



ANIMAL SHELTER AND PET ADOPTION CENTER • PONTIAC, MICHIGAN

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended September 30, 2020

PREPARED BY: Department of Management & Budget • Kyle Jen, Director



**OAKLAND COUNTY, MICHIGAN
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Fiscal Year Ended September 30, 2020
(With Independent Auditor's Report Thereon)**

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I. INTRODUCTORY SECTION

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- A. Letter of Transmittal**
- B. Organizational Chart**
- C. List of Principal Officials**
- D. Government Finance Officers Association
of the United States and Canada
Certificate of Achievement for
Excellence in Financial Reporting**

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March 24, 2021

To the Oakland County Board of Commissioners and
Citizens of Oakland County

State law requires all general purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants. Pursuant to those requirements, we hereby issue the Comprehensive Annual Financial Report of Oakland County, Michigan for the fiscal year ended September 30, 2020.

This report consists of management's representations concerning the finances of Oakland County. Consequently, management assumes full responsibility for the completeness and reliability of the financial information presented in this report. To provide a reasonable basis for making these representations, the management of Oakland County has established a comprehensive internal control framework designed to protect the government's assets from loss, theft, or misuse and to compile sufficient and reliable information for the preparation of Oakland County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Oakland County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement. As management, we assert to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Oakland County's financial statements have been audited by Plante & Moran, PLLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Oakland County for the fiscal year ended September 30, 2020 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall presentation of the financial statements. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Oakland County's financial statements for the fiscal year ended September 30, 2020 are fairly presented in conformity with GAAP. The independent auditor's report is presented in the financial section of this report.

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

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Letter of Transmittal

The Fiscal Year 2020 Comprehensive Annual Financial Report includes a Statement of Net Position and a Statement of Activities, which provides readers with the financial position of Oakland County, viewed as a single entity. In addition, the report provides a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A). Oakland County's MD&A, which provides a detailed discussion of the County's fiscal year 2020 financial performance, can be found immediately following the report of the independent auditors. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Profile of Oakland County

Incorporated on March 28, 1820, Oakland County covers approximately 910 square miles in southeast Michigan, immediately north of the City of Detroit and Wayne County. With a population of 1,257,584 (2019 estimate) and the County seat in Pontiac, Oakland County is home to a mix of urban and rural communities, encompassing 62 cities, villages, and townships, including thirty-two (32) downtown areas and many scenic natural settings, providing a good quality of life for any lifestyle. Measuring per capita income, the County ranks as the ninth (9th) wealthiest county in the nation among counties with populations between 900,000 and 1,600,000 as cited in the September 2020 report by University of Michigan economists. Oakland County enjoys a world class reputation due to its renowned business environment and its many attributes that contribute to an excellent quality of life.

Government Structure

Oakland County operates under the authority of Michigan Public Act 139 of 1973, the Optional Unified Form of County Government Act, approved by the electorate in 1974. An elected County Executive is responsible for the management of County affairs as specified under Public Act 139. Specific programs and services under the County Executive include human services in the form of public health, child care, and homeland security; community and economic development; planning; public safety; public records; public works; airports; and a wide range of other services, such as Michigan State University Cooperative Extension, animal control, workforce development, veterans' services, and senior programs. All of these activities are supported by administrative services, central services, and information technology.

The Treasurer, Clerk/Register of Deeds, Prosecutor, and Sheriff are offices established by the State's constitution. A Water Resources Commissioner was established as an elected position in 1909 and currently operates under Public Act 40 of 1956 (as amended), the Uniform Drain Code. These offices, including the County Executive, are elected countywide with four-year terms. The Treasurer is responsible for collection of delinquent taxes, settlements with local units, cash management, and investments. The Clerk/Register of Deeds is responsible for recording vital statistics, maintaining court records, Board of Commissioner proceedings, and documents affecting property ownership. The Sheriff and Prosecutor are responsible for law enforcement. The Water Resources Commissioner is responsible for construction and maintenance of drains, lake level controls, water supply systems, and sewer interceptors.

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The Oakland County Courts consist of the Sixth Judicial Circuit (including Family Division), Probate, and 52nd District Courts. The Circuit Court, with twenty (20) judges, has jurisdiction over criminal cases where the minimum penalty is over one year of incarceration, civil damage cases where the claim exceeds \$25,000, and domestic relation matters. The Probate Court, with four (4) judges, is responsible for estates and mental health matters. The 52nd District Court, with ten (10) judges, has jurisdiction over misdemeanors, ordinance and charter violations, civil cases under \$25,000, and preliminary examinations in felony cases.

The Board of Commissioners is comprised of twenty-one (21) members elected to two-year terms by their respective districts and serves as the legislative body responsible for establishing policy and appropriating funds.

Component Units

A three-member Road Commission, established under Michigan Public Act 283 of 1909 and appointed by the County's Board of Commissioners, is responsible for more than 2,700 miles of roads. Its budget of approximately \$162.1 million (excluding Special Assessment Districts) is funded principally by State-collected vehicle fuel and registration taxes under Public Act 51 of 1951. Other sources of funds are provided by federal, state, and local governments as well as proceeds from the sale of bonds. The Road Commission is not subject to the Board of Commissioners' appropriation process and, therefore, is reflected as a discretely presented component unit in the County's Comprehensive Annual Financial Report, as required by the Governmental Accounting Standards Board (GASB) Statement Number 14, *The Financial Reporting Entity*, as amended by Statement Number 39, *Determining Whether Certain Organizations are Component Units*, Statement Number 61, *The Financial Reporting Entity: Omnibus*, and Statement Number 80, *Blending Requirements for Certain Component Units*.

A three-member Drain Board was established pursuant to Michigan Public Act 40 of 1956, and consists of the Oakland County Water Resources Commissioner, the Chairperson of the County Board of Commissioners, and the Chairperson of the County Board of Commissioners' Finance Committee. This board is responsible for the construction and maintenance of drainage districts created under Chapter 20 of Act 40, funding for which is provided by assessments against the benefiting municipalities. Debt issued is backed by the full faith and credit of Oakland County.

A ten-member commission, appointed by the Board of Commissioners, is responsible for Parks and Recreation, which acquires and develops County parks. Currently, Parks and Recreation maintains and operates thirteen (13) parks that provide camping, golf, swimming, and a variety of other recreational activities, as well as operates a local Farmers Market. Parks and Recreation is supported, in part, by a separately voted ¼-mill tax levy, subject to annual tax limitation adjustments pursuant to the Michigan constitution (FY 2020 rate was .2329 mills). As authorized with the November 3, 2020 election, the voters increased the Parks and Recreation millage rate to .3500 mills and will be instrumental in subsequent fiscal years Parks and Recreation operations and maintenance activities. Parks and Recreation's activity is blended into the County's Comprehensive Annual Financial Report due to the specific agency relationship established by State statute, as required by GASB Statements Number 14, Number 39, Number 61, and Number 80.

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County Budget

Oakland County maintains a focus on long-term financial planning. As described below, the County operates under a three-year rolling budget, which allows for continuous planning at least three fiscal years into the future. Such a process allows the County to anticipate financial challenges and take appropriate timely management action in response to major budgetary fluctuations.

Under the provisions of the State of Michigan's Uniform Budget Act for Local Units of Government (P.A. 621 of 1978 as amended by P.A. 493 of 2000), the Triennial Budget and General Appropriations Act (GAA) serves as the foundation for Oakland County's financial planning and control; this covers the County's fiscal year of October 1 through September 30. The County Executive is required to submit a proposed budget and recommended GAA to the Board of Commissioners no later than 90 days prior to the beginning of the next fiscal year (July 1). The Board of Commissioners is required to hold public hearings on the proposed budget and adopt the final budget and GAA for the ensuing fiscal year no later than September 30, the close of the current fiscal year.

The appropriated budget is prepared by fund (e.g., General Fund), function (e.g., Administration of Justice), and department (e.g., Circuit Court). Control categories are established at the department level for Personnel Expenditures (e.g., salaries, overtime, and fringe benefits), Operating Expenditures (e.g., contractual services and commodities), and Internal Support Expenditures (e.g., Internal Service charges for information technology, motor pool, office space, etc.). Departments may exceed individual line item appropriations (e.g., professional services, office supplies, etc.) within the aforementioned categories provided the Control Category is not overspent. Budget amendments providing additional spending authorization are required to be made by action of the Board of Commissioners, upon recommendation of the County Executive.

It is important to note that, although the appropriated budget is prepared on the fund/function/department basis, Oakland County's financial system also has the ability to budget and account by program cost center. The ability to budget and account for County activity by program is a valuable tool for policy makers to analyze and determine where to appropriate limited County resources in order to maximize their positive impact on County residents.

Budget-to-actual comparisons are provided in the Financial Section of this report for each individual governmental fund for which an appropriated annual budget has been adopted.

Economic Condition of Oakland County

Oakland County is recognized as one of the most prosperous counties in the nation. In their September 2020 report, University of Michigan economists Gabriel Ehrlich and Donald Grimes reported that Oakland County ranks ninth overall when compared to other counties in the United States with populations between 900,000 and 1.6 million. Oakland maintained its overall top ten ranking when looking the following factors: education (associates degree or higher), child poverty, median income, professional occupations, and high-income senior population.

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While the COVID-19 pandemic certainly had an impact on Oakland County's economy, including its small businesses and workforce, the overall economic diversity and solid fundamentals positions the County well for an economic recovery. This is attributed to Oakland County's educated workforce, amount of managerial and professional jobs, and the attractive standard of living with a solid foundation for economic prosperity in the future. In addition, Oakland County received direct Coronavirus Aid, Relief, and Economic Security (CARES) Act funding of approximately \$219.4 million to aid in the economic recovery (see more on the CARES Act program funding in the Major Initiatives section of this transmittal letter).

Oakland County did experience continued job growth in early 2020, marking just over 10 years of job growth which is the longest streak since the job data has been collected. As a result of the COVID-19 pandemic, economist Gabriel Ehrlich predicted that the County would lose 68,000 jobs in 2020 which is a 9.1% decline from the previous year. However, it is forecasted that Oakland County will enjoy a faster job recovery than Michigan overall with the County forecasted to recover 29,100 jobs in 2021 and 14,300 jobs in 2022.

Prior to the COVID-19 pandemic, Oakland County's unemployment rate had fallen (improved) steadily from the 2009 high rate of 13.0%. In December 2019, Oakland County reported an unemployment of 2.9%. Unemployment spiked to 19.5% in April 2020 as a result of the pandemic. According to a Michigan Department of Technology, Management & Budget published document, Oakland County's unemployment rate was 7.9% as of December 2020. The same published document reported the national unemployment rate at 6.7% and the State of Michigan unemployment rate of 7.5% as of December 2020. Oakland County's December 2020 unemployment rate of 7.9% was lower in comparison to both Macomb County (9.7%) and Wayne County (12.4%).

Enhanced by the County's investment in economic development programs, Oakland County remains an ideal location for business. In 2004, an Emerging Sectors initiative was launched to diversify the County's economy away from reliance on traditional manufacturing jobs. Since its creation in 2004 through December 2020, the Emerging Sectors program has had 571 business successes and has attracted nearly \$5.4 billion in investment, creating approximately 54,958 jobs and retaining 40,386 jobs. In late 2020, despite the COVID-19 pandemic, Oakland County unveiled an updated economic development strategy to spur innovation, investment, and growth through a focus on digitized manufacturing, regional collaboration, environmental sustainability, and increased workforce education and training.

Oakland County's 2019 per capita personal income (PCPI) of \$73,271 is the highest among Michigan's 83 counties according to the U.S. Bureau of Economic Analysis (BEA) most recent published data on November 17, 2020. The 2019 PCPI reflects an increase of 2.7 percent from 2018. The Oakland County's per capita income also compares favorably to the national average (\$56,490) and the state average (\$49,228).

