



C O U N T Y M I C H I G A N

L. BROOKS PATTERSON, OAKLAND COUNTY EXECUTIVE

Robert J. Daddow  
Special Projects Deputy County Executive

TO: CLEMIS Advisory Board  
Economic Growth & Infrastructure Committee  
Mike McCabe  
Phil Bertolini  
Mike Timm  
Jeff Nesmith  
Jim Manning  
Pat Coates  
Bob Runyon  
Laurie Van Pelt  
Shawn Phelps

FROM: Bob Daddow *Daddow*

SUBJECT: CLEMIS Funds – Financial Statements and Schedules for  
the Six Months Ended March 31, 2019

DATE: June 20, 2019

This letter of transmittal covers the following fund financial statements as of and for the six months ended March 31, 2019 for the Radio Communications, Fire Records Management System and CLEMIS Operating Funds.

### **RADIO COMMUNICATIONS FUND**

The following financial statements are attached as of and for the six months ended March 31, 2019 for the Radio Communications Fund:

- Statement of Net Position (Exhibit A). 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 Position (Exhibit A-1). This statement compares the adopted budget to actual operating results.
- Operating Transfers In and Out (Exhibits A-2 and A-3) - the operating transfers into the Fund were for the acquisition of individual portable and mobile radios for the Sheriff's operations.

The Operating Transfers Out of \$71,500 involved the reimbursement of the Information Technology and the CLEMIS Operating Funds for administrative and communications services and Help Desk support costs.

- Brief Explanations (Exhibit A-4) – a set of explanations of operating budget to actual variances included in the financial statements and schedules above.

The operations and capital needs of the Radio Communications Fund were under consideration for replacement of much of the equipment, antennas and other infrastructure will be required in the next several years. The a study was conducted in 2017 by Black & Veatch, published as was the basis for the request for proposal issued in January 2018. Two vendors (Motorola and Harris) proposed in April 2018 with the extensive evaluation of the two alternatives being considered throughout the remainder of the 2018 calendar year. In late December 2018, the purchasing evaluation team tentatively selected Motorola pending the resolution of a variety of questions. Over the next five months those questions were asked and answered, and negotiations of a contract was completed and signed on June 12, 2019 for the new radio system and related implementation.

While this memorandum covers, in general, the nature of the projects to be undertaken, the principal purpose of this memorandum is to provide financial information as of and for the quarter ended March 31, 2019 as an update to the information used for the setting of the operating surcharge in April 2019. This memorandum and attached financial information will be used as a ‘updated baseline’ for the net liquid assets available for the capital needs in connection with the launch of the new equipment and operating needs during that period.

The County administration recommended, and the Board of Commissioners approved, a six-cent increase in the monthly operating surcharge effective for the period July 1, 2019 to June 30, 2020 to bring the total monthly surcharge to \$.42 per device as defined and expected to be in place during the time the anticipated bonded debt will be outstanding.

In addition and as discussed more fully in the operating surcharge memorandum, the Michigan Public Services Commission has yet to hold a public hearing on the County’s application (and other counties’ applications) in the setting of the amounts to be paid to counties relating to the E-911 services arising from the 2018 legislation passed to enable additional state collections to fund programs such as the County’s ESINet.

With Motorola having been selected, the County pursued discussions with the state concerning interoperability with the Michigan Public Services Communication System (MPSCS) representatives. Several meetings have been held over the past six months with a general concurrence as to the means and methods of interoperability between the County’s system and the state. While these discussions have yet to be codified, a term sheet will be prepared in the coming weeks setting forth both parties’ intentions as a framework to a more detailed intergovernmental agreement. Both parties view this as a substantial improvement in communications across the County’s borders as the

surrounding counties and local units generally use Motorola equipment furnished by or connected to the MPSCS.

Oakland's request for proposal specified a TDMA, simulcast, 2-slot system while the surrounding communities using the MPSCS uses a FDMA, multicast / simulcast, 2-slot system. While both solutions are based on Motorola equipment, these two variants are on different platforms and conversions during communication to / from TDMA / FDMA must be considered to ensure seamless interoperability. The loading capacities' as well as radio coverage of not only the County's need must be considered, so must that of the surrounding communities (as the County's launch of a Motorola system cannot cause degradations of the surrounding communities' radio coverage). The issues are complex, and care must be entertained in order to avoid commitments that result in unforeseen costs on the part of the County.

The legacy radio communication system has 54 towers and cell units (soon to be 55 towers and cell units - County-owned or locally owned by governmental units within the County or leased space from private vendors), 1,861 mobile radios and 4,343 portable radios in use. Radio consoles are in 20 public safety dispatch centers (PSAPs) throughout Oakland County (17 primary PSAPs, one back-up, one secondary and Southfield that is not formally on the County's radio system today). There are 15 hospital emergency rooms using the County's radio communication system and numerous private ambulance companies as well. Non-public safety units use the County's radio system for a monthly operating fee.

While a detailed design review (DDR) will be one of the first critical projects undertaken by Motorola (and required prior the formal MPSCS intergovernmental memorandum), the future Motorola radio system is currently anticipated to retain roughly the same number of portable / mobile radios adjusted for current personnel. The radio towers anticipated will be in the order of 31 towers with certain towers having a critical function and those other towers having responsibilities for improving coverage (all of which will be addressed in the DDR).

The capital project cost, financing and related future operating costs were presented in April 2019 as a means of supporting the operating surcharge for July 1, 2019 to June 30, 2019. Based on this memorandum and financial information, those projections and significant changes will be presented with an updated capital project cost, financing and related future operations. For purposes of this memorandum, this analysis will serve as the net cash available as of March 31, 2019 (rather than December 31, 2018 in the earlier analysis) as part of the cost and funding model.

Comments concerning the financial information contained in Exhibits A through Exhibit A-4 follow:

- The Fund has approximately \$28.8 million in cash, investments and receivables, net of liabilities and excluding prepaid expenses and inventories at March 31, 2018 (\$28.1 million at December 31, 2018).

- The ending equity has been classified as ‘unrestricted – designated for projects’ in the amount of \$23,973,102 and ‘unrestricted’ in the amount of \$6,651,857 as of March 31, 2019. The combined total is approximately equal to the cash available for capital needs and the designations are no longer particularly meaningful.

## **FIRE RECORDS MANAGEMENT SYSTEM**

Attached are the following schedules described as Exhibit B relating to the Fire Records Management System Fund as of and for the six months ended March 31, 2019:

- Statement of Net Assets (Exhibit B). This Fund statement provides a listing of assets, liabilities and equity.
- Statement of Revenues, Expenses, and Changes in Net Assets (Exhibit B-1). This Fund statement provides a budget to actual comparison for operations.
- Operating Transfers In (Exhibit B-2). The operating transfer in for the two quarters from the County’s General Fund amounted to \$228,850 covering FRMS operating costs.
- Brief Explanations (Exhibit B-3). This exhibit provides explanations of the line items in the financial statements and operating matters.
- Status of CFIRS Conversion (Exhibit B-4). This exhibit identifies the status of the local fire departments in their conversion to the CFIRS software.’

