599.26 | 0.00 | 0.00 |
| Indirect Costs | 188,694.00 | 188,694.00 | 0.00 | 0.00 |
| Laundry & Cleaning | 260.78 | 260.78 | 0.00 | 0.00 |
| Maintenance Contract | 195,813.94 | 0.00 | 22,387.50 | 173,426.44 |
| Personal Mileage | 341.00 | 341.00 | 0.00 | 0.00 |
| Professional Services | 141,396.86 | 54,188.26 | 87,208.60 | 0.00 |
| Rebillable Services | 911.00 | 911.00 | 0.00 | 0.00 |
| Software Rental Lease Purchase | 816.19 | 816.19 | 0.00 | 0.00 |
| Special Projects | 5,961.54 | 4,410.46 | 1,551.08 | 0.00 |
| Tower Charges | 219,490.76 | 0.00 | 219,490.76 | 0.00 |
| Training Related | 3,630.00 | 0.00 | 3,630.00 | 0.00 |
| Travel & Conference | 28,123.34 | 1,297.56 | 26,825.78 | 0.00 |
| Dry Goods & Clothing | 455.00 | 455.00 | 0.00 | 0.00 |
| Expendable Equipment | 484,023.95 | 15,950.05 | 0.00 | 468,073.90 |
| Office Supplies | 2,589.13 | 2,589.13 | 0.00 | 0.00 |
| Parts & Accessories | 80,551.08 | 80,551.08 | 0.00 | 0.00 |
| Shop Supplies | 6,211.72 | 6,211.72 | 0.00 | 0.00 |
| Small Tools | 4,147.21 | 4,147.21 | 0.00 | 0.00 |
| Depreciation | 9,095.84 | 9,095.84 | 0.00 | 0.00 |
| Bldg. Space Cost Allocation | 45,843.96 | 45,843.96 | 0.00 | 0.00 |
| Convenience Copier | (350.98) | (350.98) | 0.00 | 0.00 |
| Info Tech - CLEMIS | 413,300.00 | 413,300.00 | 0.00 | 0.00 |
| Info Tech - Development | 6,761.50 | 5,890.50 | 0.00 | 871.00 |
| Info Tech - Operations | 231,177.00 | 231,177.00 | 0.00 | 0.00 |
| Insurance Fund | 7,892.00 | 2,642.00 | 5,250.00 | 0.00 |
| Mail Room | 0.84 | 0.84 | 0.00 | 0.00 |
| Maintenance Dept charges | 307.98 | 307.98 | 0.00 | 0.00 |
| Motor Pool fuel charges | 5,893.65 | 5,893.65 | 0.00 | 0.00 |
| Motor Pool | 29,209.81 | 29,209.81 | 0.00 | 0.00 |
| Print Shop | 666.69 | 666.69 | 0.00 | 0.00 |
| Telephone Communications | 38,870.61 | 35,350.61 | 3,520.00 | 0.00 |
| Operating Transfers Out | 506,807.00 | 200,000.00 | 106,807.00 | 200,000.00 |
| TOTAL EXPENSES | 3,963,811.30 | 2,317,781.22 | 803,658.74 | 842,371.34 |
| NET INCOME (LOSS) | 4,132,457.66 | (675,270.69) | 4,032,029.24 | 775,699.11 |
| NET ASSETS, SEPTEMBER 30, 2008 | 52,335,868.79 | 2,664,713.95 | 47,906,432.86 | 1,764,721.98 |
| NET ASSETS, SEPTEMBER 30, 2009 | \$56,468,326.45 | \$1,989,443.26 | \$51,938,462.10 | \$2,540,421.09 |

| |
|---|
| RADIO COMMUNICATIONS - FUND 53600 Operating Transfers Out - Fiscal Year 2009 |
|---|

| Description | Amount |
|---|----------------------------|
| Budgeted Operating transfer from Radio Communications fund to CLEMIS fund for 1st quarter FY09 administrative support | \$50,000.00 |
| Budgeted Operating transfer from Radio Communications fund to CLEMIS fund for 2nd quarter FY09 administrative support | 50,000.00 |
| Budgeted Operating transfer from Radio Communications fund to CLEMIS fund for 3rd quarter FY09 administrative support | 50,000.00 |
| Amend budget per resolution #09132 - transfer from Radio fund to General Fund to return unexpended balance of funds transferred for Sheriff Call-taking equipment | 200,000.00 |
| Amend budget per resolution #08271 - transfer from Radio fund to Public Safety Interoperable Communications grant for County match portion of grant. | 106,807.00 |
| Budgeted Operating transfer from Radio Communications fund to CLEMIS fund for 4th quarter FY09 administrative support | 50,000.00 |
| Total | <u><u>\$506,807.00</u></u> |

| |
|--|
| RADIO COMMUNICATIONS - FUND 53600 Operating Transfers In - Fiscal Year 2009 |
|--|

| Description | Amount |
|--|----------------------------|
| Amend budget per year end report, resolution #08266 - transfer to Radio fund from General Fund for Sheriff Call-taking equipment | \$350,000.00 |
| Budgeted Operating transfer from General fund to Radio Communications fund for FY2009 E911 equipment maintenance support to participating Oakland County agencies. | 165,809.00 |
| Total | <u><u>\$515,809.00</u></u> |

RADIO COMMUNICATIONS FUND 53600
Fiscal Year 2009 - 4th Quarter
Brief Explanation of "Actuals"

Following are some comments regarding Radio Communications Fund's 4th quarter financial statements.

STATEMENT OF NET ASSETS

- Radio Communications reports all monetary assets as Cash. Available cash is invested and managed by the Treasurer as a pool. Participating funds receive interest earnings based on their percentage of the invested daily cash balance each month.
- Accrued interest on investment is interest earned by the fund on its cash balance in the Treasurer's pool of investments; interest is paid when investments mature.
- Accounts receivable includes \$689,088.85 for accrued E-911 operational surcharge revenue which is now paid to the county quarterly instead of monthly.
- Accounts receivable includes \$134,027.36 due primarily from Arch Wireless, Cingular Wireless and other co-locators. A few co-locators are awaiting amended contracts to resolve the amount due. Corporation Counsel is working with several Tower customers to finalize new contracts.
- Due from other governments is the amount due from municipalities for leased equipment.
- Prepaid items are: rent paid in advance per the lease agreements for co-location of equipment at two buildings in Troy and eleven tower sites for the new system; maintenance contracts for dispatch consoles for the new system paid in advance; and the County's portion of maintenance contracts for PSAP 911 equipment paid in advance.
- Effective FY 2002, the Radio Communications Fund is classified as an Enterprise Fund with a capitalization threshold for Equipment of \$5,000.
- Capital projects in progress includes all expenditures to date for the 821 MHz project.
- Vouchers payable and Accounts payable are accrued 4th quarter expenses, overpayments by E911 remitters and the amount due to the City of Novi for its share of tower lease payments.
- Net Assets, Unrestricted - designated for projects is the unexpended revenue from prior years included in the fund balance which is designated for completion of the new 821 MHz radio system and for NG911 PSAP call taking equipment.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

Revenues:

- E-911 surcharge revenue is favorable due to higher than anticipated remittance of wireless surcharge enacted on July 1, 2008. The surcharge rate is currently \$0.18 per line or device.
- Antenna site management revenue is unfavorable due to consolidation of telecommunications companies, resulting in removal of duplicated equipment from County towers and also due to a decrease in rates charged to co-locators caused by market conditions.
- Leased equipment, Parts and accessories, Outside agency and Productive labor revenues are all favorable due to timing of the projected phase-out of the legacy system.
- Income from investment revenue is favorable due to higher than anticipated cash balance available for investment. Available cash will decrease during fiscal year 2010 due to

RADIO COMMUNICATIONS FUND 53600
Fiscal Year 2009 - 4th Quarter
Brief Explanation of "Actuals"

expenditures for the new system. All of Radio Fund's available cash, including funds received for the E-911 operational surcharge, is invested in a pool managed by the Treasurer's office.

- Transfers In is the amount budgeted and received from the County General Fund for updated 911 call-taking equipment for the Sheriff's Department and for maintenance support provided to participating Oakland County agencies.