The 2019 market value of property in Oakland County is approximately \$153.4 billion, an increase of approximately \$9.7 billion from 2018 to 2019 (6.74%). The Taxable Value (TV), which is the calculation on which property tax revenue is based, increased 5.24%. This is the seventh year of increase in property value following five (5) consecutive years of decline and is further evidence that Oakland County's economy is strong. Current budget assumptions include

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a 4.25% increase in taxable value as of December 31, 2019 (FY 2020 revenue); a 4.25% increase in taxable value as of December 31, 2020 (FY 2021 revenue); and an additional 4.25% increase in taxable value as of December 31, 2021 (FY 2022 revenue).

Oakland County's collective property values remain the highest of all 83 counties in Michigan and represents 16.6% of the state's total value (even though Oakland County's population represents approximately 12.6% of Michigan's total). The majority of Oakland County's taxable value is within the residential class of property, which is approximately 74.9% of the total property tax base. The average residential sale price of a home in Oakland County increased from \$279,441 in 2019 to \$290,674 in 2020, a 4.0% increase.

The average 2020 property tax rate is \$43.05 per thousand dollars of taxable value, a slight increase from the 2019 average of \$43.04 per thousand dollars of taxable value. The average property tax rate is distributed to the following taxing authorities:

Local School Districts	32.44%
Cities, Villages, Townships	31.64%
State Education Tax	13.94%
County Operating	9.34%
Intermediate School District	7.50%
Community College	3.45%
Parks & Recreation/Zoo/Art/Huron Clinton	<u>1.69%</u>
	<u>100.00%</u>

The County continues to exercise a prudent and conservative approach to tax revenues by controlling the millage rate levied on the tax base. The millage rate for the July 1, 2020 tax levy was 4.02 mills (out of a maximum authorized levy of 4.0468 mills) and the FY 2021 budget authorized a tax rate of 4.02 mills for the July 1, 2021 tax levy. The County has one of the lowest county tax rates in the State of Michigan.

Fiscal Policies

Oakland County has established a number of financial policies to ensure that the business of the County is conducted in an effective and efficient manner. Some of these policies, such as those related to Debt Administration and Cash Management affect the daily financial operations and thus the financial statements. The impact of these policies are demonstrated in the financial statements themselves as well as the notes accompanying the financial statements; particularly Note #3 (Cash Management) and Note #8 (Debt Administration).

Other policies and practices are not as fully explained in other parts of the ensuing document yet they equally impact the County's financial position in FY 2020 and beyond and, therefore, some discussion of these policies is appropriate. Among these policies and practices meriting fuller discussion are the Budgeting and Forecasting activities; the capital improvement activities particularly associated with the Delinquent Tax Revolving Fund and the innovative Pension and Other Post-Employment Benefit practices.

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Budgeting and Forecasting

The hallmark of the County's focus on long-term financial planning is preparation and adoption of a triennial budget and five-year forecast. Not only is the budget adopted for the next three fiscal years, the triennial budget is considered a "rolling" budget in that when it is amended, the amendment always reflects the impact for both the remainder of the current fiscal year and the impact on the entire next two fiscal years.

Oakland County's sustainable long-term goal is to maintain a General Fund balance equating to approximately 20% of annual General Fund / General Purpose expenditures. This figure is calculated based upon two criteria. The first criterion is the Government Finance Officers' Association (GFOA) recommendation to retain at least two months of annual expenditures (approximately 17%) in fund balance. In fact, the County adopted Miscellaneous Resolution #15175 on July 16, 2015 to formally codify the fund balance policy for the General Fund. This has been a highly recognized and proven best practice that has been instrumental to Oakland County's long-term financial sustainability. Such practice provides a cushion against unexpected crises, allowing the County to meet emergency demands without severely disrupting ongoing operations and services.

The second criterion is the need for additional cash flow reserves arising from Michigan Public Act 357 of 2004 that requires the County to collect property taxes in arrears. Under this State Act, counties levy property taxes in July of each calendar year, which is ten months AFTER the beginning of Oakland County's fiscal year. Prior to enacting P.A. 357, the County levied property taxes in December only three months after the beginning of the fiscal year. Because of the prudent management of the General Fund balance, the County has been able to maintain its cash flow needs, despite the shift to a later levy date.

However, the County will continue to monitor its cash flow needs and will take appropriate actions if short-term borrowing is needed to augment General Fund cash balances.

In accordance with P.A. 139 of 1973, the County Executive is required to report the current financial position of the County to the Board of Commissioners on a quarterly basis. These quarterly reports are prepared by the Fiscal Services Division of the Department of Management and Budget and presented to the Board of Commissioners' Finance Committee. The County Executive has traditionally exceeded this requirement by not only reporting the current financial position of the County each quarter, but has also provided a quarterly forecast of the projected financial condition of the County at the close of the current fiscal year. These reports include a comparison of the amended budget to the forecasted amounts and explanations for major variances. Any recommended budget amendments are presented at that time and individual departments may be called to appear before the Finance Committee during this process. This process means the budget remains current throughout the year and that actual expenditures are continually monitored, compared to the budget, and reported to the Board of Commissioners. The quarterly forecast documents as well as monthly budget to actual reports are posted on the County's website.

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The result of these historic practices is a balanced line-item County budget (adopted by the Board of Commissioners in September 2020) for fiscal years 2021, 2022, and 2023. The County also has a historic practice of preparing a high-level five-year forecast.

Capital Improvement Program and the Delinquent Tax Revolving Fund – Fiscal Responsibility Plan

The Delinquent Tax Revolving Fund (DTRF) was established in 1974 to help stabilize local revenues by paying the local taxing units 100% of their respective shares of delinquent ad valorem real property taxes in anticipation of the collection of those taxes by the County Treasurer. The County funds the DTRF by borrowing money and issuing revolving fund notes when needed. Payment of the notes is made from the proceeds of delinquent tax collections. State law provides that once the notes are paid in full, any surplus in the fund may be transferred to the County General Fund by appropriate action of the Board of Commissioners. Oakland County's DTRF has consistently provided its local units of government with a stable revenue stream while also generating a surplus. Responsible use of this surplus is the purpose of the Fiscal Responsibility Plan. The Fiscal Responsibility Plan, contained in the annual GAA, provides clear guidance regarding the conditions and functions for which surplus DTRF funds may be used.

The law demands the purpose of the DTRF not be jeopardized, which purpose is to regularly pay local taxing units within the County 100% of their respective share of delinquent ad valorem real property taxes prior to the collection of those taxes by the County Treasurer. The policy therefore, is to maintain a sufficient corpus in the DTRF to meet this primary purpose and only then to prudently utilize any surplus in excess of this baseline amount.

Oakland County's Fiscal Responsibility Plan directs that any appropriations from unrestricted DTRF funds, except penalties and investment interest, are limited to one-time and/or limited purpose expenditures. Further, the use of these funds for one-time and/or limited purpose expenditures requires a minimum two-thirds approval by the Board of Commissioners. As a result of Oakland County's DTRF utilization policy, the corpus of the DTRF continues to be available not only to protect the revenue stream for the local units of government but also to generate interest earnings that, prudently managed, can be utilized in lieu of new taxes as a funding source for necessary capital projects.

The net position of the DTRF as of September 30, 2020, totaled approximately \$205.6 million. The DTRF is well positioned to guarantee timely payments to local units of government and to pay outstanding notes on delinquent taxes. The County has leveraged available unrestricted assets by using the DTRF to cover debt service on certain major Board-approved capital projects that house essential public services. There are three major building projects that were initiated in the early 2000's where debt service of approximately \$4.7 million annually is being covered by the DTRF. The debt on two of these projects will be paid in full by the end of FY 2022 with the third project to be paid in full by the end of FY 2024, thus freeing up approximately \$2.8 million to potentially support new debt beginning in FY 2023 and another \$1.9 million starting in FY 2025. Additionally, in November 2015 the County issued debt of approximately \$15.5 million to construct the Oakland County Animal Shelter and Pet Adoption Center. The animal shelter facility was fully operational in late 2017. The General Fund has covered the debt service for the

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first seven years by transferring \$7.0 million in FY 2016 and another \$1.7 million in FY 2018 from the General Fund to a separate debt service fund. It is not expected that the DTRF will need to cover the animal control facility debt service until late 2025.

Even using the DTRF to support these capital initiatives, the fund's net position is still more than sufficient to meet all the fund commitments. As a result, the County has used a portion of the DTRF equity (the amount higher than required to meet funding commitments) to support General Fund / General Purpose operations. Historically, prudent stewardship of the Fund has enabled the County to draw annually from the DTRF to support General Fund / General Purpose operations. The five-year forecast anticipates the continuation of annual transfers from the DTRF to support General Fund / General Purpose operations in the amount of \$3.0 million annually for FY 2021 through FY 2025.

Pension and Other Postemployment Benefits

Realizing that employees are both its most valuable resource and that employee compensation and benefits are one of the largest expenses, Oakland County established two pension plans. The first plan is the Defined Benefit Pension Program, referred to as the County's Public Employees' Retirement System (PERS). The second plan is the Defined Contribution Pension Program, referred to as the Oakland Performance Retirement System (OPRS), which qualifies under Internal Revenue Code Section 401(a).

Individuals employed on or before July 1, 1994 had a choice to belong either to the PERS or the OPRS. All eligible individuals employed since July 1, 1994 were enrolled in the OPRS.

Due to the voluntary shifting of 1,126 employees from the PERS to OPRS, and the fact that all newly hired employees participate in the OPRS, the OPRS has resulted in a savings of approximately \$180.6 million since inception of the program without jeopardizing the retirement security of valued employees.

Oakland County has been a leader in exploring methods to providing and financing Other Post-Employment Benefits (OPEB). Specifically, the County has implemented benefit changes that will limit the growth of the cost of these benefits in the future, while still providing employees with a method to retain health care insurance once they leave County service. Rather than receiving a specific level of health care insurance when they retire from County service, employees hired after January 1, 2006 are enrolled in a "Retirement Health Savings Plan" (RHS). Under the RHS, for non-represented employees and most represented employees, the County contributes \$1,950 annually (\$75 per pay) to each employee's retirement health savings account (\$3,250 annually for those bargaining units bound by state law to binding arbitration). Upon leaving County service, the employee is entitled to the vested funds the County contributed based upon their length of service. In 2014, the Board of Commissioners approved Miscellaneous Resolution #14005 that provided a one-time window which allowed certain eligible employees to voluntarily and irrevocably convert from the defined benefit VEBA Plan to the defined contribution RHS Plan. The "buy out" provided a lump sum deposit equivalent to \$2,000 per year for each year of eligible service. The result was that 83 employees opted out of the VEBA Plan with approximately \$2.1 million being set aside in individual RHS Plan accounts for these employees. It is estimated that the ratio of savings is approximately 5:1; meaning for

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every \$1 provided for the one-time voluntarily conversion, \$5 in savings is anticipated in present value liabilities. The resolution also lowered the longevity requirements for the graduated vesting schedule with the RHS Plan. The previous vesting schedule allowed for a partial benefit (60%) provided after 15 years of service with full benefit provided after 25 years of service. The revised vesting schedule allows for partial vesting after 6 years of employment with employees becoming fully vested in the RHS Plan after 10 years of County service. Once the employee separates employment and receives the vested cash benefit, the County's financial obligations ends.

Employees hired prior to January 1, 2006, qualify for participation in the County's Voluntary Employees' Benefit Association (VEBA). The VEBA is an irrevocable trust fund; assets from this fund can only be used to pay retiree health care cost. Although this is an increasingly popular vehicle to support retiree health care, Oakland County has gone one significant step further – it has fully funded its OPEB obligation.