Comments on the FRMS financial statements follow:

- The March 31, 2019 balance sheet reflects cash, investments and similar *liquid* assets (excluding prepaid expenses) and net of amounts owed, of \$561,195 (down from \$738,316 at December 31, 2018 arising from continued investments in the new FRMS software system).
- The originally acquired equipment is fully depreciated with the only significant capital asset with value being the construction in progress for the re-write of the fire system. The capital project in progress represents the amounts expended for the new re-write of the FRMS to date.

The Fire Records Management Committee approved a feasibility study and estimate of costs for the replacement of the FRMS computer system acquired from a vendor several years ago. The initial phases of the project were funded by Homeland Security Grant Program monies to cover costs of both the feasibility study and the development phase of a Fire Records Management software application. The system coding and replacement arising from these earlier efforts, which is underway, will maintain the same technical

standards of other CLEMIS law enforcement systems to provide seamless data integration.

The 'CLEMIS Fire Integrated Records System (CFIRS) is a comprehensive reporting system that will meet or exceeds federal reporting standards. Completed modules include: incidents (fire and EMS-NEMSIS 3 reporting, personnel, rosters and training.

It should be noted that, the development of the EMS reporting module that meets the NEMSIS 3 reporting requirements for all levels of EMS agencies; Advanced Life Support, Basic Life Support, and Medical First Responders was a significant undertaking, which CLEMIS FRMS personnel have accomplished in early December 2017. With NEMSIS 3, the State is requiring improved and timely reporting of fire data. CFIRS substantially improves on data delivery, sending all completed reports on an hourly basis.

Exhibit B-4 provide an update of the fire departments adoption of CFIRS as of May 31, 2019. Northville Township Fire Department is the only remaining department in the process of moving to CFIRS.

There are an additional nine fire departments that have joined FRMS who are presently using the CLEMIS web-service, CAD Status Monitors, Tear and Run etc.

Under development is a web-based solution that can be used on either a desktop or on a mobile device. Several modules are under development and / or testing: occupancies, inspections, hydrants, vehicles and equipment, and daily journal.

## **CLEMIS OPERATING FUND**

The following financial statements and schedules are attached as Exhibit C for the CLEMIS Operating Fund as of and for the six months ended March 31, 2019:

- Statement of Net Position (Exhibit C). This statement reflects the assets, liabilities and net position (equity) of the Fund.
- Statement of Revenues, Expenses, and Changes in Net Position (Exhibit C-1). This statement provides a budget to actual comparison for operations.
- Financial Report (Exhibit C-2). The Financial Report segregates the revenues and costs between the regional CLEMIS and OAKVideo Operations (e.g. video conferencing operates only within the geographic boundaries of Oakland County). OAKVideo is funded by an appropriation of \$100,000 quarterly (\$400,000 annually) by the County's General Fund.
- Operating Transfers In (Exhibit C-3) - the schedule includes the one budgeted quarterly operating transfer in from the County's General Fund as appropriated by the Board of Commissioners of \$622,093 (\$1,244,186 annually, the same as prior years). There are two quarterly transfers in of \$100,000 from the County's

General Fund (\$400,000 annually, the same as prior years) for OAKVideo operations.

- Operating Transfers Out (Exhibit C-4) - the CLEMIS operations will be relocating to the lower floor of the Information Technology facility. The partial cost of remodeling the lower floor attributed to the CLEMIS operations is \$375,566 and has been transferred to the Public Works Operating Fund.
- Brief Explanations (Exhibit C-5) – represents explanations of various matters included in the financial statements noted above.

Should there be questions concerning the above financial statements, please do not hesitate to ask.

Comments on the CLEMIS Operating Fund financial statements follow:

- The Fund has approximately \$12.3 million in *liquid* cash, investments and similar liquid assets, excluding prepaid expenses at March 31, 2019 and current liabilities (December 31, 2018 liquid position - \$11.2 million). The unrestricted equity is roughly equivalent to the net cash and liquid asset position.
- The Fund's equity amounts to \$16.3 million as of March 31, 2019 (at December 31, 2018 - \$15.2 million, up over the prior quarter).
- The March 31, 2019 equity also includes designations for two projects: maintenance of the Jail Management System of \$171,969 and an amount of \$215,319 relating to 9-1-1 projects funded by the County's General Fund. The remaining unrestricted amount at March 31, 2019 is \$12.5 million (\$11.4 million at December 31, 2018).
- 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.

Exclusive of the capital projects in progress, the aggregate balance of fixed assets in this Fund is \$25.09 million, with \$22.11 million of accumulated depreciation against the cost, or roughly 88.0%% fully depreciated (generally meaning that this equipment is nearing end of life).

- Several larger Department of Information Technology projects involving the network security and related upgrades are underway as well as the remodeling of the lower floor of the facility. CLEMIS will be expected to fund its proportionate share of these costs as IT completes these projects. Adequate resources exist in the CLEMIS Fund to cover these costs without affecting member rates and charges.

Should there be any questions concerning this report, please do not hesitate to ask.

**Radio Communications Fund**  
**Statement of Net Position**  
**March 31, 2019**

**EXHIBIT A**

**ASSETS**

Current assets:

Cash and cash equivalents	\$ 28,770,973.11
Accrued interest on investment	209,807.77
Due from other governments	28,700.07
Accounts receivable	1,135,537.97
Inventories	257,632.31
Prepaid items	1,616,441.49
Total current assets	<u>32,019,092.72</u>

Non-current assets:

Capital projects in progress	1,548,008.74
Tower rights	8,585,770.20
Equipment	27,937,929.57
Structures	12,944,790.99
Less accumulated depreciation	<u>(44,292,951.45)</u>
Total capital assets (net of accumulated depreciation)	<u>6,723,548.05</u>
Total assets	<u>38,742,640.77</u>

**LIABILITIES**

Current liabilities:

Vouchers payable	103,743.92
Due to Municipalities	5,338.68
Unearned Revenue	118,811.27
Accounts payable	1,166,239.21
Total current liabilities	<u>1,394,133.08</u>
Total liabilities	<u>1,394,133.08</u>

**NET POSITION**

Net Investment in capital assets	6,723,548.05
Unrestricted-designated for projects	23,973,102.03
Unrestricted	6,651,857.61
Total net position	<u>\$ 37,348,507.69</u>



# EXHIBIT A-1

County of Oakland  
Radio Communications Fund  
Statement of Revenues, Expenses, and Changes in Net Position  
For the Six Months Ended March 31, 2019