Expenses:

- Salary variance is favorable due to lower than anticipated overtime and on call payroll for implementation of the new radio system.
- Fringe Benefit variance is favorable because budgeted amounts are based on average fringe benefit cost.
- Electrical service is favorable due to lower seasonal utility demand at tower sites.
- Equipment repairs and maintenance expense is unfavorable due to continued demand for repairs to the legacy system, offset by increased revenue.
- Freight and express is favorable due to lower than anticipated usage.
- Indirect cost expense is based on the County's Indirect Cost allocation. It includes Human Resources, Payroll, Treasurer, Accounting, Budgeting and Administrative services. The final allocation was established after adoption of the current budget.
- Maintenance contract expense is favorable due to extension of manufacturers' warranties on dispatch consoles for the new system and timing of implementation of the system.
- Professional services expense is unfavorable due to training expense for users of the new radio system budgeted as part of the capital project.
- Special projects expense is favorable due to timing of expenditures.
- Tower charges are unfavorable due to contractual increases for leased tower sites.
- Training related expense and Travel and conference expense are unfavorable due to training expense for staff budgeted as part of the capital project.
- Expendable equipment expense is unfavorable due to purchase of PSAP equipment funded by E-911 surcharge.
- Office supply expense is favorable due to decreased usage and cost-cutting efforts.
- Parts and accessories are favorable due to use of inventory to maintain the legacy system.
- Shop supplies and Small tool expenses are favorable due to timing of purchases.
- Depreciation is favorable due to later than anticipated activation of the new system.
- Info Tech-CLEMIS charges are unfavorable due to charges for staff support of CAD for the legacy system.
- Info Tech development charges are unfavorable due to the cost of a preliminary analysis of IP-based 911 call taking systems.
- Info Tech operations charges are favorable due to decreased usage.
- Insurance Fund charges are favorable due to lower than anticipated premiums for coverage of tower sites for the new system.

RADIO COMMUNICATIONS FUND 53600
Fiscal Year 2009 - 4th Quarter
Brief Explanation of "Actuals"

- Maintenance department internal charges include necessary HVAC, generator and security system services performed by FM&O; budgeted amounts are based on prior year usage which was higher than normal due to preparations for implementation of the new system.
- Motor pool fuel charges are favorable due to reduced fuel prices and decreased usage; Motor pool charges are favorable due to decreased usage.
- Print shop internal charges are favorable due to timing of training material preparation.
- Telephone communications is unfavorable due to connectivity cost of new system towers.
- Transfers Out includes the following: amount budgeted for administrative support provided by CLEMIS and IT funds, a portion of which was deferred pending implementation of the new radio system; the unexpended amount returned to the County General Fund for updated 911 call-taking equipment for the Sheriff's Department; and the amount transferred from Radio Fund to Homeland Security for the County match portion of the Public Safety Interoperable Communications grant.

Exhibit B

**County of Oakland
Fire Records Management Fund
Statement of Net Assets
September 30, 2009**

ASSETS

Current assets:

| | |
|---------------------------------|-------------------|
| Cash and cash equivalents | \$ 292,884.67 |
| Accrued interest on investments | 1,636.08 |
| Due from other governments | 46,171.91 |
| Accounts receivable | 3,976.50 |
| Prepaid expenses | 17,118.00 |
| Total current assets | <u>361,787.16</u> |

Noncurrent assets:

| | |
|--|---------------------|
| Equipment | 124,793.08 |
| Computer software | 409,195.95 |
| Less accumulated depreciation | <u>(531,748.89)</u> |
| Total capital assets (net of accumulated depreciation) | <u>2,240.14</u> |
| Total assets | <u>364,027.30</u> |

LIABILITIES

Current liabilities:

| | |
|---------------------------|-------------|
| Vouchers payable | <u>0.00</u> |
| Total current liabilities | <u>0.00</u> |
| Total liabilities | <u>0.00</u> |

NET ASSETS

| | |
|---|-----------------------------|
| Invested in capital assets, net of related debt | 2,240.14 |
| Unrestricted - designated for projects | 55,877.00 |
| Unrestricted | <u>305,910.16</u> |
| Total net assets | <u><u>\$ 364,027.30</u></u> |

Exhibit B-1

County of Oakland
Fire Records Management Fund
Statement of Revenues, Expenses, and Changes in Net Assets
For the Twelve Months Ended September 30, 2009

| | 2009 | | | Year to Date | | Favorable (Unfavorable) Variance |
|--|-------------------|-----------------------|---------------|---------------|-----------------------|--|
| | Amended Budget | Percent of Revenue | Allotment | Actual | Percent of Revenue | |
| Operating revenues: | | | | | | |
| Outside agencies | \$ 153,061.00 | 71.99% | \$ 153,061.00 | \$ 149,911.25 | 73.03% | \$ (3,149.75) |
| Participation fees - non-Oakland users | 16,979.00 | 7.98% | 16,979.00 | 14,007.00 | 6.82% | (2,972.00) |
| Outside agencies - rebilled charges | 42,600.00 | 20.03% | 42,600.00 | 41,353.97 | 20.15% | (1,246.03) |
| Total operating revenues | 212,640.00 | 100.00% | 212,640.00 | 205,272.22 | 100.00% | (7,367.78) |
| Operating expenses: | | | | | | |
| Salaries | 244,691.00 | 115.07% | 244,691.00 | 228,896.37 | 111.51% | 15,794.63 |
| Fringe benefits | 137,757.00 | 64.78% | 137,757.00 | 137,611.56 | 67.04% | 145.44 |
| Contractual services: | | | | | | |
| Communications | 42,600.00 | 20.03% | 42,600.00 | 32,647.47 | 15.90% | 9,952.53 |
| Equipment repairs and maintenance | 20,000.00 | 9.41% | 20,000.00 | 0.00 | 0.00% | 20,000.00 |
| Indirect costs | 45,917.00 | 21.59% | 45,917.00 | 48,803.00 | 23.77% | (2,886.00) |
| Personal mileage | 1,750.00 | 0.82% | 1,750.00 | 33.02 | 0.02% | 1,716.98 |
| Software rental lease purchase | 11,825.00 | 5.56% | 11,825.00 | 16,800.00 | 8.18% | (4,975.00) |
| Software support/maintenance | 73,858.00 | 34.73% | 73,858.00 | 71,262.00 | 34.72% | 2,596.00 |
| Travel and conference | 5,000.00 | 2.35% | 5,000.00 | 2,967.41 | 1.45% | 2,032.59 |
| Workshops and meetings | 0.00 | 0.00% | 0.00 | 63.13 | 0.03% | (63.13) |
| Total contractual services | 200,950.00 | 94.49% | 200,950.00 | 172,576.03 | 84.07% | 28,373.97 |
| Commodities: | | | | | | |
| Expendable equipment expense | 10,282.00 | 4.84% | 10,282.00 | 2,047.29 | 1.00% | 8,234.71 |
| Total commodities | 10,282.00 | 4.84% | 10,282.00 | 2,047.29 | 1.00% | 8,234.71 |
| Depreciation: | | | | | | |
| Equipment | 3,226.00 | 1.52% | 3,226.00 | 5,376.33 | 2.62% | (2,150.33) |
| Total depreciation | 3,226.00 | 1.52% | 3,226.00 | 5,376.33 | 2.62% | (2,150.33) |
| Internal services: | | | | | | |
| Info Tech - development | 0.00 | 0.00% | 0.00 | 9,312.01 | 4.54% | (9,312.01) |
| Info Tech - operations | 57,010.00 | 26.81% | 57,010.00 | 55,921.30 | 27.24% | 1,088.70 |
| Insurance fund | 206.00 | 0.10% | 206.00 | 206.00 | 0.10% | 0.00 |
| Telephone communications | 1,320.00 | 0.62% | 1,320.00 | 1,875.54 | 0.91% | (555.54) |
| Total internal services | 58,536.00 | 27.53% | 58,536.00 | 67,314.85 | 32.79% | (8,778.85) |
| Total operating expenses | 655,442.00 | 308.23% | 655,442.00 | 613,822.43 | 299.03% | 41,619.57 |
| Operating income (loss) | (442,802.00) | -208.23% | (442,802.00) | (408,550.21) | -199.03% | 34,251.79 |
| Nonoperating revenues (expenses): | | | | | | |
| Budgeted equity adjustments | (4,611.00) | -2.17% | (4,611.00) | 0.00 | 0.00% | 4,611.00 |
| Income from investments | 2,000.00 | 0.94% | 2,000.00 | 5,353.74 | 2.61% | 3,353.74 |
| Total nonoperating revenues (expenses) | (2,611.00) | -1.23% | (2,611.00) | 5,353.74 | 2.61% | 7,964.74 |
| Income (loss) before transfers | (445,413.00) | -209.47% | (445,413.00) | (403,196.47) | -196.42% | 42,216.53 |
| Transfers in | 445,413.00 | 209.47% | 445,413.00 | 456,441.00 | 222.36% | 11,028.00 |
| Transfers out | 0.00 | 0.00% | 0.00 | 0.00 | 0.00% | 0.00 |
| Change in net assets | \$ 0.00 | 0.00% | \$ 0.00 | 53,244.53 | 25.94% | \$ 53,244.53 |
| Total net assets - beginning | | | | 310,782.77 | | |
| Total net assets - ending | | | | \$ 364,027.30 | | |