In July 2007 the County issued \$557.0 million in Trust Certificates of Participation (COPs). COPs are taxable debt, which were issued over a period of 20 years at a 6.23% interest rate. Subsequent to the issuance of the 2007 COPs, new legislation was adopted by the State of Michigan (Public Act 329 effective October 9, 2012) that allowed local units of government to issue limited taxable general obligation bond to fund OPEB obligations. On September 27, 2013, Oakland County issued private placement debt of \$350.0 million in securities and used \$72.1 million from available assets in the Interim Retiree Medical Care Benefits Trust (IRMBT) and VEBA in order to refinance the outstanding \$422.1 million 2007 COPs debt. The \$350.0 million in securities were sold in two series; \$316.0 million was placed with Bank of America/Merrill Lynch, which was chosen as the Senior Underwriter in a competitive bid process, and \$34.0 million was placed with the County Treasurer as part of the County's investment portfolio which previously held a portion of the COPs. The refinancing reduced the annual debt interest rate from 6.23% to an all-inclusive interest rate of 3.80% over the remaining life of the debt with the obligation to be paid in full by April 2027. As a result, the annual debt service payment is reduced by an average of \$13.2 million per year and provides gross cumulative savings of \$171.1 million. This refinancing not only saved County taxpayers money, but also established a superseding plan to secure health care for all eligible County retirees and employees, and their covered dependents, to the end of their eligibility.

A more detailed discussion of Oakland County's pension and VEBA performance may be found in Notes #12, 13, and 14 to the financial statements.

County governments have faced a number of financial challenges over the past several years, including the additional challenges with the on-going COVID-19 pandemic. However, because of its historic long-term financial planning, prudent management of capital projects, the use of alternative funding sources, sound cash and investment management policies, and solid pension and post-employment benefit planning, along with the efforts of elected officials and employees, Oakland County has met the challenges. The continuation of these practices will be important to ensure the long-term fiscal stability of Oakland County government and preserve its ability to provide necessary public services to its citizens.

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Major Initiatives

Even through the significant challenges brought about with the COVID-19 pandemic, Oakland County government continued to provide the services expected by its citizens, supported its local cities, villages, and townships, and worked with the private sector to support recovery of the local economy – all while still balancing a multi-year budget and maintaining a healthy fund balance. This was accomplished through the combined efforts of Oakland County’s elected officials, administrators, and employees who realize that their job is to continue providing necessary services in times of emergency. Oakland County’s historic focus has always been on long-term sustainability.

In order to maintain quality citizen services, Oakland County officials realize that they must maintain an effective, professional workforce. However, in recent decades Oakland County’s employee general salary increases have been conservative and have lagged in comparison to the private sector. In December 2020, the Oakland County Board of Commissioners approved an updated comprehensive salary administration plan, after nearly three decades since the last comprehensive update, with a scheduled implementation of late January 2021. To offset the costs of increased salary levels under the plan, the county’s workforce will be reduced over the next five years through identification of efficiencies and services that are no longer needed.

With over a third of the County workforce eligible to retire, the County continues to look for ways to further build and sustain the County workforce. In December 2020 the Board of Commissioners adopted Miscellaneous Resolution #20660 for a voluntary employee separation incentive program (VESIP) for eligible full-time employees to aid in workforce restructuring efforts. The VESIP program implementation will occur in early calendar 2021 and will provide one (1) week of base salary, up to a maximum of 26 weeks, for each full year of retirement service.

Health care benefits are another important factor in this fiscal balancing act. The County has been able to constrain its overall health care costs, including the cost of retiree health care. Much of the success in managing costs is due to the County’s employee wellness program, OakFit. The mission of the OakFit program is to assist employees, retirees, and dependents in taking ownership of their health and wellness in order to improve quality of life, enhance productivity, and stabilize long-term employee/employer health care costs. In late 2020, efforts were initiated by the County Executive Administration to further review the overall benefit package and engage representatives from across the workforce to collaborate on how to provide essential benefits while looking at ways to further cost saving measures.

The County has also taken measures to address on-going security initiatives, major technology replacement and improvement projects, and infrastructure projects. This includes the replacement of the Oakland County public safety radio system. With an estimated overall project cost of \$57.0 million, the project will include replacement of the legacy 911 copper network to a regional Emergency Services Internet-protocol Network (ESINet) for the Next Generation 911 and the replacement of the Public Safety Radio Communications system that will enhance the communications and interoperability for first responders. This latest technology allows 911 calls to be routed using geographic information system coordinates and will allow callers to use wireless devices to transmit photographs, videos, in-car crash system data, and text

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messages. \$18.5 million of tax- exempt debt was issued in May 2020 for the radio project with the remaining amount of the project predominately being covered by annual 911 operating surcharge funding. Other technology initiatives underway include the replacement of the County's imaging and document management system, the replacement of the analog telephone system with a universal communication system that will transform the way employees communicate and collaborate with each other as well as with the public, and the Identity and Access Management project.

Another noteworthy project underway is the replacement of County's human capital management and financial management system. The County's current PeopleSoft applications were installed in two phases with the human resources (HR) component being implemented in 1998 and the financials component being implemented in 2006, and while the system has been maintained over the years, the systems have not been upgraded to new functionality since 2009. The functionality and technology 'freeze' was due to budgetary cuts required as a result of the Great Recession. Both the financial and HR applications lack many of the work process improvements offered by modern systems and the technical infrastructure to run the PeopleSoft applications has aged significantly, prompting the replacement. A Request for Proposal (RFP) was issued in late 2016 with eighteen (18) proposals submitted, reviewed, and scored. Workday was chosen as the provider for the new human capital management and financial management system. The Workday product is considered a market leader in financial and HR management suites by Gartner, a leading IT research institute. With a phased implementation approach, the first phase which included HR, Time Tracking, and Payroll functionality went live in July 2020. Due to challenges of the COVID-19 pandemic, implementation of the second phase, which encompasses the financial suite of applications, is still on-going.

The County continues to be a leader in efforts to share government resources through intergovernmental cooperative programs. The County's Courts and Law Enforcement Management Information System (CLEMIS) program is a premiere example of regional collaboration with over 250 public safety agencies across Southeast Michigan. Also, many local communities' contract with Oakland County for services such as road patrol, police and fire dispatch services, real property assessing and personal property appraisals, animal control, information technology services, water and sewer services, and collection of delinquent taxes.

The fiscal year 2020 4.02 millage rate is below the current maximum authorized rate of 4.0468 as allowed by the State Constitution. Until 2015, the maximum authorized millage rate had not changed for 10 years, primarily as a result of suppressed property values. With the recent improvement in property values, a roll-back to the maximum authorized millage rate has been required for the past six years. The County continues to monitor the impacts of the Headlee Constitutional Tax Limitation Amendment of 1978 and the Proposal A Property Tax Limitation Amendment of 1994 in order to foresee potential constraints on future millage rates and factor the roll-back impact into the County's budget.

Key priorities were put forth by the county executive's FY 2021 – FY 2023 budget recommendation reflecting a commitment to strengthening fiscal discipline practices, maintaining a balanced budget, and focusing on priority areas that require investment and leadership by the county. This includes expanding and protecting health care; increasing

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workforce opportunities; implementing a new economic development strategic plan; protecting water and the environment; embracing diversity, equity and inclusion; and enhancing public safety.

As with the rest of the state, nation, and world, the COVID-19 pandemic required Oakland County to take quick and decisive action. Oakland County received approximately \$219.4 million in direct CARES Act funding of which \$90.8 million was used in FY 2020 as well as other COVID-19-related grants to stabilize and mitigate the effects of the pandemic locally. Below is a summary of COVID-19 initiatives as of December 2020 which could not have been accomplished without the support of the Board of Commissioners, county and local elected officials, residents, businesses, non-profit organizations, and state and federal partners, as well as county employees who kept services running throughout the pandemic.

Small Businesses

- \$32 Million Grant Fund to assist 3,153 retail, restaurants, and other businesses
- \$14 Million Stabilization Fund for 3,500 small business
- \$11 Million Michigan Small Business Restart Grant to help nearly 3,000 Oakland County businesses including minority-, women-, and veteran-owned businesses
- \$10 Million Oakland Together Restaurant Relief Program for about 785 restaurants
- \$10 Million Industry 4.0 PPE Resilience Grants Program grants for 235 businesses
- \$1 Million to 23 companies who shifted production to personal protective equipment such as masks, gowns, and face shields
- 15,000 Small Business Reopening Kits which contained PPE

Government and School Partners

- \$29 Million-plus for 57 cities, villages, and townships
- \$27.6 Million for 41 school districts and public-school academies
- \$3 Million to hire 64 school nurses to work with local school districts
- \$2.8 Million for 52 libraries, senior centers, and community centers
- \$1 Million for the Road Commission for Oakland County
- \$500,000 each for Oakland University, Oakland Community College, and Oakland Schools
- In addition, the county utilized \$64 million to ensure county operations were safe for residents and employees, including hazard pay, tele-work capabilities, and social distancing and health screening precautions throughout the county campus

Community Partners

- \$10.7 Million for 88 non-profit organizations to serve vulnerable populations during the pandemic
- \$2 Million-plus to 78 of our Cultural Institutions and organizations
- \$2 Million-plus to support 374 childcare providers in Oakland County
- Nearly \$2 Million for 126 non-profits hard hit economically
- \$600,000 for Oakland County Health Network to purchase tablets to assist clients with telehealth services

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- Support for Havenwyck Hospital and Honor Community Health
- \$600,000 for 31 veterans service organizations
- Over \$2.8 Million to Oakland County Skilled Nursing home facilities
- A \$150,000 pilot with American House to offer Echo share devices to connect elderly residents with family members
- A \$300,000 pilot with St. Joseph Hospital and Honor Community health to provide childcare for essential workers with school-aged kids
- \$57,000 to local youth assistance programs throughout the county

Residents

- 6,000 individuals received \$750 in a microgrant to help with basic expenses
- \$1 Million in rent, mortgage, and utility assistance for 250 households
- \$1 Million Military Service Fund for Oakland County veterans and dependents
- \$215,508 to help support 120 local musicians
- Over 5,000 free meal delivery subscriptions provided to senior citizens
- Oakland County Michigan Works! launched financial coaching for Oakland County residents in partnership with the Oakland Livingston Human Services Agency. The program has assisted dozens of residents with assessing their financial wellness and meeting their short- and long- term financial goals.

As noted in the accompanying financial statements, Oakland County's General Fund balance totaled \$267.0 million as of September 30, 2020. This level of fund balance equates to 58.4% of budgeted fiscal year 2021 General Fund/General Purpose expenditures. However, of the \$267.0 million total equity amount \$0.5 million is considered non-spendable, \$14.6 million is assigned for carry forward balances and encumbrances, \$0.6 million is assigned to balance the fiscal year 2021 budget, \$5.2 million is assigned to balance the fiscal year 2022 budget, and \$0.5 million is assigned to balance the fiscal year 2023 budget. When the above amounts are removed, the General Fund balance still stands at \$245.6 million or 53.7% of General Fund/General Purpose expenditures.

It is important to note that there is a pending court case, *Rafaeli, LLC v Oakland County*, that could financially impact Oakland County as well as other Michigan counties that were following the General Property Tax Act (MCL 211.1 et seq). The court case was initially filed in 2014 and the initial \$9.6 million liability estimate was recorded based on reasonable assumptions of pending legislation at the time of closing the financial records in the fall of 2020 to limit the retroactive claim period. It is not clear at this time that the final form of that legislation, as enacted, will have the effect of limiting the retroactive claim period. The court decision as to any retroactive claim period, which has a direct impact on the claim amount, has not occurred as of the finalization of the FY 2020 financial report.

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Awards and Acknowledgements

The financial community has acknowledged the County's solid tax base and financial policies in recent years. The County earned the highest bond rating achievable, from Standard and Poor's (AAA) and Moody's Investors Service (Aaa).

In a rating report dated March 6, 2020 Standard and Poor's reaffirmed Oakland County's AAA status and stated:

“We view the county's management as very strong, with strong financial policies and practices under our FMA (Financial Management Assessment) methodology, indicating financial practices are strong, well embedded, and likely sustainable.”

In a credit opinion dated March 6, 2020 Moody's Investors Service reaffirmed Oakland County's Aaa status and stated:

“The stable outlook reflects our expectation that the county's credit profile will remain consistent given its current tax base trajectory, significant reserve cushion, as well as management's track record and commitment to complying with its budgetary and debt policies and practices.”