	2019			Year to Date		Favorable (Unfavorable) Variance
	Amended Budget	Percent of Revenue	Allotment	Actual	Percent of Revenue	
Operating revenues						
Antenna Site Management	300,000.00	3.42%	150,000.00	193,119.24	4.37%	43,119.24
E 911 Surcharge	7,928,000.00	90.27%	3,964,000.00	3,894,341.92	88.09%	(69,658.08)
Leased Equipment	250,000.00	2.85%	125,000.00	126,965.16	2.87%	1,965.16
Outside Agencies	65,000.00	0.74%	32,500.00	38,643.58	0.87%	6,143.58
Parts and Accessories	220,000.00	2.50%	110,000.00	147,244.62	3.33%	37,244.62
Productive Labor	20,000.00	0.23%	10,000.00	20,401.50	0.46%	10,401.50
Total operating revenue:	8,783,000.00	100.00%	4,391,500.00	4,420,716.02	100.00%	29,216.02
Operating expenses						
Salaries	699,790.00	7.97%	349,895.00	348,348.07	7.88%	1,546.93
Fringe benefits	378,221.00	4.31%	189,110.50	165,087.79	3.73%	24,022.71
Contractual services						
Communications	1,000,000.00	11.39%	500,000.00	198,188.78	4.48%	301,811.22
Contracted Services	0.00	0.00%	0.00	87,568.34	1.98%	(87,568.34)
Defense Atty Fees District	0.00	0.00%	0.00	810.46	0.02%	(810.46)
Electrical Service	100,000.00	1.14%	50,000.00	40,045.34	0.91%	9,954.66
Equipment Maintenance	325,000.00	3.70%	162,500.00	116,469.27	2.63%	46,030.73
Freight and Express	8,500.00	0.10%	4,250.00	1,225.67	0.03%	3,024.33
Indirect Costs	208,080.00	2.37%	104,040.00	96,032.50	2.17%	8,007.50
Laundry and Cleaning	700.00	0.01%	350.00	264.33	0.01%	85.67
Membership Dues	1,000.00	0.01%	500.00	0.00	0.00%	500.00
Office Fees	0.00	0.00%	0.00	0.00	0.00%	0.00
Personal Mileage	3,500.00	0.04%	1,750.00	1,103.85	0.02%	646.15
Printing	500.00	0.01%	250.00	0.00	0.00%	250.00
Professional Services	650,000.00	7.40%	325,000.00	30,183.50	0.68%	294,816.50
Rebillable Services	500.00	0.01%	250.00	3,040.00	0.07%	(2,790.00)
Software Rental Lease Purchase	30,000.00	0.34%	15,000.00	0.00	0.00%	15,000.00
Software Support Maintenance	2,731,280.00	31.10%	1,365,640.00	0.00	0.00%	1,365,640.00
Special Projects	40,000.00	0.46%	20,000.00	0.00	0.00%	20,000.00
Tower Charges	525,615.00	5.98%	262,807.50	236,483.87	5.35%	26,323.63
Training	75,000.00	0.85%	37,500.00	0.00	0.00%	37,500.00
Travel and Conference	22,500.00	0.26%	11,250.00	0.00	0.00%	11,250.00
Workshops and Meeting	100.00	0.00%	50.00	0.00	0.00%	50.00
Total contractual services	5,722,275.00	65.15%	2,861,137.50	811,415.91	18.35%	2,049,721.59
Commodities						
Dry Goods and Clothing	1,900.00	0.02%	950.00	1,196.08	0.03%	(246.08)
Other Expendable Equipment	131,494.00	1.50%	65,747.00	50,698.28	1.15%	15,048.72
Metered Postage	126.00	0.00%	63.00	154.74	0.00%	(91.74)
Office Supplies	5,000.00	0.06%	2,500.00	1,813.81	0.04%	686.19
Parts and Accessories	400,000.00	4.55%	200,000.00	199,945.15	4.52%	54.85
Shop Supplies	15,000.00	0.17%	7,500.00	4,679.16	0.11%	2,820.84
Small Tools	5,000.00	0.06%	2,500.00	2,031.42	0.05%	468.58
Total commodities	558,520.00	6.36%	279,260.00	260,518.64	5.89%	18,741.36
Depreciation						
Depreciation Tower Rights	0.00	0.00%	0.00	429,288.66	9.71%	(429,288.66)
Depreciation Structures	0.00	0.00%	0.00	647,176.80	14.64%	(647,176.80)
Depreciation Computer Equipment	0.00	0.00%	0.00	3,000.00	0.07%	(3,000.00)
Depreciation Equipment	3,969,862.00	45.20%	1,984,931.00	577,164.84	13.06%	1,407,766.16
Total depreciation	3,969,862.00	45.20%	1,984,931.00	1,656,630.30	37.47%	328,300.70
Internal services						
Bldg Space Cost Allocation	40,166.00	0.46%	20,083.00	20,083.02	0.45%	(0.02)
Info Tech CLEMIS	900,000.00	10.25%	450,000.00	196,684.34	4.45%	253,315.66
Info Tech Development	75,000.00	0.85%	37,500.00	25,743.75	0.58%	11,756.25
Info Tech Operations	260,936.00	2.97%	130,468.00	123,377.42	2.79%	7,090.58
Info Tech Managed Print Svcs	1,780.00	0.02%	890.00	993.36	0.02%	(103.36)
Insurance Fund	16,883.00	0.19%	8,441.50	15,524.74	0.35%	(7,083.24)
Maintenance Department Charges	35,000.00	0.40%	17,500.00	3,100.22	0.07%	14,399.78
Motor Pool Fuel Charges	7,898.00	0.09%	3,949.00	3,266.09	0.07%	682.91
Motor Pool	34,727.00	0.40%	17,363.50	12,005.21	0.27%	5,358.29
Telephone Communications	27,500.00	0.31%	13,750.00	14,016.27	0.32%	(266.27)
Total internal services	1,399,890.00	15.94%	699,945.00	414,794.42	9.38%	285,150.58
Total operating expense	8,758,696.00	99.72%	4,379,348.00	3,656,795.13	82.72%	722,552.87
Operating income (loss)	24,304.00	0.28%	12,152.00	763,920.89	17.28%	751,768.89

County of Oakland  
Radio Communications Fund  
Statement of Revenues, Expenses, and Changes in Net Position  
For the Six Months Ended March 31, 2019

	2019			Year to Date		Favorable (Unfavorable) Variance
	Amended Budget	Percent of Revenue	Allotment	Actual	Percent of Revenue	
Nonoperating revenues (expenses)						
Planned Use of Balance	4,032,852.00	45.92%	2,016,426.00	0.00	0.00%	(2,016,426.00)
Income from investments	160,000.00	1.82%	80,000.00	296,257.51	6.70%	216,257.51
Gain on Sale of Equipment	0.00	0.00%	0.00	0.03	0.00%	0.03
Total nonoperating revenues (expenses)	4,192,852.00	47.74%	2,096,426.00	296,257.54	6.70%	(1,800,168.46)
Income (loss) before transfer	4,217,156.00	48.01%	2,108,578.00	1,060,178.43	23.98%	(1,048,399.57)
Transfers in	46,706.00	0.53%	23,353.00	24,000.00	0.54%	647.00
Transfers out	(286,000.00)	-3.26%	(143,000.00)	(143,000.00)	-3.23%	0.00
Change in net position	3,977,862.00	45.29%	1,988,931.00	941,178.43	21.29%	(1,047,752.57)
Net Position - beginning				36,407,329.26		
Net Position - ending				37,348,507.69		

<b>RADIO COMMUNICATIONS - FUND 53600</b> <b>Operating Transfers In - Fiscal Year 2019</b>
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<b>Description</b>	<b>Amount</b>
Transfer from the General Fund, Sheriff's Dept. to Radio Communications Fund per Res. 18-426 for Sheriff's contract with Brandon Township	8,000.00
Transfer from the General Fund, Sheriff's Dept. to Radio Communications Fund per Res. 19-047 for Sheriff's contract with Commerce Township	8,000.00
Transfer from the General Fund, Sheriff's Dept. to Radio Communications Fund per Res. 19-048 for Sheriff's contract with Lyon	8,000.00
Total	<u>\$ 24,000.00</u>