| |
|---|
| FIRE RECORDS MANAGEMENT - FUND 53100 Operating Transfers In - Fiscal Year 2009 |
|---|

| Description | Amount |
|---|----------------------------|
| Amend budget per resolution #08192 - Interlocal Agreement with Lyon Township for Fire Records Management System | \$6,708.00 |
| Budgeted Operating Transfer - appropriation for Fire Records Management 1st quarter FY09 operating support from General Fund | 109,938.00 |
| Budgeted Operating Transfer - appropriation for Fire Records Management 2nd quarter FY09 operating support from General Fund | 113,265.00 |
| Budgeted Operating Transfer - appropriation for Fire Records Management 3rd quarter FY09 operating support from General Fund | 113,265.00 |
| Budgeted Operating Transfer - appropriation for Fire Records Management 4th quarter FY09 operating support from General Fund | 113,265.00 |
| Total | <u><u>\$456,441.00</u></u> |

FIRE RECORDS MANAGEMENT FUND 53100

Fiscal Year 2009 – 4th Quarter

Brief Explanation of “Actuals”

Following are some comments regarding Fire Records Management Fund's 4th quarter financial statements.

STATEMENT OF NET ASSETS

- Fire Records Management Fund reports all monetary assets as Cash. Available cash is invested and managed by the Treasurer as a pool. Participating funds receive interest earnings based on their percentage of the invested daily cash balance each month.
- Accrued interest on investment is interest earned by the fund on its cash balance in the Treasurer's pool of investments; interest is paid when investments mature.
- Due from other governments is the amount due from member agencies for quarterly participation and communication costs. All members were current at September 30, 2009.
- Accounts receivable is the amount due from non-municipality member agencies for quarterly participation costs. All agencies were current at September 30, 2009.
- Prepaid expense is the amount paid in advance for contracted software support.
- Noncurrent assets are the servers and software package. The original server equipment and software are fully depreciated and new server equipment was purchased during FY2007. Fire Records Management fund has a fixed asset capitalization threshold of \$5,000 as an Enterprise fund.
- Net Assets, Unrestricted - designated for projects is the unexpended amount included in the fund balance which was received from the County General Fund in FY2007 for replacement of equipment.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

Revenues:

- Billing starts when a fire department is operational. The fund billed 34 agencies for participation during the 4th quarter of fiscal year 2009. Outside agency revenue is unfavorable due to the timing of implementation of new member agencies.
- Participation Fees - non-Oakland users are the amounts billed to municipalities and agencies outside of Oakland County.
- Outside agencies - rebilled charges are the amounts billed to member agencies for their portion of the County's communication cost for data lines (see below), software license and software maintenance costs.
- Income from investments is favorable due to increased cash balance during the year.
- Transfers In is the amount budgeted and received from the County General Fund for operating support and for licensing of new Oakland County agencies.

Expenses:

- Salary variance is favorable due to lower than anticipated overtime and on-call payroll. Fringe Benefit variance is favorable because budgets are based on the average cost of fringe benefits for employees.

FIRE RECORDS MANAGEMENT FUND 53100

Fiscal Year 2009 – 4th Quarter

Brief Explanation of “Actuals”

- Communications cost is offset by revenue from rebilled charges to member agencies for their portion of data line expenses (see above). Communication cost is favorable due to decreased telephone rates.
- Equipment repairs and maintenance is favorable due to lower than anticipated server maintenance charges.
- Indirect cost expense is based on the County’s Indirect Cost allocation. It includes Human Resources, Payroll, Treasurer, Accounting, Budgeting and Administrative services. The final allocation was established after adoption of the current budget.
- Personal mileage is favorable due to decreased demand for travel to member sites.
- Software rental/lease purchase is unfavorable due to software license purchases for new member agencies, offset by revenue from rebilled charges.
- Software support is favorable due to elimination of server software maintenance contracts.
- Travel and conference expense is favorable due to cost-cutting efforts.
- Expendable equipment expense is favorable due to the timing of replacement of equipment.
- Depreciation is slightly unfavorable due to the purchase of server equipment after adoption of the budget.
- Unfavorable Info Tech development charges are for programming services.
- Favorable Info Tech operations charges are due to cost-cutting efforts.

Exhibit C

**County of Oakland
CLEMIS Fund
Statement of Net Assets
September 30, 2009**

ASSETS

Current assets:

| | |
|--------------------------------|---------------------|
| Cash and cash equivalents | \$ 401,301.52 |
| Due from other governments | 942,976.76 |
| Due from other funds | 100,812.16 |
| Accounts receivable | 53,103.54 |
| Accrued interest on investment | 28,640.75 |
| Prepaid items | 557,757.96 |
| Total current assets | <u>2,084,592.69</u> |

Noncurrent assets:

| | |
|--|------------------------|
| Equipment | 3,169,904.25 |
| Equipment - 911 | 2,554,100.14 |
| Equipment - COPS MORE | 23,943,106.31 |
| Equipment - OAKVIDEO | 6,180,371.74 |
| Capital projects in progress | 1,685,249.56 |
| Less accumulated depreciation | <u>(27,047,317.87)</u> |
| Total capital assets (net of accumulated depreciation) | <u>10,485,414.13</u> |
| Total assets | <u>12,570,006.82</u> |

LIABILITIES

Current liabilities:

| | |
|---------------------------|-------------------|
| Vouchers payable | 247,400.82 |
| Due to municipalities | 14,753.00 |
| Due to other funds | 2,615.00 |
| Accounts payable | 279,848.10 |
| Deferred income | 121,627.10 |
| Total current liabilities | <u>666,244.02</u> |

NET ASSETS

| | |
|---|--------------------------------|
| Invested in capital assets, net of related debt | 10,485,414.13 |
| Unrestricted - designated for projects | 215,319.86 |
| Unrestricted | 1,203,028.81 |
| Total net assets | <u><u>\$ 11,903,762.80</u></u> |