Oakland County has retained a AAA/Aaa bond rating since 1998. Oakland County's AAA/Aaa bond rating, affirmed by two rating agencies, allows the County to borrow at the lowest possible interest rate, saving County taxpayers millions of dollars in future costs.

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to Oakland County for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2019; this was the 29th consecutive year Oakland County received this prestigious award. In order to be awarded the Certificate of Achievement, Oakland County is required to publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report satisfied both generally accepted accounting principles (GAAP) and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

In addition, Oakland County also received the GFOA's Distinguished Budget Presentation Award for its triennial budget document dated October 1, 2018 which covers FY 2019 through FY 2021. This latest award is the 16th in a row. In order to qualify for the Distinguished Budget Presentation Award, Oakland County's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operation guide, and a communications device. Oakland County was the first governmental entity in the state of Michigan to achieve this honor in 1984, the first year of the program.

Furthermore, Oakland County is the proud recipient of the GFOA award for its Popular Annual Financial Report (PAFR). The fiscal year 2018 PAFR award was the County's 22nd consecutive

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citation. The fiscal year 2019 PAFR was submitted for the award program but as of this document publication the GFOA has not yet announced the FY 2019 award results.

In closing, the preparation of the Comprehensive Annual Financial Report would not have been possible without the efficient and dedicated services of the entire staff of the Fiscal Services Division of the Department of Management and Budget. We would like to express our appreciation to all members of the division who assisted and contributed to the preparation of this report. Credit must also be given to all Countywide elected officials, including the Sheriff, Prosecuting Attorney, Clerk/Register of Deeds, Treasurer, and Water Resources Commissioner, as well as the County Board of Commissioners and the members of the Circuit, Probate, and 52nd District Courts, for their unfailing support in maintaining the highest standards of professionalism in the management of Oakland County's governmental finances.

Respectfully submitted,



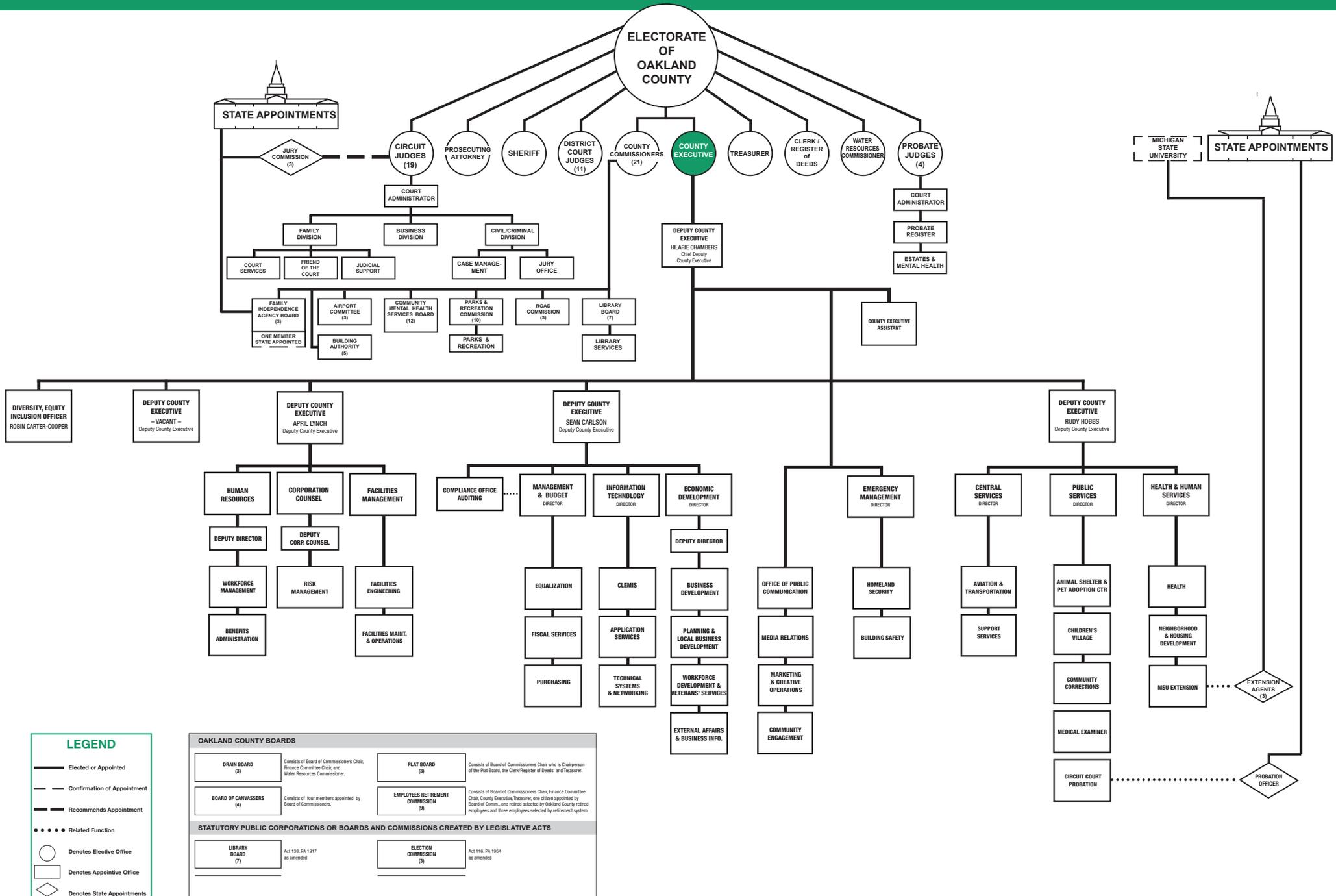
David Coulter
Oakland County Executive



Kyle Jen
Director, Management & Budget



Lynn Sonkiss
Fiscal Services Officer, Fiscal Services Division



LEGEND

- Elected or Appointed
- - - Confirmation of Appointment
- Recommends Appointment
- Related Function
- Denotes Elective Office
- Denotes Appointive Office
- ◇ Denotes State Appointments

OAKLAND COUNTY BOARDS			
DRAIN BOARD (3)	Consists of Board of Commissioners Chair, Finance Committee Chair and Water Resources Commissioner.	PLAT BOARD (3)	Consists of Board of Commissioners Chair who is Chairperson of the Plat Board, the Clerk/Register of Deeds, and Treasurer.
BOARD OF CANVASSERS (4)	Consists of four members appointed by Board of Commissioners.	EMPLOYEES RETIREMENT COMMISSION (9)	Consists of Board of Commissioners Chair, Finance Committee Chair, County Executive, Treasurer, one citizen appointed by Board of Comm., one retired selected by Oakland County retired employees and three employees selected by retirement system.
STATUTORY PUBLIC CORPORATIONS OR BOARDS AND COMMISSIONS CREATED BY LEGISLATIVE ACTS			
LIBRARY BOARD (7)	Act 138, PA 1917 as amended	ELECTION COMMISSION (9)	Act 116, PA 1954 as amended

COUNTY EXECUTIVE

David Coulter

BOARD OF COMMISSIONERS

Dave Woodward, Chairperson
Marcia Gershenson, Vice-Chairperson

Michael J. Gingell
Robert Hoffman
Janet Jackson
Adam Kochenderfer
Eileen Kowall
Thomas Kuhn

Christine A. Long
Penny Luebs
Gary R. McGillivray
Gwen Markham
Tom Middleton
William Miller
Kristen D. Nelson

Angela Powell
Nancy Quarles
Michael Spisz
Shelley Goodman Taub
Philip J. Weipert
Helaine M. Zack

OTHER ELECTED OFFICIALS

Clerk/Register of Deeds
Lisa Brown

Treasurer
Andy Meisner

Water Resources Commissioner
Jim Nash

Prosecuting Attorney
Jessica R. Cooper

Sheriff
Michael J. Bouchard

Chief Circuit Judge
Shalina Kumar

Chief Probate Judge
Kathleen A. Ryan

Chief District Judge
Joseph G. Fabrizio

AIRPORT COMMITTEE

Eileen Kowall
Christine A. Long
Penny Luebs
Gwen Markham
Nancy Quarles

BUILDING AUTHORITY

Eric McPherson, Chairperson
Andy Meisner, Vice-Chairperson
Jamele Hage, Secretary
David Coulter
Emerson Devon Jackson

PARKS AND RECREATION

Gary R. McGillivray, Chairperson
J. David VanderVeen, Vice-Chairperson
Ebony Bagley, Secretary
Christine A. Long, At-Large Member
Dan J. Stencil, Executive Officer

Amanda Herzog
Gregory C. Jamian

Robert E. Kostin
Andrea LaFontaine

Jim Nash
Nancy Quarles

ROAD COMMISSION

Gregory C. Jamian, Chairperson
Ronald J. Fowkes, Vice-Chairperson
Andrea LaLonde, Commissioner

DRAIN BOARD

Jim Nash, Water Resources Commissioner
Dave Woodward, Board of Commissioners Chairperson
Helaine Zack, Finance Committee Chairperson



Government Finance Officers Association

Certificate of
Achievement
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Reporting

Presented to

**Oakland County
Michigan**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morill

Executive Director/CEO

II. Financial Section

The Financial Section contains:

- A. Independent Auditors' Report**
- B. Management's Discussion and Analysis**
- C. Basic Financial Statements**
- D. Notes to Basic Financial Statements**
- E. Required Supplementary Information**
- F. Combining and Individual Fund Financial Statements and Schedules – Non-Major Funds**

Independent Auditor's Report

To the Board of Commissioners
Oakland County, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Oakland County, Michigan (the "County") as of and for the year ended September 30, 2020 and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

To the Board of Commissioners
Oakland County, Michigan

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Oakland County, Michigan as of September 30, 2020 and the respective changes in its financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplemental Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund statements and schedules, introductory section, and statistical section, as identified in the table of contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules, as identified in the table of contents, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules, as identified in the table of contents, are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical section, as identified in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

To the Board of Commissioners
Oakland County, Michigan

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also issued a report dated March 24, 2021 on our consideration of Oakland County, Michigan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Oakland County, Michigan's internal control over financial reporting and compliance.

Plante & Moran, PLLC

March 24, 2021

County of Oakland

Management's Discussion and Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is a discussion and analysis of Oakland County's (the County) financial performance, providing an overview of the activities for the fiscal year ended September 30, 2020. This analysis should be read in conjunction with the Transmittal Letter, beginning on page 1 of this report, and with the County's financial statements, which follow this section.

*** COVID-19 PANDEMIC ***

The COVID-19 pandemic began in the middle of the County's fiscal year 2020. The pandemic had a significant impact on County operations both logistically and financially. While the County did experience reduced revenue in Charges for Services and Revenue Sharing from the State of Michigan, the County did maintain favorable property tax values and property tax collections. County services were realigned and expenditures were increased significantly to respond to the pandemic. The County received \$219.4 million in Coronavirus Relief Funds from the federal government and used \$90.8 million as of September 30, 2020. The remaining balance of \$128.2 million was used by December 30, 2020. There was also federal pass-through funding received from the State of Michigan for small business program initiatives, public health support, and public safety support. The County took active measures to maintain expenditure control and maximize grant funding to minimize the overall impact on base county financial activities and position. The fiscal year 2020 financial results demonstrate Oakland County's ability to maintain a favorable financial position as of September 30, 2020.

FINANCIAL HIGHLIGHTS

Government-wide:

- In total, Oakland County's financial position increased by \$146.3 million or 9.5 percent during fiscal year 2020, increasing from \$1,537.5 million to \$1,683.8 million (excluding component units).
- Governmental activities net position increased by approximately \$119.1 million, increasing from \$758.4 million to \$877.5 million.
- Business-type activity net position increased \$27.2 million from \$779.1 million to \$806.3 million.