<b>RADIO COMMUNICATIONS - FUND 53600</b> <b>Operating Transfers Out - Fiscal Year 2019</b>
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<u>Description</u>	<u>Amount</u>
Operating Transfer from Radio fund to Info Tech fund for 1st quarter FY 2019 OakNet operation costs. 1st Qtr Forecast Amendment to be included in the budget	\$ 59,000.00
	12,500.00
Operating Transfer from Radio fund to Info Tech fund for 1st quarter FY 2019. Help Desk support. 1st Qtr Forecast Amendment to be included in the budget	
	\$ 59,000.00
Operating Transfer from Radio fund to Info Tech fund for 2nd quarter FY 2019 OakNet operation costs. 2nd Qtr Forecast Amendment to be included in the budget	
	12,500.00
Operating Transfer from Radio fund to Info Tech fund for 2nd quarter FY 2019. Help Desk support. 2nd Qtr Forecast Amendment to be included in the budget	
Total	<u>\$ 143,000.00</u>

Total \$286,000.00

**RADIO COMMUNICATIONS FUND 53600**  
**Fiscal Year 2019 – 2nd Quarter**  
***Brief Explanation of “Actuals”***

Listed below are comments regarding Radio Communications fund's 2nd quarter Fiscal Year 2019 financial statements.

STATEMENT OF NET POSITION

- Radio Communications fund reports all monetary assets as Cash. Available cash is invested and managed by the Treasurer as a pool. The Treasurer's Office allocates interest earned to the participating funds on a monthly basis.
- Due from other governments is the amount due from municipalities for leased equipment.
- Accounts receivable includes \$1,135,537.97 for accrued E-911 operational surcharge revenue which is paid to the County quarterly.
- Inventories include parts and accessories used to maintain customer equipment and the radio system.
- Prepaid items include rent paid in advance per the lease agreements for co-location of radio system equipment and annual maintenance contract payments.
- Tower rights are the County's rights to co-locate equipment on towers constructed by the Radio fund on land owned by various municipalities. Ownership of the towers was transferred to the municipalities upon completion of construction in exchange for ongoing rights to place radio equipment on those towers.
- Vouchers payable and Accounts payable include accrued 2nd quarter expenses.
- Due to municipalities is the City of Novi's share of lease payments for co-locators on Novi's antenna site as set forth in the Board of Commissioners Resolution 98-291.
- Unearned Revenue represents advance payments from antenna site co-locators.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

**Revenues:**

- The Board of Commissioners' Resolution 18-143 maintained the E-911 surcharge rate of \$0.36 for the period covering July 1, 2018 through June 30, 2019. The revenue reported for this quarter is based upon current estimated surcharge filings.
- Antenna site management revenue is for telecommunications companies that have contracted with Oakland County to place equipment on county-owned towers.
- The favorable variance for Parts and Accessories indicates higher than anticipated radio equipment purchases and repair requests.
- Productive labor revenue is higher than anticipated due to increased demand for service and reimbursement from CLEMIS for work performed by Radio technical staff on CLEMIS work orders.

**RADIO COMMUNICATIONS FUND 53600**  
**Fiscal Year 2019 – 2nd Quarter**  
***Brief Explanation of “Actuals”***

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

**Expenses:**

- Salaries are favorable due to lower than anticipated overtime, on-call hours and un-filled positions.
- Communications cost is favorable due to lower than anticipated cell tower connectivity costs. The budget for this line item includes an expected ISDN rate increase.
- Contracted services are for leased space at the Oakland County International Airport.
- Equipment maintenance is lower than expected due to the timing of services.
- Indirect cost expense is based on the County's Indirect Cost allocation. It includes Human Resources, Payroll, Treasurer, Accounting, and Budgeting and Administrative services. The final allocation was established after adoption of the current budget.
- Professional services expense is favorable due to the timing of the ESInet project.
- Rebillable services are payments for parts and labor to be invoiced upon work completion.
- Software rental, lease purchase and software support maintenance is favorable due to the timing of the ESInet project.
- Special projects expense is favorable due to the timing of projects. The budget for this line item includes costs associated with tower maintenance such as painting.
- Tower charges represent payments for tower rental agreements.
- Overall commodities are under budget due to a decrease in radio equipment purchases.
- Internal service expense is favorable (overall) based on actual usage of county department services that fall below expectations.

**Non-Operating Revenues and Expenses:**

- Income from investments represents the portion of income from cash managed and allocated by the Treasurer's Office.
- Transfers In includes: \$24,000 representing a component of the \$46,706.00 approved by the Board of Commissioners for additional radios of which four are for the Sheriff's contracts with municipalities.
- Transfers Out includes: \$25,000 for Help Desk support and \$118,000 for OakNet operation costs, both provided by Information Technology.

County of Oakland  
Fire Records Management Fund  
Statement of Net Position  
March 31, 2019

**EXHIBIT B**

**ASSETS**

Current assets:

Cash and cash equivalents	\$ 517,694.01
Due from other governments	82,995.93
Accrued interest on investment	4,334.90
Accounts receivable	871.76
Prepaid expense	18,181.90
Total current assets	<u>624,078.50</u>

Noncurrent assets:

Capital projects in progress	1,032,758.25
Equipment	125,141.91
Computer software	409,195.95
Less accumulated depreciation	<u>(534,337.86)</u>
Total capital assets (net of accumulated depreciation)	<u>1,032,758.25</u>
Total assets	<u>1,656,836.75</u>

**LIABILITIES**

Current liabilities:

Vouchers payable	30,597.83
Accounts payable	14,106.00
Total current liabilities	<u>44,703.83</u>

**NET POSITION**

Invested in capital assets, net of related debt	1,032,758.25
Unrestricted	579,374.67
Total net position	<u>\$ 1,612,132.92</u>

County of Oakland  
Fire Records Management Fund  
Statement of Revenues, Expenses, and Changes in Net Position  
For the Six Months Ended March 31, 2019