County of Oakland
CLEMIS Fund
Statement of Revenues, Expenses, and Changes in Net Assets
For the Twelve Months Ended September 30, 2009

| | 2009 | | | Year to Date | | Favorable (Unfavorable) |
|---|-------------------|-----------------------|-----------------|-----------------|-----------------------|----------------------------|
| | Amended Budget | Percent of Revenue | Allotment | Actual | Percent of Revenue | Variance |
| Operating revenues: | | | | | | |
| In-car terminals - All Other | \$ 1,789,200.00 | 44.95% | \$ 1,789,200.00 | \$ 1,754,942.75 | 38.98% | \$ (34,257.25) |
| Access fees - NonOakland Users | 629,714.00 | 15.82% | 629,714.00 | 638,625.48 | 14.19% | 8,911.48 |
| Access fees - Police Depts/Other in Oakland | 279,000.00 | 7.01% | 279,000.00 | 291,855.27 | 6.48% | 12,855.27 |
| Sheriff contracted services | 688,000.00 | 17.29% | 688,000.00 | 695,282.61 | 15.44% | 7,282.61 |
| Maintenance contracts - Mugshot Capture Stn | 200,000.00 | 5.02% | 200,000.00 | 306,000.00 | 6.80% | 106,000.00 |
| E-Commerce - Electronic Citation | 30,000.00 | 0.75% | 30,000.00 | 27,526.80 | 0.61% | (2,473.20) |
| Maintenance contracts - LiveScan | 50,000.00 | 1.26% | 50,000.00 | 102,623.00 | 2.28% | 52,623.00 |
| In car terminals - OC Sheriff | 154,404.00 | 3.88% | 154,404.00 | 161,223.75 | 3.58% | 6,819.75 |
| Rebilled Charges | 90,000.00 | 2.26% | 90,000.00 | 283,166.82 | 6.29% | 193,166.82 |
| E-Commerce - CLEMIS Crash | 70,000.00 | 1.76% | 70,000.00 | 2,888.50 | 0.06% | (67,111.50) |
| Parts and accessories | 0.00 | 0.00% | 0.00 | 233,404.73 | 5.18% | 233,404.73 |
| Productive labor | 0.00 | 0.00% | 0.00 | 372.00 | 0.01% | 372.00 |
| Sale of equipment | 0.00 | 0.00% | 0.00 | 771.50 | 0.02% | 771.50 |
| Service fees - CLEMIS Crash | 0.00 | 0.00% | 0.00 | 3,186.00 | 0.08% | 3,186.00 |
| Total operating revenues | 3,980,318.00 | 100.00% | 3,980,318.00 | 4,501,869.21 | 100.00% | 521,551.21 |
| Operating expenses: | | | | | | |
| Salaries | 1,620,415.00 | 40.71% | 1,620,415.00 | 1,136,191.56 | 25.24% | 484,223.44 |
| Fringe benefits | 857,039.00 | 21.53% | 857,039.00 | 568,528.01 | 12.63% | 288,510.99 |
| Contractual services: | | | | | | |
| Auction expense | 0.00 | 0.00% | 0.00 | 32.04 | 0.00% | (32.04) |
| Bank charges | 0.00 | 0.00% | 0.00 | 2,678.15 | 0.06% | (2,678.15) |
| Communications | 887,000.00 | 22.28% | 887,000.00 | 1,198,489.60 | 26.62% | (311,489.60) |
| Equipment repairs and maintenance | 160,000.00 | 4.02% | 160,000.00 | 174,092.58 | 3.87% | (14,092.58) |
| Freight and express | 0.00 | 0.00% | 0.00 | 1,222.54 | 0.03% | (1,222.54) |
| Indirect costs | 262,100.00 | 6.58% | 262,100.00 | 262,099.00 | 5.82% | 1.00 |
| Maintenance contract | 0.00 | 0.00% | 0.00 | 255.00 | 0.01% | (255.00) |
| Membership dues and publication | 750.00 | 0.02% | 750.00 | 727.70 | 0.02% | 22.30 |
| Miscellaneous | 0.00 | 0.00% | 0.00 | 20.40 | 0.00% | (20.40) |
| Personal mileage | 1,500.00 | 0.04% | 1,500.00 | 65.45 | 0.00% | 1,434.55 |
| Professional services | 650,000.00 | 16.33% | 650,000.00 | 635,607.13 | 14.12% | 14,392.87 |
| Rebillable Services | 90,000.00 | 2.26% | 90,000.00 | 122,793.54 | 2.73% | (32,793.54) |
| Software rental/lease purchase | 0.00 | 0.00% | 0.00 | 47,589.00 | 1.06% | (47,589.00) |
| Software support/maintenance | 675,000.00 | 16.96% | 675,000.00 | 420,848.98 | 9.35% | 254,151.02 |
| Travel and conference | 10,000.00 | 0.25% | 10,000.00 | 3,357.80 | 0.07% | 6,642.20 |
| Travel employee taxable meals | 0.00 | 0.00% | 0.00 | 9.02 | 0.00% | (9.02) |
| Workshops and meetings | 1,000.00 | 0.03% | 1,000.00 | 128.45 | 0.00% | 871.55 |
| Total contractual services | 2,737,350.00 | 68.77% | 2,737,350.00 | 2,870,016.38 | 63.76% | (132,666.38) |
| Commodities: | | | | | | |
| Dry goods and clothing | 750.00 | 0.02% | 750.00 | 18.87 | 0.00% | 731.13 |
| Expendable equipment | 0.00 | 0.00% | 0.00 | 220,628.24 | 4.90% | (220,628.24) |
| Inventory disposal | 0.00 | 0.00% | 0.00 | 95,654.91 | 2.12% | (95,654.91) |
| Office supplies | 1,000.00 | 0.03% | 1,000.00 | 3,257.83 | 0.07% | (2,257.83) |
| Parts and accessories | 10,000.00 | 0.25% | 10,000.00 | 6,371.23 | 0.14% | 3,628.77 |
| Special event supplies | 0.00 | 0.00% | 0.00 | 246.62 | 0.01% | (246.62) |
| Total commodities | 11,750.00 | 0.30% | 11,750.00 | 326,177.70 | 7.24% | (314,427.70) |
| Depreciation: | 2,169,587.00 | 54.51% | 2,169,587.00 | 1,940,316.98 | 43.10% | 229,270.02 |
| Internal services: | | | | | | |
| Building space cost allocation | 172,062.00 | 4.32% | 172,062.00 | 172,062.00 | 3.82% | 0.00 |
| Info tech-development | 167,841.00 | 4.22% | 167,841.00 | 171,766.26 | 3.82% | (3,925.26) |
| Info tech-operations | 487,660.00 | 12.25% | 487,660.00 | 452,488.34 | 10.05% | 35,171.66 |
| Motor pool | 23,489.00 | 0.59% | 23,489.00 | 26,600.71 | 0.59% | (3,111.71) |
| Motor pool fuel charges | 1,615.00 | 0.04% | 1,615.00 | 1,144.81 | 0.03% | 470.19 |
| Mail room | 299.00 | 0.01% | 299.00 | 190.32 | 0.00% | 108.68 |
| Print shop | 22,473.00 | 0.56% | 22,473.00 | 43,710.81 | 0.97% | (21,237.81) |
| Telephone communications | 24,561.00 | 0.62% | 24,561.00 | 32,036.75 | 0.71% | (7,475.75) |
| Total internal services | 900,000.00 | 22.61% | 900,000.00 | 900,000.00 | 19.99% | (0.00) |
| Total operating expenses | 8,296,141.00 | 208.43% | 8,296,141.00 | 7,741,230.63 | 171.96% | 554,910.37 |
| Operating income (loss) | (4,315,823.00) | -108.43% | (4,315,823.00) | (3,239,361.42) | -71.96% | 1,076,461.58 |

County of Oakland
CLEMIS Fund
Statement of Revenues, Expenses, and Changes in Net Assets
For the Twelve Months Ended September 30, 2009

| | 2009 | | | Year to Date | | Favorable (Unfavorable) Variance |
|--|-------------------|-----------------------|----------------|-------------------------|-----------------------|--|
| | Amended Budget | Percent of Revenue | Allotment | Actual | Percent of Revenue | |
| Nonoperating revenues (expenses): | | | | | | |
| Planned use balance | 2,457,204.00 | 61.73% | 2,457,204.00 | 0.00 | 0.00% | (2,457,204.00) |
| Income from investments | 13,000.00 | 0.33% | 13,000.00 | 11,339.15 | 0.25% | (1,660.85) |
| Gain (loss) on sale of equipment | 0.00 | 0.00% | 0.00 | (3,117.02) | -0.07% | (3,117.02) |
| Capital contributions | 356,502.00 | 8.96% | 356,502.00 | 4,089,195.61 | 90.83% | 3,732,693.61 |
| Total nonoperating revenues (expenses) | 2,826,706.00 | 71.02% | 2,826,706.00 | 4,097,417.74 | 91.01% | 1,270,711.74 |
| Income (loss) before transfers | (1,489,117.00) | -37.41% | (1,489,117.00) | 858,056.32 | 19.05% | 2,347,173.32 |
| Transfers in | 1,489,117.00 | 37.41% | 1,489,117.00 | 1,589,117.00 | 35.30% | 100,000.00 |
| Change in net assets | \$ 0.00 | 0.00% | \$ 0.00 | 2,447,173.32 | 54.35% | \$ 2,447,173.32 |
| Total net assets - beginning | | | | 9,456,589.48 | | |
| Total net assets - ending | | | | <u>\$ 11,903,762.80</u> | | |