Fund Level:

- At the close of the fiscal year, the County's governmental funds reported combined ending fund balance of \$316.7 million, an overall decrease of \$6.9 million from the fiscal year 2019 governmental funds combined ending fund balance.
- The General Fund balance increased by \$7.3 million from \$259.7 million at the end of fiscal year 2019 to \$267.0 million at the end of fiscal year 2020.
- At the close of the fiscal year, the County's proprietary funds reported a combined ending net position of \$1,185.6 million, consisting of \$806.3 million for the Enterprise Funds (a \$27.2 million increase from fiscal year 2019) and \$379.3 million for the Internal Service Funds (a \$114.7 million increase from fiscal year 2019).

Capital and Long-term Debt Activities:

- The County's capital assets experienced a net increase of \$33.1 million during fiscal year 2020, which is attributed to a \$24.7 million net increase in business type activities and a net increase of \$8.4 million in governmental activities.
- The County reported approximately \$42.1 million in new general government debt and business type debt during fiscal year 2020. This supported debt for general government of \$19.6 million and \$22.2

County of Oakland

Management's Discussion and Analysis

million for business-type debt. Of the \$42.1 million of additions, approximately \$22.5 million was related to refunding bond issues to take advantage of call options and favorable interest rates.

- The County's primary government bond and note obligations decreased by \$64.1 million during fiscal year 2020, which reflects \$32.6 million in payments and refunding activity related to Building Authority debt, \$25.7 million in payments related to Retirees Health Care bonds, and \$5.8 million in payments and refunding activity related to Water and Sewer debt.
- The County is \$7.5 *billion* below its authorized debt limit.

OVERVIEW OF THE FINANCIAL STATEMENTS

The annual financial report of the County consists of the following components: 1) Introductory Section which includes the *Transmittal Letter*; 2) Financial Section which includes the *Auditor's Report*, the *Management Discussion and Analysis*, the *Basic Financial Statements* (government-wide financial statements, fund financial statements, notes to the financial statements), *Required Supplementary Information* such as a budget to actual comparison for the General Fund, additional *Non-Required Information* including combining financial statements for all non-major governmental funds, proprietary funds and fiduciary funds; and 3) Statistical Section which provides a ten (10) year history on specific data regarding the County.

Government-wide Financial Statements (Reporting the County as a Whole)

The set of *basic financial statements* includes the Statement of Net Position and the Statement of Activities, which report information about the County as a whole and about its activities. Their purpose is to assist in answering the question: is the County, in its entirety, better or worse off as a result of this fiscal year's activities? These statements, which include all non-fiduciary assets and liabilities, are reported on the *accrual basis of accounting*, similar to a private business. Accrual accounting means revenues are accounted for when they are *earned*, and expenses are accounted for when an *obligation* is incurred; regardless of when the actual cash is received or disbursed.

The Statement of Net Position presents the entire County's assets and liabilities, recording the difference between the two as "net position." Over time, increases or decreases in net position measure whether the County's financial position is improving or declining.

The Statement of Activities presents information showing how the County's net position changed during fiscal year 2020. All changes in net position are reported based on the period for which the underlying events occur, regardless of the timing of related cash flows. Therefore, revenue and expenses are reported in these statements for some items that will only result in cash flows in future financial periods, such as uncollected taxes and earned but unused employee annual leave.

Both statements report the following activities:

- *Governmental Activities* – Most of the County's basic services are reported under this category. Taxes, charges for services, and intergovernmental revenues primarily fund these services. Most of the County Executive departments, law enforcement, the courts, the Board of Commissioner operations, and other countywide elected official operations are reported under these activities.
- *Business-type Activities* – These activities operate like private businesses. The County charges fees to recover the cost of the services provided. The Oakland County International Airport, Water and Sewer services, and the Parks and Recreation Fund operations are examples of these activities.

County of Oakland Management's Discussion and Analysis

- *Discretely Presented Component Units* – Component units are legally separate organizations for which the Board of Commissioners appoints a majority of the organization's policy board and there is a degree of financial accountability to the County. Two organizations are included as component units: the Road Commission for Oakland County and the Drainage Districts.

As stated previously, the government-wide statements report on an *accrual* basis of accounting. However, the governmental funds report on a *modified accrual basis*. Under modified accrual accounting, revenues are recognized when they are available to pay obligations of the fiscal period, expenditures are recognized when they are due and able to be paid from available resources.

Because of the different basis of accounting between the fund statements (described below) and the government-wide statements, a reconciliation between the two statement types is presented in the financial section. The following summarizes the impact of transitioning from modified accrual to full accrual accounting:

- Capital assets used in governmental activities (depreciation) are not reported on the governmental fund financial statements.
- Capital outlay spending results in capital assets on the government-wide statements, but is reported as expenditures on the governmental fund financial statements.
- Internal service funds are reported as governmental activities on the government-wide statements, but are reported as proprietary funds on the fund financial statements.
- Long-term contingencies, such as litigation, etc., appear as liabilities on the government-wide statements; however they will not appear on the governmental fund financial statements unless current resources are used to pay a specific obligation.
- Bond proceeds are reported as liabilities on the government-wide statements, but are recorded as other financing sources on the governmental fund financial statements.

Fund Financial Statements (Reporting the County's Major Funds)

The fund financial statements provide information on the County's significant (major) funds – not on the County as a whole. A fund is a fiscal and accounting entity with a self-balancing set of accounts that the County uses to keep track of specific sources of funding and spending for a particular purpose. State law or policy requires some separate funds, such as the Child Care Fund; other funds are required by bond or grant agreements, such as the Friend of the Court Fund. Funds are also utilized to track specific operations, which include the internal services funds (e.g. Motor Pool, Fringe Benefits, Building and Liability Insurance, etc.) and enterprise funds (e.g. Airports and Parks and Recreation).

The *basic financial statements* only report major funds as defined by the GASB and the Michigan Department of Treasury. All other funds are classified as non-major funds. The County includes detailed information on its non-major funds in other sections of this report.

The County's funds are divided into three categories – governmental, proprietary, and fiduciary – and use different accounting approaches:

- *Governmental Funds* – Most of the County's basic services are reported in the governmental funds. The focus of these funds is how cash and other financial assets that can be readily converted to cash, flow in and out during the course of the fiscal year, and how the balances left at year-end are available for spending on future services. Consequently, the governmental fund

County of Oakland Management's Discussion and Analysis

statements provide a detailed *short-term* view that helps determine whether there are more or fewer financial resources that may be expended in the near future to finance the County's programs. These funds are reported using the *modified accrual* basis of accounting as described above. Because this basis of accounting differs from the government-wide statements, additional information is provided reconciling the governmental fund statements to the government-wide statements.

Governmental funds include the *General Fund*, as well as *Special Revenue Funds* (use of fund balance is restricted), *Capital Projects Funds* (used to report major capital acquisitions and construction), and *Debt Service Funds* (accounts for resources used to pay long-term debt principal and interest).

- *Proprietary Funds* – Services, for which the County charges customers (whether outside the County structure or a County department) a fee, are generally reported in proprietary funds. Proprietary funds use the *accrual* basis of accounting used in the government-wide statements and by private business. There are two types of proprietary funds. *Enterprise funds* report activities that provide supplies and services to the general public as well as the cities, villages, and townships. An example is the Oakland County International Airport. *Internal Service funds* report activities that provide supplies and a service primarily to the County's other operations, such as the Motor Pool Fund. Internal Service funds are reported as governmental activities on the government-wide statements.
- *Fiduciary Funds* – The County acts as a trustee or fiduciary for its employee pension plans. It is also responsible for other assets that, because of trust arrangements, can only be used for the trust beneficiaries. The County's fiduciary activities are reported in separate statements of Fiduciary Net Position and Changes in Fiduciary Net Position. These funds, which include pension, VEBA, and agency funds, are reported using the accrual basis of accounting. The government-wide statements *exclude* the fiduciary fund activities and balances because these assets are not available to the County to fund its operations.

Notes to the Financial Statements

The Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the detail provided in the government-wide and fund financial statements.

Required Supplementary Information

Following the basic financial statements is additional Required Supplementary Information (RSI) which further explains and supports the information in the financial statements. RSI includes a budgetary comparison schedule for the General Fund and pension trend data.

Other Supplementary Information

Other supplementary information includes combining financial statements for non-major governmental, proprietary, and fiduciary funds. These funds are added together, by fund type, and are presented in single columns in the basic financial statements, but are not reported individually, as are the major funds, on the government-wide statements.

County of Oakland Management's Discussion and Analysis

Special Note:

The fiscal year 2020 Comprehensive Annual Financial Report does not include any new implementations of Governmental Accounting Standards Board (GASB) Statements.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

The government-wide financial analysis focuses on the net position and changes in net position of the County's governmental and business-type activities. As previously stated, Oakland County's overall financial position improved during fiscal year 2020. As reflected on the table below, the County's combined net position increased by \$146.3 million. This includes the net position increase of \$119.1 million (15.7 percent) for governmental activities and the net position increase of \$27.2 million (3.5 percent) for business-type activities.

Oakland County's Net Position (in millions of dollars)

	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current Assets	\$ 787.0	\$ 615.4	\$ 523.0	\$ 499.2	\$ 1,310.0	\$ 1,114.6
Capital Assets	230.0	221.6	363.6	338.9	593.6	560.5
Other Long-term Assets	438.8	439.5	21.6	3.2	460.4	442.7
Total Assets	1,455.8	1,276.5	908.2	841.3	2,364.0	2,117.8
Deferred Outflows of Resources						
Related to Pension	27.0	9.7	-	-	27.0	9.7
Related to OPEB	65.3	52.1	-	-	65.3	52.1
Total Deferred Inflows of Resources	92.3	61.8	-	-	92.3	61.8
Current Liabilities	322.2	166.4	50.7	29.9	372.9	196.3
Other Liabilities	317.2	330.9	51.2	32.3	368.4	363.2
Total Liabilities	639.4	497.3	101.9	62.2	741.3	559.5
Deferred Inflows of Resources						
Related to Pension	-	-	-	-	-	-
Related to OPEB	31.2	82.6	-	-	31.2	82.6
Total Deferred Inflows of Resources	31.2	82.6	-	-	31.2	82.6
Net Position:						
Net Investment in Capital Assets	199.4	183.7	327.1	304.1	526.5	487.8
Restricted	52.5	51.9	122.3	111.1	174.8	163.0
Unrestricted	625.6	522.8	356.9	363.9	982.5	886.7
Total Net Position	\$ 877.5	\$ 758.4	\$ 806.3	\$ 779.1	\$ 1,683.8	\$ 1,537.5

County of Oakland Management's Discussion and Analysis

The following condensed financial information was derived from the government-wide Statement of Activities and reflects how the County's net position changed during the fiscal year:

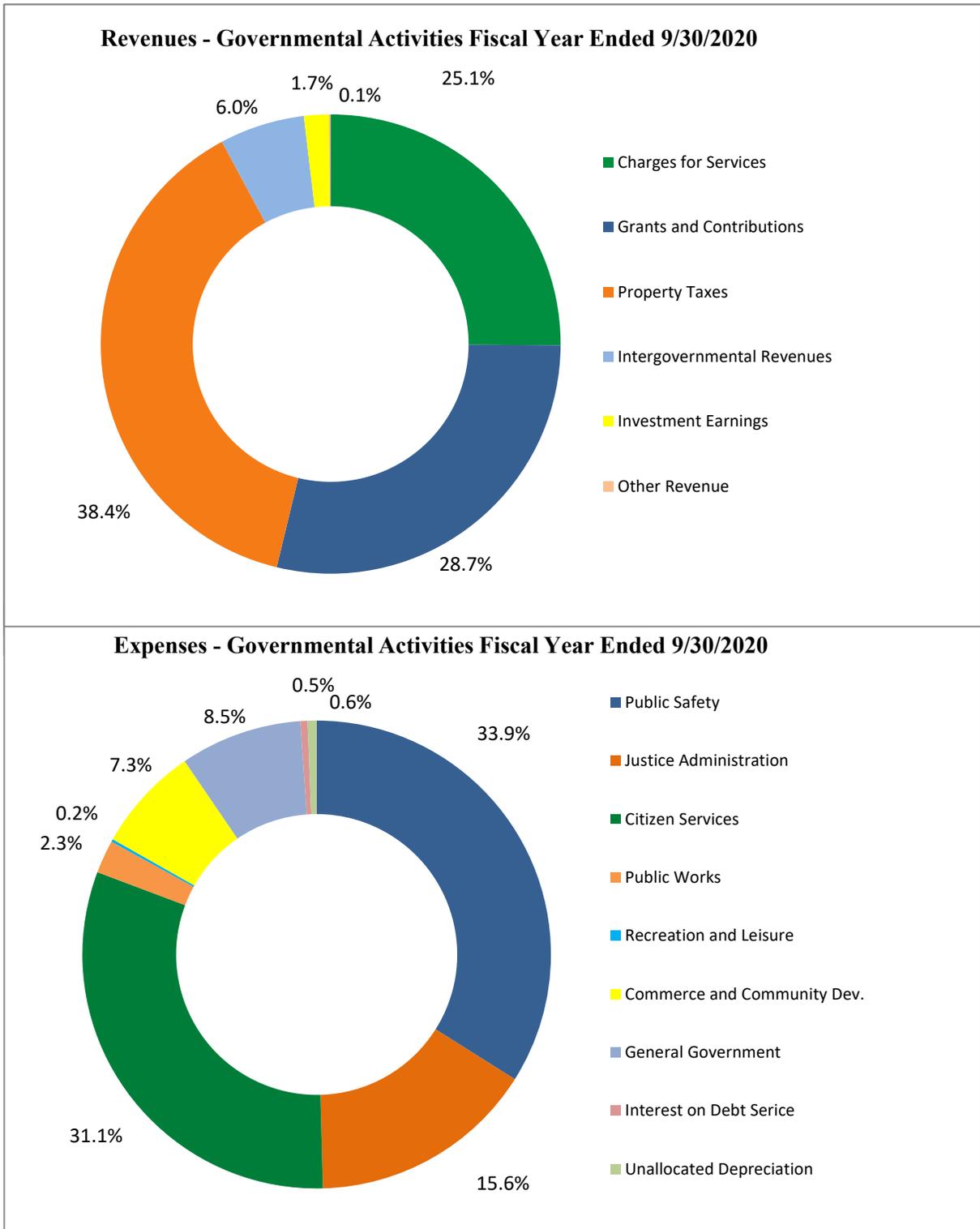
Changes in Oakland County's Net Position (in millions of dollars)

	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenues						
Program Revenues						
Charges for Services	\$ 161.3	\$ 174.8	\$ 293.1	\$ 283.4	\$ 454.4	\$ 458.2
Grants and Contributions						
Operating	184.0	62.6	1.2	1.6	185.2	64.2
Capital	1.8	0.2	12.9	8.6	14.7	8.8
General Revenues						
Property Taxes	247.9	238.8	13.7	13.2	261.6	252.0
Intergovernmental Revenue	38.6	44.7	0.3	0.3	38.9	45.0
Investment Earnings	11.2	12.7	7.5	10.9	18.7	23.6
Other Revenue	0.2	1.5	-	-	0.2	1.5
Gain on Sale of Assets	0.4	0.4	-	-	0.4	0.4
Total Revenues	645.4	535.7	328.7	318.0	974.1	853.7
Expenses						
Public Safety	181.2	175.9	19.7	18.4	200.9	194.3
Justice Administration	83.4	82.2	-	-	83.4	82.2
Citizen Services	166.2	75.9	7.1	6.5	173.3	82.4
Public Works	12.2	26.1	239.4	228.3	251.6	254.4
Recreation and Leisure	1.0	1.1	23.1	26.3	24.1	27.4
Commerce and Community Dev.	38.8	40.4	-	-	38.8	40.4
General Government	45.2	35.1	0.8	1.1	46.0	36.2
Interest on Debt Service	3.1	3.3	-	-	3.1	3.3
Unallocated Depreciation	3.3	3.8	-	-	3.3	3.8
Total Expenses	534.4	443.8	290.1	280.6	824.5	724.4
Revenues (Under) Over Expenditures	111.0	91.9	38.6	37.4	149.6	129.3
Special item - Transfer of water system	-	-	(3.3)	(5.1)	(3.3)	(5.1)
Transfers - On-going	8.1	9.1	(8.1)	(9.1)	-	-
Increase(Decrease) in Net Position	119.1	101.0	27.2	23.2	146.3	124.2
Net Position - Beginning	758.4	657.4	779.1	755.9	1,537.5	1,413.3
Net Position - Ending	\$ 877.5	\$ 758.4	\$ 806.3	\$ 779.1	1,683.8	\$ 1,537.5

County of Oakland Management's Discussion and Analysis

Governmental Activities:

The following charts depict revenue and expenses of the governmental activities for the fiscal year:



County of Oakland Management's Discussion and Analysis

In total, fiscal year 2020 governmental activity revenue increased by \$109.7 million (20.5 percent) from fiscal year 2019 primarily reflecting increased federal and state funding to support COVID-19 pandemic response programs.

Property taxes generated \$247.9 million in revenue, remaining the largest source of support for governmental activities, comprising 38.4 percent of all governmental activity revenue. Governmental activities have decreased their dependency on property taxes; the fiscal year 2020 percentage is far below fiscal year 2008, when property taxes represented 60.6 percent of governmental activity revenue. However, this reduced reliance on property tax revenue is due to reduced property values when compared to 2008 rather than substantial increases from other revenue sources.

Property tax revenue increased by approximately \$9.1 million from the amount realized during fiscal year 2019. This overall increase is primarily due to increasing property taxable values over the past year as well as the timing of property tax collections. The County's operating millage rate of 4.02 mills is the ninth lowest county general operating millage rate in the State. For more details regarding actual property tax collections, please see the statistical section appearing in the last section of this document.

For FY 2020, the second largest source of support for governmental activities is the \$185.8 million received in operating and capital grants contributions, which is 28.8 percent of the total revenue for governmental activities. This amount represents a substantial \$123.0 million increase (195.6 percent) from fiscal year 2019 and reflects federal and state funding in response to the COVID-19 pandemic. Oakland County received \$219.4 million in direct Coronavirus Relief Fund program funding of which approximately \$90.8 million was used as of September 30, 2020. There were also several grants passed through the State of Michigan for the COVID-19 pandemic response related to small business support, public health, and public safety needs. Included in this total change is a \$121.4 million increase in operating grants and a \$1.6 million increase in capital contributions and grants in comparison to fiscal year 2019.

Charges for services, which reflects revenue generated by county operations charging specific benefiting parties for services performed, as well as recognition of other revenues generated by specific programs, is the third largest source of governmental activity revenue, generating \$161.3 million or 24.9 percent of the total. There are a wide variety of activities charged under this category including service rendered to individuals, such as fees for marriage licenses, passports, and access to county records; as well as services rendered to other governmental units including contracted law enforcement and dispatch services, real and personal property assessing services, and the housing of state wards in the County's juvenile facility.

The \$161.3 million collected in fiscal year 2020 represents a \$13.5 million decrease (7.7 percent) from the previous fiscal year. The primary reasons for the decrease is due to law enforcement contract revenue as services for special events did not take place due to the pandemic; reduced court activity due to the pandemic that resulted in less court revenue/collections; and reduced land sale revenue as the land sale activity was suspended during the pandemic.

Oakland County governmental activities also recorded \$38.6 million in intergovernmental revenue during fiscal year 2020, a \$6.1 million decrease from the \$44.7 million received in fiscal year 2019. The decrease is primarily related reduced revenue sharing payments from the State of Michigan due to the COVID-19 pandemic. Intergovernmental revenue is "shared" revenue by the state and federal government and is not tied to contractual obligations such as grant agreements. However, in the case of the convention facility liquor tax revenue, one-half of the revenues distributed by the State under the

County of Oakland Management's Discussion and Analysis

authority of the State Convention Facility Development Act, P.A. 106 of 1985, must be earmarked for substance abuse prevention and treatment programs.

Governmental activities generated \$11.2 million in investment earnings during fiscal year 2020; this amount reflects a \$1.5 million decrease (11.8 percent) from the amount earned in fiscal year 2019. The decrease is substantially due to reduced investment earnings and market value adjustments in comparison to the previous year. The County's investment pool rates continue to outperform U.S. Treasury rates.

Governmental activity fiscal year expenses increased \$90.6 million from the fiscal year 2019 expense level, a 20.4 percent increase from the previous fiscal year. The increase was primarily attributed to the utilization of federal, state, and county funding in response to the COVID-19 pandemic.

Public Safety continued to be the largest governmental activity, expensing \$181.2 million of the \$534.4 million total governmental activities amount (33.9 percent). Public Safety, which encompasses law enforcement, crime prevention, incarceration, emergency management, and technical support, experienced a \$5.3 million increase (3.0 percent) in comparison to the previous fiscal year. The primary reason for the increase is related to personnel costs and hazard pay that was provided during the height of the pandemic.

Citizen Services, which includes all public health activities, public services such as Veterans' Services, and the care of children who have been declared wards of the Oakland County Family Court, is the second largest governmental activity with \$166.2 million in expenses, or 31.1 percent of the total governmental activities. Expenses increased by \$90.3 million from the fiscal year 2019 level (118.9 percent). The overall increase is largely related the COVID-19 pandemic programming efforts that were described in the Transmittal Letter.

Justice Administration is the third largest expense category accounting for \$83.4 million, or 15.6 percent of the total governmental activity expenses. The Justice Administration activity, which centers on the operations of the 6th Judicial Circuit Court and 52nd District Court, as well as the Prosecuting Attorney and County Clerk functions which support the courts and the Reimbursement Unit of the Fiscal Services Division, experienced a \$1.2 million increase (1.5 percent) from the previous fiscal year. This increase primarily relates to personnel costs and costs associated with the Michigan Indigent Defense Commission activity.

The Public Works activity, which includes the operating systems that form the infrastructure of basic county functions, expensed \$12.2 million in fiscal year 2020, or 2.3 percent of the total governmental activities expenses. This level of expense is a net decrease of \$13.9 million (53.2 percent) from fiscal year 2019. Most of this decrease is due to fluctuating Act 342 water and sewer projects and other infrastructure projects that did not meet capitalization thresholds.

Commerce and Community Development, which reflects all efforts to promote and sustain a strong economic business climate and vibrant communities, experienced \$38.8 million in expenses, or 7.3 percent of the total governmental activities. This reflects a decrease of \$1.6 million (3.9 percent) from fiscal year 2019. The majority of the decrease is related to the timing of Community Development Block Grant awards (please note the pandemic related programming for Community Development Block Grants is captured under Citizen Services activity).

County of Oakland Management's Discussion and Analysis

The General Government activity, which is comprised of the administration and financial management of County business, expensed \$45.2 million in fiscal year 2020, or 8.5 percent of the total governmental activity expenses. The level of expenses in fiscal year 2020 increased by \$10.1 million (28.8 percent) from fiscal year 2019 level. The overall increase is the result of an estimated liability recorded for the *Rafaeli, LLC v Oakland County* court case. It is important to note that this court case could further financially impact Oakland County as well as other Michigan counties that were following the General Property Tax Act (MCL 211.1 et seq). The court case was initially filed in 2014 and the initial \$9.6 million liability estimate was recorded based on reasonable assumptions of pending legislation at the time of closing the financial records in the fall of 2020 to limit the retroactive claim period. It is not clear at this time that the final form of that legislation, as enacted, will have the effect of limiting the retroactive claim period. The court decision as to any retroactive claim period, which has a direct impact on the claim amount, has not occurred as of the finalization of the FY 2020 financial report.

As stated previously, the result of fiscal year 2020 governmental activity was an overall increase of \$119.1 million in net position, to \$877.5 million. Of the total \$877.5 million in governmental activities' net position, \$199.4 million is invested in capital assets; \$52.5 million is reported as restricted, meaning these assets are legally committed for a specific purpose through statute or by another authority outside the County government; and \$625.6 million is reported as unrestricted.