EXHIBIT B-1

	2019			Year to Date		Favorable (Unfavorable) Variance
	Amended Budget	Percent of Revenue	Allotment	Actual	Percent of Revenue	
Operating revenues:						
Outside agencies	\$ 169,233.00	67.02%	\$ 84,616.50	76,283.19	53.15%	\$ (8,333.31)
Participation fees - non-Oakland agencies	68,390.00	27.08%	34,195.00	59,749.28	41.62%	25,554.28
Outside agencies-rebilled charges	14,899.00	5.90%	7,449.50	7,496.35	5.23%	46.85
Total operating revenues	<u>252,522.00</u>	<u>100.00%</u>	<u>126,261.00</u>	<u>143,528.82</u>	<u>100.00%</u>	<u>17,267.82</u>
Operating expenses:						
Salaries	<u>295,950.00</u>	<u>117.20%</u>	<u>147,975.00</u>	<u>140,656.19</u>	<u>98.00%</u>	<u>7,318.81</u>
Fringe benefits	<u>161,186.00</u>	<u>63.83%</u>	<u>80,593.00</u>	<u>78,739.39</u>	<u>54.85%</u>	<u>1,853.61</u>
Contractual services:						
Adj Prior Years Revenue	0.00	0.00%	0.00	0.00	0.00%	0.00
Communications	29,000.00	11.49%	14,500.00	0.00	0.00%	14,500.00
Equipment repairs and maintenance	1,000.00	0.39%	500.00	0.00	0.00%	500.00
Indirect costs	85,464.00	33.84%	42,732.00	45,394.50	31.63%	(2,662.50)
Personal mileage	1,000.00	0.39%	500.00	0.00	0.00%	500.00
Professional services	40,000.00	15.84%	20,000.00	24,246.00	16.89%	(4,246.00)
Software rental lease purchase	0.00	0.00%	0.00	994.08	0.69%	(994.08)
Software support/maintenance	45,000.00	17.82%	22,500.00	37,101.09	25.85%	(14,601.09)
Travel and conference	4,000.00	1.58%	2,000.00	0.00	0.00%	2,000.00
Total contractual services	<u>205,464.00</u>	<u>81.35%</u>	<u>102,732.00</u>	<u>107,735.67</u>	<u>75.06%</u>	<u>(5,003.67)</u>
Commodities:						
Expendable equipment	7,000.00	2.77%	3,500.00	0.00	0.00%	3,500.00
Total commodities	<u>7,000.00</u>	<u>2.77%</u>	<u>3,500.00</u>	<u>0.00</u>	<u>0.00%</u>	<u>3,500.00</u>
Depreciation:						
Equipment	<u>239,973.00</u>	<u>95.03%</u>	<u>119,986.50</u>	<u>0.00</u>	<u>0.00%</u>	<u>119,986.50</u>
Total depreciation	<u>239,973.00</u>	<u>95.03%</u>	<u>119,986.50</u>	<u>0.00</u>	<u>0.00%</u>	<u>119,986.50</u>
Internal services:						
Info Tech-development	48,315.00	19.13%	24,157.50	289,116.40	201.43%	(264,958.90)
Info Tech-operations	58,839.00	23.30%	29,419.50	26,380.00	18.37%	3,039.50
Insurance fund	511.00	0.21%	255.50	255.50	0.18%	0.00
Telephone communications	663.00	0.27%	331.50	56.77	0.04%	274.73
Budgeted Equity Adjustments	-	0.00%	-	0.00	0.00%	-
Total internal services	<u>108,328.00</u>	<u>42.91%</u>	<u>54,164.00</u>	<u>315,808.67</u>	<u>220.02%</u>	<u>(261,644.67)</u>
Total operating expenses	<u>1,017,901.00</u>	<u>403.09%</u>	<u>508,950.50</u>	<u>642,939.92</u>	<u>447.93%</u>	<u>(133,989.42)</u>
Operating income (loss)	<u>(765,379.00)</u>	<u>-303.09%</u>	<u>(382,689.50)</u>	<u>(499,411.10)</u>	<u>-347.93%</u>	<u>(116,721.60)</u>
Nonoperating revenues (expenses):						
Planned use of balance	254,680.00	100.85%	127,340.00	0.00	0.00%	(127,340.00)
Income from investments	3,000.00	1.18%	1,500.00	7,887.69	5.50%	6,387.69
Total nonoperating revenues (expenses)	<u>257,680.00</u>	<u>102.03%</u>	<u>128,840.00</u>	<u>7,887.69</u>	<u>5.50%</u>	<u>(120,952.31)</u>
Income (loss) before transfers	<u>(507,699.00)</u>	<u>-201.06%</u>	<u>(253,849.50)</u>	<u>(491,523.41)</u>	<u>-342.43%</u>	<u>(237,673.91)</u>
Transfers in	507,699.00	201.05%	253,849.50	228,849.57	159.45%	(24,999.93)
Transfers out	0.00	0.00%	0.00	0.00	0.00%	0.00
Change in net assets	<u>\$ 0.00</u>	<u>-0.01%</u>	<u>\$ 0.00</u>	<u>(262,673.84)</u>	<u>-182.98%</u>	<u>\$ (262,673.84)</u>
Total net position - beginning				<u>1,874,806.76</u>		
Total net position - ending				<u>\$ 1,612,132.92</u>		



**FIRE RECORDS MANAGEMENT - FUND 53100**  
**Operating Transfers In - Fiscal Year 2019**

<b>Description</b>	<b>Amount</b>
Budgeted Operating Transfer from General fund to Fire Records Management fund for 1st quarter FY 2019 operating support	\$ 119,204.52
Budgeted Operating Transfer from General fund to Fire Records Management fund for 2nd quarter FY 2019 operating support	\$109,645.05
Total	<u>\$ 228,849.57</u>

**FIRE RECORDS MANAGEMENT FUND 53100**  
**Fiscal Year 2019 – 2nd Quarter**  
*Brief Explanation of “Actuals”*

Following are some comments regarding Fire Records Management Fund's 2nd quarter FY 2019 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.
- Due from other governments is the amount due from member agencies for quarterly participation and communication costs.
- 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.
- Prepaid expense is the amount paid in advance for contracted software support and licenses.
- Noncurrent assets are the servers and software packages. Capital projects in progress is the effort to date on the new FRMS system being written on the CLEMIS CAD platform. All capitalized equipment and software are fully depreciated. Fire Records Management fund has a fixed asset capitalization threshold of \$5,000 as an Enterprise fund.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

Revenues:

- Outside agencies revenue is the amount billed to Oakland County agencies. Billing starts when a fire department is operational. The fund billed 31 Oakland County agencies for participation during the 2nd quarter of FY 2019.
- Participation fees - non-Oakland agencies is the amount billed to municipalities and agencies located outside of Oakland County. The fund billed 16 non-Oakland County users during the 2nd quarter of FY 2019.
- Outside agencies - rebilled charges are the amounts billed to member agencies for their portion of the County's communication cost for data lines, software license, and software maintenance costs.
- Planned use of balance represents the amount that offsets total revenue in order to balance Fire Records Management fund's FY 2019 budget per Fiscal Services management.
- Income from investments is favorable due to increase in cash balance available for investments during the 2nd quarter.
- Transfers in includes an amount budgeted and received from the General fund quarterly for operating support for Oakland County agencies.

**FIRE RECORDS MANAGEMENT FUND 53100**  
**Fiscal Year 2019 – 2nd Quarter**  
***Brief Explanation of “Actuals”***

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

Expenses:

- Salary & Fringe benefit variances are favorable due to lower than anticipated on-call payroll, and overtime.
- Equipment repairs and maintenance is favorable since there have been no server maintenance incidents in the past quarter.
- 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 no on-site service calls through the 2nd quarter.
- Professional service expense is unfavorable due to the utilization of contractors for the previously approved project, ‘CLEMIS Fire Integrated Records System’ (CFIRS).
- Software support is unfavorably attributed to maintenance costs incurred from Zoll Data Systems.
- Travel and conference expense is favorable due to cost-cutting efforts.
- Expendable equipment expense is favorable due to the timing of equipment purchases made by tech support for maintaining the system.
- Depreciation expense is favorable due to FRMS projects still in the implementation phase rather than operational as projected at the time of the budget process.
- Internal service expense is unfavorable overall based on actual usage that falls above expectations and unbudgeted costs for IT Development for the FRMS Rewrite project.