**COUNTY OF OAKLAND
CLEMIS FUND
FINANCIAL REPORT AS OF SEPTEMBER 30, 2009**

STATEMENT OF NET ASSETS**ASSETS**

| | |
|---------------------------------|-------------------------------|
| Current Assets: | |
| Cash - Operating | \$401,301.52 |
| Accrued Interest on Investments | 28,640.75 |
| Accounts Receivable | 53,103.54 |
| Due from Municipalities | 942,976.76 |
| Due from Other Funds | 100,812.16 |
| Prepaid Expenses | <u>557,757.96</u> |
| Total Current Assets | <u>2,084,592.69</u> |
| Noncurrent Assets: | |
| Property and Equipment at Cost: | |
| Equipment | 3,169,904.25 |
| Equipment - 911 | 2,554,100.14 |
| Equipment - COPS MORE | 23,943,106.31 |
| Equipment - Oak VIDEO | 6,180,371.74 |
| Capital Projects in Progress | 1,685,249.56 |
| Accumulated Depreciation | <u>(27,047,317.87)</u> |
| Property and Equipment - Net | <u>10,485,414.13</u> |
| TOTAL ASSETS | <u>\$12,570,006.82</u> |

LIABILITIES

| | |
|---------------------------|-------------------|
| Current Liabilities: | |
| Vouchers Payable | 247,400.82 |
| Due to municipalities | 14,753.00 |
| Due to other funds | 2,615.00 |
| Accounts Payable | 279,848.10 |
| Deferred Income | <u>121,627.10</u> |
| Total Current Liabilities | <u>666,244.02</u> |

NET ASSETS

| | |
|--------------------------------------|-------------------------------|
| Invested in Capital Assets | 10,485,414.13 |
| Unrestricted-designated for projects | 215,319.86 |
| Unrestricted | <u>1,203,028.81</u> |
| Total Net Assets | <u>\$11,903,762.80</u> |

STATEMENT OF OPERATIONS

| | <u>Total Operations</u> | <u>CLEMIS Operations</u> | <u>MDC Operations</u> |
|---|-------------------------------|------------------------------|------------------------------|
| Operating Revenues: | | | |
| Access fees-Police Depts/Other in Oakland | 291,855.27 | \$291,855.27 | \$0.00 |
| In Car Terminals-All Other | 1,754,942.75 | 0.00 | 1,754,942.75 |
| In Car Terminals-OC Sheriff | 161,223.75 | 0.00 | 161,223.75 |
| Maintenance Contracts | 408,623.00 | 408,623.00 | 0.00 |
| Sheriff Contracted Services | 695,282.61 | 695,282.61 | 0.00 |
| Access fees-NonOakland Users | 638,625.48 | 638,625.48 | 0.00 |
| E-Commerce - CLEMIS Crash | 2,888.50 | 2,888.50 | 0.00 |
| Parts and Accessories | 233,404.73 | 1,767.06 | 231,637.67 |
| Productive Labor | 372.00 | 372.00 | 0.00 |
| Rebilled Charges | 283,166.82 | 88,863.00 | 194,303.82 |
| E-Commerce - Electronic Citation | 27,526.80 | 27,526.80 | 0.00 |
| Service Fee - CLEMIS Crash | 3,186.00 | 3,186.00 | 0.00 |
| Sale of Equipment | 771.50 | 771.50 | 0.00 |
| Income from Investments | 11,339.15 | 2,570.55 | 8,768.60 |
| Gain (Loss) Sale of Equipment | (3,117.02) | (3,117.02) | 0.00 |
| Capital Contributions | 4,089,195.61 | 3,895,719.46 | 193,476.15 |
| Operating Transfers In | <u>1,589,117.00</u> | <u>1,589,117.00</u> | <u>0.00</u> |
| TOTAL REVENUES | <u>10,188,403.95</u> | <u>7,644,051.21</u> | <u>2,544,352.74</u> |
| Operating Expenses: | | | |
| Salaries | 1,136,191.56 | 1,136,191.56 | 0.00 |
| Fringe Benefits | 568,528.01 | 568,528.01 | 0.00 |
| Auction Expense | 32.04 | 32.04 | 0.00 |
| Bank Charges | 2,678.15 | 2,678.15 | 0.00 |
| Communications | 1,198,489.60 | 6,293.24 | 1,192,196.36 |
| Equipment Repairs & Maintenance | 174,092.58 | 136,328.21 | 37,764.37 |
| Freight & Express | 1,222.54 | 989.84 | 232.70 |
| Indirect Costs | 262,099.00 | 262,099.00 | 0.00 |
| Maintenance Contract | 255.00 | 255.00 | 0.00 |
| Membership Dues & Publications | 727.70 | 727.70 | 0.00 |
| Miscellaneous | 20.40 | 20.40 | 0.00 |
| Personal Mileage | 65.45 | 65.45 | 0.00 |
| Professional Services | 635,607.13 | 635,607.13 | 0.00 |
| Rebillable Services | 122,793.54 | 0.00 | 122,793.54 |
| Software Rental/Lease Purchase | 47,589.00 | 47,589.00 | 0.00 |
| Software Support/Maintenance | 420,848.98 | 364,247.17 | 56,601.81 |
| Travel & Conference | 3,357.80 | 3,357.80 | 0.00 |
| Travel Employee Taxable Meals | 9.02 | 9.02 | 0.00 |
| Workshops and Meetings | 128.45 | 128.45 | 0.00 |
| Dry Goods & Clothing | 18.87 | 18.87 | 0.00 |
| Expendable Equipment Expense | 220,628.24 | 4,398.68 | 216,229.56 |
| Inventory Disposal | 95,654.91 | 95,654.91 | 0.00 |
| Office Supplies | 3,257.83 | 3,257.83 | 0.00 |
| Parts & Accessories | 6,371.23 | 5,476.86 | 894.37 |
| Special Events | 246.62 | 246.62 | 0.00 |
| Depreciation | 1,940,316.98 | 1,940,316.98 | 0.00 |
| Bldg. Space Cost Allocation | 172,062.00 | 172,062.00 | 0.00 |
| Info. Tech. - Development | 171,766.26 | 171,766.26 | 0.00 |
| Info. Tech. - Operations | 452,488.34 | 452,488.34 | 0.00 |
| Motor Pool | 26,600.71 | 26,600.71 | 0.00 |
| Motor Pool Fuel Charges | 1,144.81 | 1,144.81 | 0.00 |
| Mail Room | 190.32 | 190.32 | 0.00 |
| Print Shop | 43,710.81 | 43,710.81 | 0.00 |
| Telephone Communications | <u>32,036.75</u> | <u>32,036.75</u> | <u>0.00</u> |
| TOTAL EXPENSES | <u>7,741,230.63</u> | <u>6,114,517.92</u> | <u>1,626,712.71</u> |
| NET INCOME (LOSS) | 2,447,173.32 | 1,529,533.29 | 917,640.03 |
| NET ASSETS, OCTOBER 1, 2008 | <u>9,456,589.48</u> | <u>1,169,012.64</u> | <u>8,287,576.84</u> |
| NET ASSETS, SEPTEMBER 30, 2009 | <u>\$11,903,762.80</u> | <u>\$2,698,545.93</u> | <u>\$9,205,216.87</u> |

| |
|--|
| <p align="center">CLEMIS - FUND 53500 Operating Transfers In - Fiscal Year 2009</p> |
|--|

| Description | Amount |
|--|------------------------------|
| 1st Qtr Operating Transfer for CLEMIS operating support from General Fund | \$361,000.00 |
| Operating Transfer from Radio Communications to CLEMIS for admin support thru 12/31/08 | 50,000.00 |
| 2nd Qtr Operating Transfer for CLEMIS operating support from General Fund and included the net adjustment of 1st & 2nd qtr budget task for FY 09 | 333,558.50 |
| Operating Transfer from Radio Communications to CLEMIS for admin support for 3/31/09 | 50,000.00 |
| 3rd Qtr Operating Transfer for CLEMIS operating support from General Fund and included the net adjustment of budget task for FY 09 | 347,279.25 |
| Operating Transfer from Radio Communications to CLEMIS for admin support for 6/30/09 | 50,000.00 |
| Operating Transfer from Radio Communications to CLEMIS for admin support for 9/30/09 | 50,000.00 |
| 4th Qtr Operating Transfer for CLEMIS operating support from General Fund and included the net adjustment of budget task for FY 09 | 347,279.25 |
| Total | <u><u>\$1,589,117.00</u></u> |

CLEMIS FUND 53500
Fiscal Year 2009 – 4th Qtr
Brief Explanation of “Actuals”

Below are some comments for the CLEMIS Fund 4th quarter financial statements.