Business-type Activities:

Net position in business-type activities is reported at \$806.3 million for fiscal year 2020, an increase of \$27.2 million (3.5 percent) over the amount reported at the end of fiscal year 2019. Of the total net position, \$327.1 million is for the net investment in capital assets, \$122.3 million is restricted, and \$356.9 million is reported as unrestricted. It is important to note that although reported as unrestricted, many of these assets have been reserved through Board of Commissioners resolutions to be spent on specific activities.

During fiscal year 2020, business-type activities generated \$328.7 million in revenue; this is an increase of \$10.7 million (3.4 percent) from the previous fiscal year. The overall change primarily reflects an increase in interceptor sewage disposal system revenue as well as retail water and sewer revenue.

Business-type activity recorded expenses of \$290.1 million, an increase of \$9.5 million from fiscal year 2019 (3.4 percent). This overall increase is primarily for Public Works activity and primarily relates to a liability for a 2014 stormwater claim settlement recently reached for the Southeastern Oakland County Sewage Disposal System.

FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS

GASB Statement 34 requires that funds designated as "major" be presented as a separate column on the face of the financial statements. Statement 34 defines a "major fund" as the General Fund, and any governmental or enterprise fund which has either total assets, total liabilities, total revenues or total expenditures/expenses that equal at least ten (10) percent of those categories for either the governmental funds or the enterprise funds *and* where the individual fund total also represents five (5) percent of those categories for governmental and enterprise funds combined.

County of Oakland

Management's Discussion and Analysis

Governmental Funds

Two (2) governmental funds are designated as major funds of the County: the *General Fund* and the *Water and Sewer Debt Act 342 Fund*. As the County completed fiscal year 2020, the governmental funds reported *combined* fund balances of \$316.7 million with the fund balances of the General Fund and the Water & Sewer Debt Act 342 representing 84.3 percent of the combined governmental funds balance.

The fiscal year ending combined fund balances of \$316.7 million represents a decrease of \$6.9 million from the combined fund balances reported at the end of fiscal year 2019. The overall decrease in the combined governmental fund balances includes a \$7.3 million increase to the General Fund balance. The Water and Sewer Debt Act 342 remained relatively unchanged. The non-major governmental funds decreased by \$14.3 million overall and primarily reflects the timing of expenditures in the special revenue and capital project funds.

General Fund

The General Fund is the principal operating fund of the County. Unless otherwise required by statute, contractual agreement, or policy, all County revenues and expenditures are recorded in the General Fund. As of September 30, 2020 the General Fund reported a fund balance of \$267.0 million. This amount reflects an increase of \$7.3 million (2.8 percent) from the fund balance of \$259.7 million reported as of September 30, 2019.

The overall \$7.3 million increase in the General Fund balance is a result of General Fund revenues exceeding General Fund expenditures by \$59.2 million. In addition, the General Fund received \$6.2 million transfers from other funds, while transferring \$58.1 million to other funds, rendering a net “transfer-out” of \$51.9 million.

General Fund revenues were recorded at \$526.3 million for fiscal year 2020. This amount is an increase of \$97.1 million (22.6 percent) from the \$429.2 million received in fiscal year 2019. The majority of the increase is due to federal and state funding provided in response to the COVID-19 pandemic, as well as improved property taxable values and property tax collections.

General Fund expenditures were \$467.0 million, an increase of \$97.1 million from the fiscal year 2019 level (24.7 percent). Again, the overall change primarily reflects programming in response to the COVID-19 pandemic.

The General Fund received \$6.2 million in transfers from other funds; this is a decrease of \$0.6 million (8.8 percent) from the amounts transferred during fiscal year 2019. This decrease relates to eligible amounts authorized for transfer from restricted funds and the completion and close out of projects in comparison to the previous year.

The General Fund transferred \$58.1 million to other funds during fiscal year 2020. This amount is \$11.4 million more (24.4 percent) than the fiscal year 2019 transfers. The increase largely reflects transfers made in fiscal year 2020 in response to the COVID-19 pandemic for small business support grant programs and county departmental support services such as Information Technology and Facilities Management.

Of the total \$267.0 million General Fund balance, all but \$2.3 million is Non-Spendable, Restricted, or Assigned for specific purposes. The total fiscal year 2020 General Fund balance of \$267.0 million

County of Oakland Management's Discussion and Analysis

represents 50.8 percent of the fiscal year 2020 General Fund operations. However, when removing Non-Spendable, Restricted, or Assignments that were specifically for encumbrance or carryforward amounts, that leaves fund balance of approximately \$245.6 million or 46.8 percent of fiscal year 2020 General Fund operations. The General Fund balance of \$267.0 million represents 84.3 percent of the combined fund balances of the governmental funds.

General Fund Budgetary Highlights

Oakland County's budget is a dynamic document and process. Although the FY 2020 budget was adopted on September 25, 2019 (prior to the start of the fiscal year), the budget is frequently amended during the course of the fiscal year to reflect changing operational demands.

The General Fund revenue budget was increased by \$101.5 million (24.1 percent) during the fiscal year 2020 from \$420.7 million to \$522.2 million. The substantial increase is for the federal and state funding provided to aid in the COVID-19 pandemic response.

Actual General Fund revenue totaled \$526.3 million, \$4.0 million more than the amended budget. Although variances naturally occur in every revenue line item, the most significant reason for this variance is the Investment Income favorability of \$4.2 million in comparison to the budgeted amount, primarily due to market rate adjustments and the increased cash base given the up-front COVID-19 pandemic funding and that was available for use beyond September 30, 2020. Also, favorable property tax revenue of \$1.3 million was primarily due to a 0.21% improvement of taxable value over the adopted budget amount as well as the timing of property tax collections. Intergovernmental Revenue was also \$1.0 million favorable overall largely due to an excess distribution from the State of Michigan for personal property tax loss reimbursement. The overall favorability was partially offset by unfavorable \$2.9 million Charges for Services revenue primarily due to the COVID-19 pandemic.

The General Fund expenditure budget increased \$97.6 million (23.6 percent) from \$413.8 million to \$511.4 million during fiscal year 2020. The majority of the amendments were related to various support appropriations authorized for the pandemic response. Also, there were appropriations made during fiscal year 2020 of \$1.9 million in new Local Road Improvement program projects and new Tri-Party Road Improvement Program projects in the amount of \$1.1 million.

The General Fund expenditures for fiscal year 2019 were \$44.4 million below budget. This favorable variance from the budget reflects 'normal' operations being reduced because of the COVID-19 pandemic and service delivery being focused only on critical functions. Of the \$44.4 million favorability, about \$9.8 million was related to salary and fringe benefit savings as all authorized positions were fully budgeted in FY 2020. There was also \$32.5 million in contractual/commodity operating favorability as many budgeted operations were not carried out due to the pandemic or due to conscious efforts of the County's elected officials to limit expenditures wherever possible. Approximately \$14.1 million of the \$32.5 million favorability was included as a carry forward request to be re-appropriated in FY 2021. Carry forwards included unspent funds for Salary Adjustment Reserve, Tri-Party Road Improvement Projects, Grant Match, Juvenile Resentencing, Capital Outlay, and various departmental requests, which were carried forward into the fiscal year 2021 budget to complete the projects.

The adopted budget also included other financing sources and uses for General Fund operations, essentially the net result of the General Fund receiving resources from other funds less the amount of General Fund resources provided to (or transferred to) other funds. The adopted budget assumed that the General Fund would transfer \$37.5 million more in resources to other funds (financing uses) than it would

County of Oakland Management's Discussion and Analysis

take in from other funds (financing sources). The financing uses budget was increased during fiscal year 2020 by \$24.8 million from \$43.0 million to \$67.8 million. Major amendments included \$13.8 million in appropriation transfers to further support small business pandemic grant programs, \$7.3 million to internal services funds that provided required pandemic operational support including both technology and facility needs, and \$1.9 million for the FY 2020 Michigan Indigent Defense Commission Grant Program related to the Michigan Indigent Defense Commission Act (MIDC Act), MCL 780.981 et. al., delivery of indigent defense systems, as specified in MIDC Standards 1 through 4. There was also an amendment of \$1.5 million to make renovations to the North Oakland Health Center and the South Oakland Health Center to enable improved community health services through a contractual arrangement with Honor Community Health.

Actual financing uses from the General Fund were \$9.7 million less than budgeted. This variance largely reflects actual operational requirements for the Child Care Fund (\$5.8 million), Building Improvement Fund (\$1.5 million), Housing & Community Development Grants (\$589,161), the Friend of the Court Grant Fund (\$393,213), Law Enforcement Grants (\$155,880), and various other grants (\$993,053) as transfers are based on actual operational activity.

The Water and Sewer Debt Act 342

The remaining governmental fund classified as major is the *Water and Sewer Debt Act 342 Fund*, which experienced an increase in fund balance of \$2,701 to report a total fund balance of \$22,390.

Enterprise Funds

There are seven (7) *enterprise funds* that are classified as major: the *Parks and Recreation Fund*, the *Delinquent Tax Revolving Fund*, the *County Airport Fund*, the *Water and Sewer Trust Fund*, the *Evergreen-Farmington Sewage Disposal System (EFSDS) Fund*, the *Southeast Oakland County Sewage Disposal System (SOCSDS) Fund*, and the *Clinton Oakland Sewage Disposal System (COSDS) Fund*. As of September 30, 2020, the Enterprise Funds had a combined net position of \$806.3 million, an increase of \$27.2 million from the combined net position reported at the end of fiscal year 2019. The seven major enterprise funds reported net positions of \$730.4 million (90.6 percent of the total combined Enterprise net position). The net position of these seven major Enterprise funds increased overall by \$14.0 million and the non-major enterprise funds increased by \$13.2 million for fiscal year 2020.

Four of the seven major Enterprise Funds experienced an increase in net position. The *Delinquent Tax Revolving Fund (DTRF)* ended fiscal year 2020 with a net position of \$205.6 million, \$4.1 million (2.0 percent) more than the net position recorded at the end of fiscal year 2019. This increase is primarily the result of continued payment plan collection efforts and favorable investment income due to market value adjustments as of September 30, 2020.

The *Water and Sewer Trust Fund* realized a \$12.0 million increase (7.6 percent) in fiscal year 2020 to report a net position of \$170.2 million. This overall increase is mainly attributed to fluctuations in operating activity for the various water and sewer systems. The overall increase was partially offset by the transfer of water system assets to Oxford Township.

The *Evergreen-Farmington Sewage Disposal System Fund (EFSDS)* increased in net position by \$5.0 million (5.2 percent) to \$101.0 million. The increase in net position is attributed to fluctuating operating activity over the prior year and to capital asset contributions from Act 342 projects.

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The *Clinton Oakland Sewage Disposal System Fund (COSDS)* ended fiscal year 2020 with a net position of \$46.7 million, almost \$1.9 million (4.2 percent) more than the net position recorded at the end of fiscal year 2019. The increase in net position is primarily for fluctuating operating activity over the prior year.

The *County Airport Fund* recorded a net position of \$80.4 million as of September 30, 2020. This reflects a decrease of approximately \$1.8 million (2.2 percent) in net position from fiscal year 2019. The primary reason is due to the timing of capital contributions recognized from the completion of federal and state sponsored projects.

The *Parks and Recreation Fund* net position decreased \$1.9 million (2.2 percent) during fiscal year 2020 to a total of \$85.2 million in net position. This decrease resulted from operating expenses outpacing charges for services and property tax revenue as well as overall reductions in operating activity due to the COVID-19 pandemic.

The *Southeast Oakland County Sewage Disposal System Fund (SOCSDS)* experienced a \$5.3 million decrease (11.4 percent) in net position to \$41.2 million. The decrease is primarily due to a liability adjustment for the recently reached settlement for a 2014 stormwater claim.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets – The County categorizes its capital assets as follows: land, land improvements, building and improvements, equipment and vehicles, infrastructure, and construction in progress.