EXHIBIT B-4

Departments Currently on CFIRS
Auburn Hills Fire
Berkley PS
Beverly Hills DPS
Birmingham Fire
Bloomfield Twp Fire
Brandon Twp Fire
Clawson Fire
Commerce Twp Fire
Dearborn FD
Detroit Metro Airport FD
Farmington Hills Fire
Ferndale Fire
Groveland Twp. Fire
Holly Village Fire
Huntington Woods
Independence Twp Fire
Livonia Fire
Lyon Twp Fire
Madison Heights
Milford Twp. Fire
Novi Fire
Oak Park DPS
Oakland Twp Fire
Plymouth Twp Fire
Rochester Fire
Rochester Hills Fire
Romulus FD
Royal Oak Fire
South Lyon Fire
Taylor Fire
Troy Fire
Van Buren Twp FD
Walled Lake
Waterford Fire
West Bloomfield Fire
White Lake Twp Fire
Wixom Fire

Departments In Process
Northville Twp Fire

Total Number Pending: 1

Non-CFIRS Departments (using other CLEMIS Services)
Canton
Dearborn Heights FD
Eastpointe Fire
Fraser FD
Roseville Fire
Southfield Fire
St. Clair Shores Fire
Warren FD
Westland FD

Total Number Pending: 9

as of May 31, 2019

Total Number Complete: 37

County of Oakland  
CLEMIS Fund  
Statement of Net Position  
March 31, 2018

EXHIBIT C

**ASSETS**

Current assets:	
Cash and cash equivalents	\$ 12,224,992.49
Due from other governments	965,713.09
Accounts receivable	154,752.55
Accrued interest on investment	45,373.53
Prepaid items	585,706.27
Total current assets	13,976,537.93
Non-current assets:	
Capital projects in progress	445,423.50
Equipment	25,057,672.74
Equipment - OAKVIDEO	27,457.02
Less accumulated depreciation	(22,111,015.37)
Total capital assets (net of accumulated depreciation)	3,419,537.89
Total assets	17,396,075.82

**LIABILITIES**

Current liabilities:	
Vouchers payable	172,942.64
Accounts Payable	160,982.92
Due to other funds	36,013.50
Due to municipalities	371,153.00
Unearned revenue	349,010.74
Total current liabilities	1,090,102.80

**NET POSITION**

Net Investment in capital assets	3,419,537.89
Unrestricted - designated for projects	387,288.13
Unrestricted	12,499,147.00
Total net position	\$ 16,305,973.02

County of Oakland  
CLEMIS Fund  
Statement of Revenues, Expenses, and Changes in Net Position  
For the Six Months Ended March 31, 2018

**EXHIBIT C-1**

	2018			Year to Date		Favorable (Unfavorable) Variance
	Amended Budget	Percent of Revenue	Allotment	Actual	Percent of Revenue	
Operating revenues						
Access Fees Non Oakland	800,600.00	12.03%	400,300.00	415,838.28	13.22%	15,538.28
Access Fees Oakland	388,452.00	5.84%	194,226.00	159,254.50	5.06%	(34,971.50)
CLEMIS Citation	210,000.00	3.16%	105,000.00	124,400.51	3.96%	19,400.51
CLEMIS Crash	550,000.00	8.27%	275,000.00	346,092.00	11.00%	71,092.00
CLEMIS Parking	7,000.00	0.11%	3,500.00	5,206.01	0.17%	1,706.01
Crime Mapping	8,000.00	0.12%	4,000.00	7,475.76	0.24%	3,475.76
In Car Terminals External	1,711,016.00	25.72%	855,508.00	829,149.50	26.36%	(26,358.50)
In Car Terminals Internal	250,254.00	3.76%	125,127.00	124,716.00	3.97%	(411.00)
Maintenance Contracts	583,490.00	8.77%	291,745.00	315,769.08	10.04%	24,024.08
OC Depts Operations	487,375.00	7.33%	243,687.50	229,836.48	7.31%	(13,851.02)
Parts and Accessories	6,000.00	0.09%	3,000.00	2,330.63	0.07%	(669.37)
Productive Labor	200.00	0.00%	0.00	0.00	0.00%	0.00
Rebilled Charges	400,000.00	6.01%	200,000.00	197,515.37	6.28%	(2,484.63)
Reimb General	350,000.00	5.26%	175,000.00	127,422.50	4.05%	(47,577.50)
Service Fees	900,000.00	13.53%	450,000.00	260,322.82	8.28%	(189,677.18)
Total operating revenue:	<u>6,652,387.00</u>	<u>100.00%</u>	<u>3,326,193.50</u>	<u>3,145,329.44</u>	<u>100.00%</u>	<u>(180,864.06)</u>
Operating expenses						
Salaries	<u>2,117,421.00</u>	<u>31.83%</u>	<u>1,058,710.50</u>	<u>735,252.14</u>	<u>23.38%</u>	<u>323,458.36</u>
Fringe benefits	<u>1,255,931.00</u>	<u>18.88%</u>	<u>627,965.50</u>	<u>595,937.00</u>	<u>18.95%</u>	<u>32,028.50</u>
Contractual services						
Adj Prior Years Exp	0.00	0.00%	0.00	3,388.15	0.11%	(3,388.15)
Bank Charges	150,000.00	2.25%	75,000.00	29,367.51	0.93%	45,632.49
Communications	1,000,000.00	15.03%	500,000.00	469,201.59	14.92%	30,798.41
Contracted Services	0.00	0.00%	0.00	144.00	0.00%	(144.00)
Equipment Maintenance	400,000.00	6.01%	200,000.00	159,432.06	5.07%	40,567.94
Freight and Express	250.00	0.00%	125.00	0.00	0.00%	125.00
Garbage and Rubbish Disposal	0.00	0.00%	0.00	232.25	0.01%	(232.25)
Indirect Costs	322,004.00	4.84%	161,002.00	166,370.50	5.29%	(5,368.50)
Logos, Trademarks, Intellectual Property	0.00	0.00%	0.00	325.00	0.01%	(325.00)
Membership Dues	2,000.00	0.03%	1,000.00	1,768.14	0.06%	(768.14)
Personal Mileage	2,500.00	0.04%	1,250.00	499.24	0.02%	750.76
Printing	3,000.00	0.05%	1,500.00	632.00	0.02%	868.00
Professional Services	552,868.00	8.31%	276,434.00	637,813.75	20.28%	(361,379.75)
Rebillable Services	450,000.00	6.76%	225,000.00	225,176.16	7.16%	(176.16)
Software Rental Lease Purchase	150,000.00	2.25%	75,000.00	5,371.33	0.17%	69,628.67
Software Support Maintenance	1,200,000.00	18.04%	600,000.00	512,970.98	16.31%	87,029.02
Training	0.00	0.00%	0.00	1,483.60	0.05%	(1,483.60)
Travel and Conference	10,000.00	0.15%	5,000.00	18,809.78	0.60%	(13,809.78)
Workshops and Meeting	1,250.00	0.02%	625.00	0.00	0.00%	625.00
Total contractual services	<u>4,243,872.00</u>	<u>63.79%</u>	<u>2,121,936.00</u>	<u>2,232,986.04</u>	<u>70.99%</u>	<u>(111,050.04)</u>
Commodities						
Dry Goods and Clothing	1,200.00	0.02%	600.00	876.60	0.03%	(276.60)
Other Expendable Equipment	22,000.00	0.33%	11,000.00	21,360.51	0.68%	(10,360.51)
Metered Postage	287.00	0.00%	143.50	112.13	0.00%	31.37
Office Supplies	1,000.00	0.02%	500.00	1,140.09	0.04%	(640.09)
Parts and Accessories	25,000.00	0.38%	12,500.00	7,172.67	0.23%	5,327.33
Printing Supplies	500.00	0.01%	250.00	0.00	0.00%	250.00
Total commodities	<u>49,987.00</u>	<u>0.75%</u>	<u>24,993.50</u>	<u>30,662.00</u>	<u>0.97%</u>	<u>(5,668.50)</u>
Depreciation						
Depreciation Equipment	<u>2,721,458.00</u>	<u>40.91%</u>	<u>1,360,729.00</u>	<u>753,453.76</u>	<u>23.95%</u>	<u>607,275.24</u>
Total depreciation	<u>2,721,458.00</u>	<u>40.91%</u>	<u>1,360,729.00</u>	<u>753,453.76</u>	<u>23.95%</u>	<u>607,275.24</u>