STATEMENT OF NET ASSETS

- CLEMIS Fund reports all monetary assets as Cash. Available cash is invested and managed by the Treasurer as a pool. Participating funds receive interest earnings based on their percentage of the invested daily cash balance each month.
- Accrued interest on investment is interest earned by the fund on its cash balance in the Treasurer’s pool of investments; interest is paid when investments mature.
- Due from Other Funds includes the amount due from Information Technology fund for the period of Jul – Sep 09 adjustment of salaries and fringes for CLEMIS staff completing work for OCSD and billed as IT Development.
- Accounts Receivables includes billings for Jul - Sep 09 CLEMIS fees. Delinquent letters were sent to agencies with accounts 90 days past due which included Farmington Hills, Utica, Wayne County Airport Authority, and Washtenaw County Sheriff. These agencies will also be contacted for collection of accounts 90 days past due.
- Prepaid items are the amount paid in advance for contracted hardware/software support.
- Capital Projects in Progress reflects the recognition of 2004 -2006 IBIS equipment but not operational as of 9-30-09.
- Deferred income includes the amounts billed in advance for LiveScan Maint & Mugshot Investigative Software Maint for the period of Oct – Dec 09.
- Unrestricted – designated for projects includes the funding for new and replacement fingerprint equipment.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

Revenue:

- In Car Terminals– All Other unfavorable due to budget projection slightly higher than anticipated charges for MDC participation fees.
- Access fees for NonOakland Users, Police Depts/Other In Oakland, and Sheriff Contracted Services are favorable primarily due to a 5% increase in rates effective July 1, 2009.
- Maintenance Contracts – Mugshot favorable due to additional agencies participating subsequent to budget projection.
- E-Commerce-Electronic Citation program is unfavorable due to the timing of the implementation of CLEMIS Citation program to allow tickets/fines to be paid on-line.
- Maintenance Contracts – LiveScan is favorable due to maintenance fees billable after expiration of warranty of new fingerprint equipment.
- Rebilled Charges is favorable due to the additional connectivity costs charged to the Tier 2.5 & 3.0 agencies and charges rebilled to agencies relating to MugShot & LiveScan equipment and/or repairs.
- E-Commerce-CLEMIS Crash is unfavorable due to the timing of the implementation of the CLEMIS Crash program.
- Parts & Accessories favorable primarily due to recognition of revenue for edge modem equipment for Non-OC agencies.
- Productive Labor includes CLEMIS technical support provided beyond the normal scope of services.
- Service Fees – CLEMIS Crash includes the amounts billed to Insurance Agencies for Jul – Sep 09 crash reports that was not part of the on-line E-Commerce activity.

CLEMIS FUND 53500
Fiscal Year 2009 – 4th Qtr
Brief Explanation of “Actuals”

- Planned Use of Balance is unfavorable and represents the offset to total expense; balance FY 09 budget.
- Income from Investments is unfavorable due to less than anticipated available cash balance.
- Transfers In includes \$200,000 from Radio for CLEMIS Admin support of new radio system and \$1,389,117 from General Fund for operational support through 9/30/09 which is net of the FY 09 budget task.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS (Cont'd)

Revenue:

- Capital Contributions line item is favorable due to the recognition of COPSMORE grant purchases through 4th qtr FY09. The grant period ends 9/30/09.

Expenses:

- Salaries and Fringe Benefits are favorable due to vacancies and the adjustment for CLEMIS staff time supporting OCSD projects. CLEMIS staff time attributable to OCSD projects in the amount of \$229,000 for FY 09 was billed as IT Development with the Info Tech fund receiving the benefit; therefore, the adjustment of salaries and fringe benefit costs were allocated back to the Info Tech fund.
- Bank Charges includes the cost for PayPal services as part of E-Commerce which allows CLEMIS Citation transactions to be processed on-line.
- Communications line item is unfavorable due to higher than anticipated connectivity costs associated with the addition of devices and MSP LEIN fees & Internet Service connection costs that were excluded from the budget projection.
- Equipment Repairs & Maintenance expense is unfavorable primarily due to incurring costs of Live Scan equipment after expiration of warranty. This cost is offset by rebilling maintenance fees to the participating agencies.
- Professional Services is favorable primarily due to reduced contractual hours and the adjustment for the capitalization of project management costs associated with the Electronic Citation and E-Crash report programs through 9/30/09.
- Rebillable Services unfavorable due to the additional communication costs for the Tier 2.5 & 3.0 agencies that are offset by the Rebilled Charges revenue line item.
- Software Purchases unfavorable due to additional purchases of development software tools/software for CLEMIS technicians.
- Software Support & Maint is favorable primarily due to the timing of maintenance costs specifically with maintenance concerning Motorola applications negotiated to begin in FY 2012.
- Travel and Conference favorable due to cost reduction efforts in staff attending conferences.
- Expendable Equipment unfavorable primarily due to the purchase of the edge modem upgrades equipment for Non-OC agencies which is offset by Parts & Accessories revenue. Also includes equipment costs related to Mugshot and CAD operations.
- Inventory disposal is primarily due to the write off of obsolete LiveScan inventory.
- Depreciation expense is favorable primarily due to budget projection included IBIS equipment which was not operational at 9-30-09.
- Info Tech Development & Operations, Motor Pool, Print Shop and Telephone Communications charges are based on actual usage.

**COPS MORE FUND
BALANCE SHEET
SEPTEMBER 30, 2009**

ASSETS

Current Assets:

| | |
|-----------------------------|---------------|
| Cash-Operating | \$ 374,364.11 |
| Due from Federal Government | 1,138,760.27 |
| Due from Other Funds | <u>0.00</u> |

| | |
|----------------------|---------------------|
| Total Current Assets | <u>1,513,124.38</u> |
|----------------------|---------------------|

| | |
|---------------------|-------------------------------|
| TOTAL ASSETS | \$ <u>1,513,124.38</u> |
|---------------------|-------------------------------|

LIABILITIES AND FUND EQUITY

Current Liabilities:

| | |
|----------------------------------|-----------------|
| Vouchers Payable - COPS eligible | \$ 1,129,547.34 |
| Accounts Payable - COPS eligible | 216,635.20 |
| Accounts Payable - Excess Match | 10,277.00 |
| Deferred Revenue - Federal | 108,185.19 |
| Deferred Revenue - Local | 34,067.93 |
| Deferred Revenue - State | <u>3,157.72</u> |

| | |
|---------------------------|--------------|
| Total Current Liabilities | 1,501,870.38 |
|---------------------------|--------------|

| | |
|--|------------------|
| Fund Balance - Unreserved - designated | 0.00 |
| Fund Balance - Excess County Match | <u>11,254.00</u> |

| | |
|--|-------------------------------|
| TOTAL LIABILITIES AND FUND EQUITY | \$ <u>1,513,124.38</u> |
|--|-------------------------------|

**COUNTY OF OAKLAND
COPS MORE FUND
STATEMENT OF OPERATIONS
FOR FISCAL YEAR 1999 THROUGH FISCAL YEAR 2009**

| | AMENDED BUDGET | FY 1999 ACTUAL | FY 2000 ACTUAL | FY 2001 ACTUAL | FY 2002 ACTUAL | FY 2003 ACTUAL | FY 2004 ACTUAL | FY 2005 ACTUAL | FY 2006 ACTUAL | FY 2007 ACTUAL | FY 2008 ACTUAL | FY 2009 ACTUAL | TOTAL ACTUAL | EXCESS MATCH BALANCE | FAVORABLE (UNFAVORABLE) VARIANCE |
|---------------------------------------|----------------------|---------------------|---------------------|---------------------|---------------------|-------------------|----------------------|---------------------|-------------------|-------------------|---------------------|---------------------|----------------------|-------------------------|--|
| OPERATING REVENUES: | | | | | | | | | | | | | | | |
| Grants - Federal | \$17,132,461.00 | \$4,751,100.82 | \$4,100,730.74 | \$1,135,186.56 | \$1,040,820.72 | \$649,705.67 | \$490,412.24 | \$1,055,090.48 | \$701,823.85 | \$179,690.70 | \$1,422,577.43 | \$1,497,136.60 | \$17,024,275.81 | \$0.00 | \$108,185.19 |
| Local Match | 5,395,041.00 | 1,496,129.62 | 1,291,326.99 | 357,472.15 | 327,756.20 | 204,593.41 | 236,697.54 | 249,983.88 | 221,005.53 | 56,584.90 | 447,972.03 | 471,450.82 | 5,360,973.07 | 0.00 | 34,067.93 |
| Grants - State | 500,000.00 | 138,657.76 | 119,677.14 | 33,129.68 | 30,375.67 | 18,961.23 | 21,936.57 | 23,167.90 | 20,482.25 | 5,244.15 | 41,516.98 | 43,692.95 | 496,842.28 | 0.00 | 3,157.72 |
| Excess Local Match | 1,809,715.15 | 195,605.56 | 422,968.70 | 470,565.45 | 115,406.22 | 86,288.85 | 496,621.62 | 11,981.75 | (977.00) | 0.00 | 0.00 | 0.00 | 1,798,461.15 | 11,254.00 | 0.00 |
| TOTAL OPERATING REVENUES | 24,837,217.15 | 6,581,493.76 | 5,934,703.57 | 1,996,353.84 | 1,514,358.81 | 959,549.16 | 1,245,667.97 | 1,340,224.01 | 942,334.63 | 241,519.75 | 1,912,066.44 | 2,012,280.37 | 24,680,552.31 | 11,254.00 | 145,410.84 |
| OPERATING EXPENSES: | | | | | | | | | | | | | | | |
| SALARIES | 669,286.11 | 37,474.69 | 347,853.01 | 138,904.86 | 166,950.96 | 169,101.74 | (190,999.15) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 669,286.11 | 0.00 | 0.00 |
| SALARIES - EXCESS MATCH | 95,514.88 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 88,101.61 | 7,413.27 | 0.00 | 0.00 | 0.00 | 0.00 | 95,514.88 | 0.00 | 0.00 |
| FRINGE BENEFITS | 246,147.36 | 12,622.11 | 127,241.59 | 52,183.88 | 59,746.76 | 64,597.02 | (70,244.00) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 246,147.36 | 0.00 | 0.00 |
| FRINGE BENEFITS - EXCESS MATCH | 44,913.59 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 41,322.11 | 3,581.48 | 0.00 | 0.00 | 0.00 | 0.00 | 44,913.59 | 0.00 | 0.00 |
| CONTRACTUAL SERVICES: | | | | | | | | | | | | | | | |
| Adjust Prior Years expenditure | 261,243.15 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 261,243.15 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 261,243.15 | 0.00 | 0.00 |
| Professional Services | 1,243,043.53 | 195,605.56 | 422,968.70 | 305,565.45 | 115,406.22 | 86,288.85 | 117,208.75 | 977.00 | (977.00) | 0.00 | 0.00 | 0.00 | 1,243,043.53 | 0.00 | 0.00 |
| AVL | 165,000.00 | 0.00 | 0.00 | 165,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 165,000.00 | 0.00 | 0.00 |
| TOTAL CONTRACTUAL SVCS | 1,669,286.68 | 195,605.56 | 422,968.70 | 470,565.45 | 115,406.22 | 86,288.85 | 378,451.90 | 977.00 | (977.00) | 0.00 | 0.00 | 0.00 | 1,669,286.68 | 0.00 | 0.00 |
| CAPITAL OUTLAY: | | | | | | | | | | | | | | | |
| CLEMIS RMS/CAD Upgrade | 8,948,872.11 | 3,678,345.96 | 1,088,457.75 | 579.40 | 105,092.81 | 212,179.75 | 289,305.01 | 637,267.92 | 0.00 | 41,342.86 | 1,121,637.09 | 1,612,100.25 | 8,786,308.80 | 0.00 | 162,563.31 |
| Mobile Data Computers | 4,858,478.06 | 1,445,750.00 | 2,082,315.06 | 1,031,403.20 | 64,407.85 | 199,842.05 | 34,759.90 | (168.41) | 2,482.44 | 0.00 | (5,087.25) | 0.00 | 4,855,704.84 | 0.00 | 2,773.22 |
| Desktop Computers | 915,030.16 | 0.00 | 179,224.00 | 67,732.00 | 637,309.00 | 9,565.16 | 1,200.00 | 0.00 | 0.00 | 0.00 | 803.52 | 0.00 | 895,833.68 | 0.00 | 19,196.48 |
| Video Arraignment | 598,097.77 | 0.00 | 0.00 | 0.00 | 0.00 | 147,253.90 | 24,666.35 | 119,944.52 | 300,789.00 | 5,444.00 | 0.00 | 0.00 | 598,097.77 | 0.00 | 0.00 |
| Mobile Enabling Kits | 700,000.00 | 405,495.44 | 408,091.15 | 125,304.95 | 109,549.61 | 11,959.27 | 0.00 | (115,028.00) | 0.00 | 0.00 | 0.00 | 1,236.59 | 946,609.01 | 0.00 | (246,609.01) |
| Mobile Data System Upgrade | 1,321,829.27 | 57,500.00 | 884,966.75 | 4,659.10 | 0.00 | 0.00 | 0.00 | 0.00 | 45,033.64 | 0.00 | 277,580.00 | 0.00 | 1,269,739.49 | 0.00 | 52,089.78 |
| In-Vehicle Printers | 800,000.00 | 0.00 | 433.82 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 508,984.41 | 192,239.56 | 701,657.79 | 0.00 | 98,342.21 |
| Mugshot | 2,100,000.00 | 0.00 | 0.00 | 0.00 | 3,768.60 | 0.00 | 660,358.24 | 686,226.23 | 443,026.55 | 167,132.89 | 166,925.10 | 9,703.97 | 2,137,141.58 | 0.00 | (37,141.58) |
| Wide Area Network Costs | 650,000.00 | 650,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 650,000.00 | 0.00 | 0.00 |
| CAD Workstations | 486,708.16 | 0.00 | 347,405.74 | 64,476.00 | 31,065.00 | 43,761.42 | 0.00 | 0.00 | 0.00 | 0.00 | 5,803.57 | 0.00 | 492,511.73 | 0.00 | (5,803.57) |
| Crime Analysis Software | 434,315.00 | 0.00 | 0.00 | 0.00 | 119,315.00 | 15,000.00 | 0.00 | 0.00 | 151,980.00 | 27,600.00 | (164,580.00) | 197,000.00 | 346,315.00 | 0.00 | 88,000.00 |
| Printers | 200,038.00 | 0.00 | 45,746.00 | 40,545.00 | 101,747.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 188,038.00 | 0.00 | 12,000.00 |
| GIS / Road Centerline File | 98,700.00 | 98,700.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 98,700.00 | 0.00 | 0.00 |
| TOTAL CAPITAL OUTLAY | 22,112,068.53 | 6,335,791.40 | 5,036,640.27 | 1,334,699.65 | 1,172,254.87 | 639,561.55 | 1,010,289.50 | 1,328,242.26 | 943,311.63 | 241,519.75 | 1,912,066.44 | 2,012,280.37 | 21,966,657.69 | 0.00 | 145,410.84 |
| TOTAL OPERATING EXPENSES | 24,837,217.15 | 6,581,493.76 | 5,934,703.57 | 1,996,353.84 | 1,514,358.81 | 959,549.16 | 1,256,921.97 | 1,340,224.01 | 942,334.63 | 241,519.75 | 1,912,066.44 | 2,012,280.37 | 24,691,806.31 | 0.00 | 145,410.84 |
| OPERATING INCOME (LOSS) | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | (\$11,254.00) | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | (\$11,254.00) | \$11,254.00 | (\$11,254.00) |
| NONOPERATING REVENUE (EXPENSE) | | | | | | | | | | | | | | | |
| Transfers In | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 11,254.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 11,254.00 | 0.00 | 11,254.00 |
| TOTAL EXCESS REVENUES | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$11,254.00 | \$0.00 |