County of Oakland  
CLEMIS Fund  
Statement of Revenues, Expenses, and Changes in Net Position  
For the Six Months Ended March 31, 2018

	2018			Year to Date		Favorable (Unfavorable) Variance
	Amended Budget	Percent of Revenue	Allotment	Actual	Percent of Revenue	
Internal services						
Bldg Space Cost Allocation	47,566.00	0.72%	23,783.00	23,782.98	0.76%	0.02
Info Tech Development	417,934.00	6.28%	208,967.00	197,991.20	6.29%	10,975.80
Info Tech Operations	277,460.00	4.17%	138,730.00	100,942.18	3.21%	37,787.82
Insurance Fund	4,006.00	0.06%	2,003.00	1,838.10	0.06%	164.90
Motor Pool Fuel Charges	2,700.00	0.04%	1,350.00	702.55	0.02%	647.45
Motor Pool	15,000.00	0.23%	7,500.00	3,149.28	0.10%	4,350.72
Telephone Communications	22,456.00	0.34%	11,228.00	8,695.02	0.28%	2,532.98
Total internal services	787,122.00	11.83%	393,561.00	337,101.31	10.72%	56,459.69
Total operating expense	11,175,791.00	168.00%	5,587,895.50	4,685,392.25	148.96%	902,503.25
Operating income (loss)	(4,523,404.00)	-68.00%	(2,261,702.00)	(1,540,062.81)	-48.96%	721,639.19
Nonoperating revenues (expenses)						
Planned Use of Fund Balance	2,844,218.00	42.75%	1,422,109.00	0.00	0.00%	(1,422,109.00)
Sale of Equipment	0.00	0.00%	0.00	177.00	0.01%	177.00
Income from Investments	35,000.00	0.53%	17,500.00	80,651.12	2.56%	63,151.12
Total nonoperating revenues (expenses)	2,879,218.00	43.28%	1,439,609.00	80,828.12	2.57%	(1,358,780.88)
Income (loss) before transfer	(1,644,186.00)	-24.72%	(822,093.00)	(1,459,234.69)	-46.39%	(637,141.69)
Transfers in	1,644,186.00	24.72%	822,093.00	822,093.00	26.14%	0.00
Change in net position	0.00	0.00%	0.00	(637,141.69)	-20.26%	(637,141.69)
Net Position - beginning				16,943,114.71		
Net Position - ending				16,305,973.02		

# EXHIBIT C-2

## COUNTY OF OAKLAND CLEMIS FUND FINANCIAL REPORT AS OF MARCH 31, 2018

### STATEMENT OF NET POSITION

#### ASSETS

Current Assets:	
Cash - Operating	\$ 12,224,992.49
Due from other governments	965,713.09
Accounts Receivable	154,752.55
Accrued Interest on Investments	45,373.53
Prepaid Expenses	585,706.27
<b>Total Current Assets</b>	<b>13,976,537.93</b>
Non-current Assets:	
Property and Equipment at Cost:	
Capital Projects in progress	445,423.50
Equipment	25,057,672.74
Equipment - OAK VIDEO	27,457.02
Accumulated Depreciation	(22,111,015.37)
Property and Equipment - Net	3,419,537.89
<b>TOTAL ASSETS</b>	<b>17,396,075.82</b>

#### LIABILITIES

Current Liabilities:	
Vouchers Payable	172,942.64
Accounts Payable	160,982.92
Due to other funds	36,013.50
Due to municipalities	371,153.00
Unearned Revenue	349,010.74
<b>Total Current Liabilities</b>	<b>1,090,102.80</b>

#### NET POSITION

Net invested in capital assets	3,419,537.89
Unrestricted-Designated for projects	387,286.13
Unrestricted	12,499,147.00
<b>Total Net Position</b>	<b>\$ 16,305,973.02</b>

### STATEMENT OF OPERATIONS

	Total Operations	CLEMIS Operations	Oak/Video Operations
Operating Revenues:			
Access fees-Police Depts/Other in Oakland	\$ 159,254.50	\$ 159,254.50	\$ -
Access fees-Non-Oakland County Users	415,838.28	415,838.28	-
In Car Terminals-All Other	829,149.50	829,149.50	-
In Car Terminals-OC Sheriff	124,716.00	124,716.00	-
Maintenance Contracts - Mugshot Capture Station	189,000.00	189,000.00	-
Maintenance Contracts - LiveScan	156,769.08	156,769.08	-
Service Fees	260,322.82	260,322.82	-
Sheriff Contracted Services	229,836.48	229,836.48	-
CLEMIS Citation	124,400.51	124,400.51	-
CLEMIS Crash	346,092.00	346,092.00	-
CLEMIS Parking	5,206.01	5,206.01	-
Parts and accessories	2,330.63	2,330.63	-
Rebilled Charges	197,515.37	197,515.37	-
Reimb General	127,422.50	127,422.50	-
Crime Mapping	7,475.76	7,475.76	-
Income from Investments	80,651.12	80,651.12	-
Sale of Equipment	177.00	177.00	-
Operating Transfers In	822,093.00	822,093.00	200,000.00
<b>TOTAL REVENUES</b>	<b>4,048,250.56</b>	<b>3,843,926.55</b>	<b>204,324.01</b>
Operating Expenses:			
Salaries	735,252.14	685,608.55	49,643.59
Fringe Benefits	595,937.00	545,729.28	50,207.72
Adjustment of Prior Year's Expense	3,388.15	3,388.15	-
Bank Charges	29,367.51	29,367.51	-
Communications	469,201.59	469,201.59	-
Contracted Services	144.00	-	144.00
Equipment Repairs & Maintenance	159,432.06	158,911.14	520.92
Garbage and rubbish disposal	232.25	232.25	-
Indirect Costs	166,370.50	166,370.50	-
Logos, Trademarks, Intellectual Property	325.00	325.00	-
Membership Dues & Publications	1,768.14	1,768.14	-
Personal Mileage	499.24	220.16	279.08
Printing	632.00	632.00	-
Training	1,483.60	1,483.60	-
Professional Services	637,813.75	637,813.75	-
Rebillable Services	225,176.16	225,176.16	-
Software Rental Lease Purchase	5,371.33	5,371.33	-
Software Support/Maintenance	512,970.98	512,970.98	-
Travel and Conference	18,809.78	18,809.78	-
Dry Goods and Clothing	876.60	876.60	-
Expendable Equipment	21,360.51	21,360.51	-
Metered Postage	112.13	112.13	-
Office Supplies	1,140.09	1,140.09	-
Parts & Accessories	7,172.67	7,172.67	-
Depreciation	753,453.76	723,081.88	30,371.88
Bldg. Space Cost Allocation	23,782.98	23,782.98	-
Info. Tech. - Development	197,991.20	197,991.20	-
Info. Tech. - Operations	100,942.18	100,942.18	-
Insurance Fund	1,838.10	1,614.62	223.48
Motor Pool	3,149.28	3,149.28	-
Motor Pool Fuel Charges	702.55	702.55	-
Telephone Communications	8,695.02	8,695.02	-
<b>TOTAL EXPENSES</b>	<b>4,685,392.25</b>	<b>4,554,001.58</b>	<b>131,390.67</b>
<b>NET INCOME (LOSS)</b>	<b>(637,141.69)</b>	<b>(710,075.03)</b>	<b>72,933.34</b>
<b>NET ASSETS, OCTOBER 1, 2017</b>	<b>\$ 16,943,114.71</b>	<b>\$ 16,139,891.84</b>	<b>\$ 803,222.87</b>
<b>NET ASSETS, MARCH 31, 2018</b>	<b>\$ 16,305,973.02</b>	<b>\$ 15,429,816.81</b>	<b>\$ 876,156.21</b>



<b>CLEMIS - FUND 53500</b> <b>Operating Transfers In - Fiscal Year 2018</b>
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<b>Description</b>	<b>Amount</b>
Budgeted Operating Transfer from General fund to CLEMIS fund for 1st quarter FY 2018 operating support.	\$ 311,046.50
Budgeted Operating Transfer from General fund to CLEMIS fund for 1st quarter FY 2018 OakVideo operating support.	100,000.00
Budgeted Operating Transfer from General fund to CLEMIS fund for 2nd quarter FY 2018 operating support.	311,046.50
Budgeted Operating Transfer from General fund to CLEMIS fund for 2nd quarter FY 2018 OakVideo operating support.	100,000.00
Total	<u><u>\$ 822,093.00</u></u>

**CLEMIS - FUND 53500**  
**Operating Transfers Out - Fiscal Year 2019**

<u>Description</u>	<u>Amount</u>
Budgeted Operating Transfer from CLEMIS fund to PWO Fund for 1st quarter FY 2019 - CLEMIS Remodeling Project per MR #18444.	\$ 378,556.00
Total	<u>\$ 378,556.00</u>

**CLEMIS FUND 53500**  
**Fiscal Year 2019 – 2nd Quarter**  
*Brief Explanation of “Actuals”*

Listed below are comments regarding CLEMIS fund’s 2nd quarter FY2019 financial statements.

STATEMENT OF NET POSITION

- CLEMIS fund reports all monetary assets as Cash. Available cash is invested, managed and distributed by the Treasurer’s Office.
- Due from other governments and accounts receivable include CLEMIS member fees and Crash charges through March 2019.
- Prepaid items are amounts paid in advance for contracted hardware and software support.
- Capital projects in progress are the amounts expended through March 2019 for the SAN Project and Mugshot Upgrade project.
- Vouchers payable and Accounts payable include expenses accrued through March 2019.
- Due to municipalities is the amount of revenue sharing for Citation and Crash through March 2019 that will be distributed to participating CLEMIS agencies.
- Unearned revenue includes amounts billed in advance for LiveScan maintenance, Mugshot investigative software maintenance and LeadsOnline.
- Unrestricted – designated for projects is the balance of funds received for future expenditures pertaining to the E911 system (\$215,319.86) and Jail Management System (\$171,968.27).

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITON

**Revenues:**

- Access Fees revenue is for membership usage fees based upon the user’s actual FTE count. A positive variance indicates an actual FTE count is higher than anticipated.
- CLEMIS Citation revenue is generated from the electronic citation system.
- CLEMIS Crash revenue is favorable due to higher than anticipated online purchase of accident/crash reports.
- CLEMIS Parking is an application used by member agencies to issue parking citations via hand-held devices.
- In-car terminals External revenue is user MDC participation fees based upon the user’s actual MDC count multiplied by a per unit rate.
- In-car terminals Internal revenue is the Oakland County Departments MDC participation fee based upon an actual MDC count. Those departments include Sheriff’s Office, Prosecutors, and Animal Control.
- Maintenance Contracts include both Mugshot and Livescan fees.
- OC Departments Operations revenue is based on the actual FTE count for the OCSD and other OC non-emergency departments that utilize CLEMIS services.
- Rebilled charges are for the rebilling of LeadsOnline and connectivity costs billed to Tier 2.5 and 3.0 agencies. This revenue source is offset by the Rebillable services expense.
- Reimbursement general is favorable due to higher than anticipated billings for CLEMIS billable staff supporting Sheriff Projects and Radio through March 2019.
- Service fees are lower than anticipated for amounts charged to Radio fund for MDC/CAD/911 support and telecommunication costs for Oakland County agencies.

**CLEMIS FUND 53500**  
**Fiscal Year 2019 – 2nd Quarter**  
***Brief Explanation of “Actuals”***

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

**Expenses:**

- Salaries and Fringe benefits are favorable due to unfilled positions.
- Bank charges are favorable due to PayPal service costs which are lower than anticipated. The service allows on-line processing and payment of CLEMIS Citation and Crash transactions.
- Communications expense is favorable due to lower than anticipated connectivity costs.
- Equipment maintenance expense is favorable due to anticipated contact increases not implemented at this time.
- Indirect costs expense is based upon 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.
- Professional services expense is unfavorable primarily due to the utilization of contractors for various CLEMIS projects; these costs are offset by favorability in salaries and fringe benefits.
- Rebillable services expense is offset by Rebilled charges revenue.
- Software rental lease purchase and Software support maintenance expenses combined are favorable due to the timing of software purchases.
- Travel and Conference and Training together are unfavorable due to increased training efforts for staff members.
- Other expendable equipment includes hardware under the capitalization threshold of \$5,000. The unfavorable variance is attributable to the timing of related purchases.
- Depreciation expense is favorable due to capital projects not yet finalized and placed into service.
- Internal service charges are unfavorable, due to higher than anticipated Info Tech Development expenses.

**Non-Operating Revenues and Expenses:**

- Income from Investments is the income allocated and distributed by the Treasurer’s Office.
- Transfers in year to date includes: \$622,093 from the General fund for operational support and \$200,000 from the General fund for OakVideo operational support.