FINANCIAL STATUS REPORT

(Short Form)

(follow instructions on the back)

| | | | | | |
|---|--|--|---------|--|----------------------|
| 1. Federal Agency and Organizational Element to which Report is Submitted U.S. Dept. of Justice Office of Justice Programs | | 2. Federal Grant or Other Identifying Number Assigned By Federal Agency 1999CLWX0239 | | OMB Approval No. 0348-0038 | Page 1 of 1 Pages |
| 3. Recipient Organization (Name and complete address, including ZIP code) Oakland County Law Enforcement Consortium 1200 N. Telegraph Road Pontiac, MI 48341-0470 | | | | | |
| 4. Employer Identification Number 386004876 | | 5. Recipient Account Number or Identifying Number MI096ZZ | | 6. Final Report <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| 7. Basis <input type="checkbox"/> Cash <input checked="" type="checkbox"/> accrual | | | | | |
| 8. Funding/Grant Period (See instructions) From: (Month, Day, Year) 4/30/1999 | | To: (Month, Day, Year) 9/30/2009 | | 9. Period Covered by this Report From: (Month, Day, Year) 7/1/2009 | |
| | | | | To: (Month, Day, Year) 9/30/2009 | |
| 10. Transactions: | | I Previously Reported | | II This Period | |
| | | | | III Cumulative | |
| a. Total Outlays | | 21,496,909.63 | | 38,998.99 | |
| b. Recipient share of outlays | | 5,503,208.88 | | 9,983.74 | |
| c. Federal share of outlays | | 15,993,700.75 | | 29,015.25 | |
| d. Total unliquidated obligations | | | | 1,346,182.54 | |
| e. Recipient share of unliquidated obligations | | | | 344,622.73 | |
| f. Federal share of unliquidated obligations | | | | 1,001,559.81 | |
| g. Total Federal share (Sum of lines c and f) | | | | 17,024,275.81 | |
| h. Total Federal funds authorized for this funding period | | | | 17,132,461.00 | |
| i. Unobligated balance of federal funds (Line h minus line g) | | | | 108,185.19 | |
| 11. Indirect Expense | | a. Type of Rate (Place "X" in appropriate box) <input checked="" type="checkbox"/> Provisional <input type="checkbox"/> Predetermined <input type="checkbox"/> Final <input type="checkbox"/> Fixed | | | |
| | | b. Rate | c. Base | d. Total amount | e. Federal share |
| 12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation. | | | | | |
| 13. Certification: I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purposes set forth in the award documents. | | | | | |
| Typed or Printed Name and Title Robert J. Daddow, Deputy County Executive | | | | Telephone (Area code, number and extension) (248) 858-1650 | |
| Signature of Authorized Certifying Official | | | | Date Report Submitted: | |

COPS MORE Financial Status Report Information - September 30, 2009**CASH EXPENDITURES CALCULATION:**

| | | |
|---|------------------|-------------------------------|
| Total Expenditures reported on Statement of Operations | | \$24,691,806.31 |
| Less ineligible expenditures paid from excess match | | (1,809,715.15) |
| Total eligible expenditures = sum of FSR line 10 (a)(III) + line 10 (d) (\$21,535,908.62 + \$1,346,182.54) | | <u>22,882,091.16</u> |
| Less unliquidated obligations (COPS eligible): | | |
| Vouchers Payable | (\$1,129,547.34) | |
| Accounts Payable | (216,635.20) | |
| Due to Other Funds | 0.00 | |
| Total eligible unliquidated obligations - FSR line 10 (d) | | <u>(1,346,182.54)</u> |
| Total cash outlays - FSR line 10 (a)(III) | | <u><u>\$21,535,908.62</u></u> |

Additional Information:

FSR line item 10 (g) equals Revenue - Grants - Federal: Total actual to date: \$17,024,275.81 per Statement of Operations.

FSR line item 10 (i) equals Revenue - Grants - Federal: Variance (balance remaining for Federal reimbursement): \$108,185.19 per Statement of Operations.

| |
|------------------------|
| COPS MORE GRANT |
|------------------------|

Summary of Costs - through 09/30/09

| | Approved/Amended <u>Budget</u> ⁽⁵⁾ | Expenditures <u>to Date</u> | Balance <u>Remaining</u> |
|---|--|--|-------------------------------------|
| Equipment: | | | |
| CLEMIS RMS/CAD Upgrade | \$8,948,872.11 | \$8,786,308.80 | \$162,563.31 |
| Mobile Data System Upgrade | 1,321,829.27 | 1,269,739.49 | 52,089.78 |
| Wide Area Network Costs | 650,000.00 | 650,000.00 | 0.00 |
| Crime Analysis Software | 434,315.00 | 346,315.00 | 88,000.00 |
| GIS / Road Centerline File | 98,700.00 | 98,700.00 | 0.00 |
| Mobile Data Computers | 4,858,478.06 | 4,855,704.84 | 2,773.22 |
| Mobile Enabling Kits | 700,000.00 | 946,609.01 | (246,609.01) |
| In-Vehicle Printers | 800,000.00 | 701,657.79 | 98,342.21 |
| CAD Workstations | 486,708.16 | 492,511.73 | (5,803.57) |
| Desktop Computers | 915,030.16 | 895,833.68 | 19,196.48 |
| Printers | 200,038.00 | 188,038.00 | 12,000.00 |
| Mugshot | 2,100,000.00 | 2,137,141.58 | (37,141.58) |
| Video Arraignment | 598,097.77 | 598,097.77 | 0.00 |
| Total Equipment Costs | 22,112,068.53 | 21,966,657.69 | 145,410.84 |
| Contractual Services/Excess Match: | | | |
| Adjust prior years expenditure | 261,243.15 | 261,243.15 | 0.00 |
| Professional Services | 1,243,043.53 | 1,243,043.53 | 0.00 |
| AVL | 165,000.00 | 165,000.00 | 0.00 |
| Additional Salaries/Fringes | 140,428.47 | 140,428.47 | 0.00 |
| Total Contractual/Excess Match | 1,809,715.15 | 1,809,715.15 | 0.00 |
| Personnel: | | | |
| Salaries | 669,286.11 | 669,286.11 | 0.00 |
| Fringe Benefits | 246,147.36 | 246,147.36 | (0.00) |
| Total Personnel Costs | 915,433.47 | 915,433.47 | (0.00) |
| TOTAL | <u>\$24,837,217.15</u> | <u>\$24,691,806.31</u> | <u>\$145,410.84</u> |

Notes:

- 1) Most professional service expenditures are paid out of excess County match.
- 2) Grant modification # 3 approved by COPS MORE office in November 2001 and is reflected in budget above.
- 3) Additional appropriation approved by Misc. Resolution #01031 for \$924,000 (\$197K Salaries, \$79K Fringes, \$318K Prof. Svcs., \$330K AVL). This is considered 'Excess Match'.
- 4) Adjust prior years expenditure is the refund of \$261,243.15 to the U.S. Dept. of Justice in March, 2004 for prior years' disallowed Salaries and Fringes. Personnel costs for Salaries and Fringes charged to the Federal grant have been reduced by the disallowed amount.
- 5) Grant modification was approved by COPS MORE office in September, 2008 and is reflected in budget above.