At the end of fiscal year 2020, the County had invested \$593.6 million, net of accumulated depreciation. This amount of net capital assets reflects an increase of \$33.1 million from fiscal year 2019. As seen in the table below, this is attributed to a \$8.4 million increase in governmental activities and a \$24.7 million increase to business-type activities. The overall change is largely related to on-going infrastructure and technology projects in progress for both governmental and business-type activities.

Oakland County's Capital Assets
(net of depreciation, in millions of dollars)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Land	\$ 7.4	\$ 7.4	\$ 68.5	\$ 68.5	\$ 75.9	\$ 75.9
Land Improvements	0.4	0.2	12.5	13.9	12.9	14.1
Buildings and Improvements	141.7	147.6	49.9	52.9	191.6	200.5
Equipment and Vehicles	24.2	27.4	21.6	15.8	45.8	43.2
Infrastructure	16.9	14.5	62.5	67.8	79.4	82.3
Subtotal	190.6	197.1	215.0	218.9	405.6	416.0
Construction in Progress	39.4	24.5	148.6	120.0	188.0	144.5
Total Capital Assets	\$ 230.0	\$ 221.6	\$ 363.6	\$ 338.9	\$ 593.6	\$ 560.5

County of Oakland Management's Discussion and Analysis

Please review Note 7 of the financial statements, for additional information regarding capital assets.

Long-term Debt - As of September 30, 2020, the Primary Government had \$352.7 million in limited taxing authority bonds outstanding. This represents a \$21.9 million decrease from September 30, 2019 in the limited tax authority bonds. In addition, the County uses its full faith and credit, as a secondary obligor, to back \$280.5 million of Drainage District component unit debt. The Drainage District component unit debt experienced an overall increase of \$43.2 million in fiscal year 2020.

Outstanding Debt as of September 30, 2020 (in millions of dollars)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Bonds - Limited Tax Authority	\$ 301.5	\$ 339.8	\$ 51.2	\$ 34.8	\$ 352.7	\$ 374.6
Total Bonds	\$ 301.5	\$ 339.8	\$ 51.2	\$ 34.8	\$ 352.7	\$ 374.6
Notes - Limited Tax Authority	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Outstanding Debt	\$ 301.5	\$ 339.8	\$ 51.2	\$ 34.8	\$ 352.7	\$ 374.6

	<u>Drainage Districts Component Unit</u>		<u>Total County Commitment</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Bonds - Limited Tax Authority	\$ 280.5	\$ 237.3	\$ 633.2	\$ 611.9
Total Bonds	\$ 280.5	\$ 237.3	\$ 633.2	\$ 611.9
Notes - Limited Tax Authority	\$ -	\$ -	\$ -	\$ -
Total Outstanding Debt	\$ 280.5	\$ 237.3	\$ 633.2	\$ 611.9
Debt Limit (10% of SEV)			\$ 8,119.5	\$ 7,671.6
Available Statutory Debt Limit			\$ 7,486.3	\$ 7,059.7

Oakland County issued approximately \$42.1 million in general government and business-type activity debt in fiscal year 2020. Of the \$42.1 million, \$19.6 million is for governmental-type activities of which \$18.8 million is attributed to eligible bond issues being refinanced due to favorable interest rates.

Business-type activities included \$22.2 million in new issues of which \$15.1 million was related to the County's Public Safety Radio Replacement project, \$4.1 million related to water and sewer infrastructure projects, and approximately \$3.0 million related to eligible bond issues being refinanced due to favorable interest rates.

During fiscal year 2020, \$64.0 million in outstanding general government and business-type debt was paid or refunded to take advantage of bond issues eligible for refinancing.

The Drainage Districts component unit issued \$69.7 million in new or refunding debt during fiscal year 2020 and retired about \$26.4 million in debt obligations. Most of the new debt is related to continued improvements of the Oakland Macomb Interceptor Drainage District (OMIDD) with the debt being paid from assessments to benefitting public corporations (communities) of the OMIDD.

County of Oakland Management's Discussion and Analysis

A more detailed discussion of the County's long-term debt obligations is presented in Note 8 to the financial statements.

Bond Ratings

The County's general obligations are rated AAA by Standards and Poor's and Aaa by Moody's Investors Services.

Limitations on Debt

State statute limits the County's debt obligations to 10 percent of the current state equalized value (SEV). The County's SEV as of September 30, 2020 was \$81.2 billion. The County is \$7.5 billion below its authorized debt limit.

ECONOMIC OUTLOOK

Oakland County is recognized as one of the most prosperous counties in the nation. As detailed in the *Transmittal Letter* preceding this *Management's Discussion and Analysis*, while the unemployment rate spiked to 19.5% in April 2020 as a result of the pandemic, Oakland County's unemployment rate declined to 7.8% as of December 2020. University of Michigan economists reported in September 2020 that while the County was expected to lose approximately 68,000 jobs in 2020 as a result of the pandemic, they forecasted that Oakland County is expected to enjoy faster job recovery than Michigan overall with the County forecasted to recover 29,100 jobs in 2021 and 14,300 jobs in 2022.

The budget assumptions in the FY 2021 – FY 2023 adopted budget document includes an estimated 1.80% increase in taxable value as of December 31, 2020 (FY 2021 revenue); a 3.50% increase of taxable value as of December 31, 2021 (FY 2022 revenue); and an additional 4.25% increase in taxable value as of December 31, 2022 (FY 2023 revenue). Every 1.0 percent increase in taxable value adds approximately \$2.5 million to the County's property tax revenue.

The initiatives taken by the County's Elected Officials and Administration have resulted in structural reductions of county expenses as well as generating additional fund balance in excess of the 20 percent of annual operating expenditures targeted fund balance level. On September 23, 2020, the Oakland County Board of Commissioners adopted a balanced budget for fiscal years 2021, 2022, and 2023 (through September 30, 2023). That document also includes budget estimates for fiscal years 2024 and 2025.

Finally, Oakland County leadership continues monitor and to take appropriate action in response to the on-going COVID-19 pandemic in order to protect its residents and support its local economy.

CONTACTING THE COUNTY'S DEPARTMENT OF MANAGEMENT AND BUDGET

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If there are questions about this report, or a need for additional information, contact the Department of Management and Budget, Fiscal Services Division at (248) 858-0940.

**Basic
Financial Statements**

County of Oakland
Statement of Net Position
September 30, 2020

	Primary Government			Component Units
	Governmental Activities	Business- Type Activities	Totals	
Assets				
Current assets				
Pooled cash and investments	\$ 627,828,884	\$ 399,731,013	\$ 1,027,559,897	\$ 60,421,533
Cash and cash equivalents	-	-	-	71,357,871
Investments, at fair value	16,501,806	-	16,501,806	-
Receivables (net of allowance for uncollectibles where applicable)				
Current property taxes	23,798,103	-	23,798,103	-
Delinquent property taxes	622,453	49,905,763	50,528,216	-
Special assessments receivable	-	-	-	10,899,548
Due from other governmental units	29,461,287	22,490,213	51,951,500	4,841,539
Due from primary government	-	-	-	95
Due from component units	672,897	102,489	775,386	-
Accrued interest receivable	2,205,009	4,076,619	6,281,628	286,219
Accounts receivable	5,971,810	41,344,086	47,315,896	22,977,425
Contracts receivable	66,270,024	1,941,542	68,211,566	-
Internal balances	13,905	(13,905)	-	-
Inventories and supplies	1,961,278	306,800	2,268,078	4,778,003
Prepayments and other assets	11,697,601	3,100,129	14,797,730	3,130,492
Total current assets	<u>787,005,057</u>	<u>522,984,749</u>	<u>1,309,989,806</u>	<u>178,692,725</u>
Noncurrent assets				
Restricted cash	-	18,619,674	18,619,674	64,130,588
Special assessments receivable	54,490,199	-	54,490,199	225,817,684
Due from other governmental units	-	2,980,530	2,980,530	-
OPEB asset	384,338,239	-	384,338,239	-
Capital assets, net				
Land and other nondepreciable assets	46,780,971	217,108,861	263,889,832	396,207,236
Land improvements, net	445,905	12,493,171	12,939,076	521,274
Buildings and improvements, net	141,654,513	49,929,262	191,583,775	64,578,921
Equipment and vehicles, net	24,184,991	21,613,580	45,798,571	21,149,028
Infrastructure, net	16,921,842	62,466,109	79,387,951	1,169,788,023
Total capital assets, net	<u>229,988,222</u>	<u>363,610,983</u>	<u>593,599,205</u>	<u>1,652,244,482</u>
Total noncurrent assets	<u>668,816,660</u>	<u>385,211,187</u>	<u>1,054,027,847</u>	<u>1,942,192,754</u>
Total assets	<u>1,455,821,717</u>	<u>908,195,936</u>	<u>2,364,017,653</u>	<u>2,120,885,479</u>
Deferred Outflows of Resources				
Deferred outflows related to pension	26,980,166	-	26,980,166	4,585,119
Deferred outflows related to OPEB	65,352,798	-	65,352,798	20,515,624
Total deferred outflows of resources	<u>92,332,964</u>	<u>-</u>	<u>92,332,964</u>	<u>25,100,743</u>

(continued)

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

County of Oakland
Statement of Net Position (Continued)
September 30, 2020

	Primary Government			Component Units
	Governmental Activities	Business- Type Activities	Totals	
Liabilities				
Current liabilities				
Vouchers payable	\$ 33,251,109	\$ 21,609,890	\$ 54,860,999	\$ 24,491,046
Accrued payroll	12,516,835	232,760	12,749,595	-
Due to other governmental units	1,513,265	816,322	2,329,587	1,094,436
Due to primary government	-	-	-	775,386
Due to component units	95	-	95	-
Accrued interest payable	378,287	304,082	682,369	-
Other accrued liabilities	36,786,230	20,954,136	57,740,366	13,202,038
Accrued compensated absences	1,654,822	-	1,654,822	-
Unearned revenue	190,609,191	2,881,653	193,490,844	97,763,541
Claims and judgments	7,750,768	-	7,750,768	711,123
Bonds and notes payable	37,756,800	3,914,900	41,671,700	22,355,100
Total current liabilities	<u>322,217,402</u>	<u>50,713,743</u>	<u>372,931,145</u>	<u>160,392,670</u>
Noncurrent liabilities				
Accrued compensated absences	14,893,399	-	14,893,399	3,783,997
Claims and judgments	14,198,025	-	14,198,025	794,818
Net pension liability	22,497,565	-	22,497,565	36,882,420
Net OPEB obligation	-	-	-	126,288,932
Bonds and notes payable	263,735,909	47,295,012	311,030,921	258,167,669
Unamortized premiums on bonds	1,913,565	3,911,389	5,824,954	7,640,486
Total noncurrent liabilities	<u>317,238,463</u>	<u>51,206,401</u>	<u>368,444,864</u>	<u>433,558,322</u>
Total liabilities	<u>639,455,865</u>	<u>101,920,144</u>	<u>741,376,009</u>	<u>593,950,992</u>
Deferred Inflows of Resources				
Deferred Inflows related to pension	-	-	-	6,309,492
Deferred Inflows related to OPEB	31,221,928	-	31,221,928	12,486,405
Total deferred inflows of resources	<u>31,221,928</u>	<u>-</u>	<u>31,221,928</u>	<u>18,795,897</u>
Net Position				
Net investment in capital assets	199,348,222	327,109,356	526,457,578	1,435,852,301
Restricted for				
Property tax forfeiture	-	-	-	-
Superseding Trust - OPEB	16,744,693	-	16,744,693	-
Public safety	10,419,244	-	10,419,244	-
Citizens services	7,524,804	-	7,524,804	-
Public works	1,398,459	-	1,398,459	26,295,068
Justice Administration	2,658,233	-	2,658,233	-
Commerce and community development	8,127,382	-	8,127,382	-
Debt service	5,638,628	-	5,638,628	151,614,790
Airports	-	-	-	-
Community water and sewer	-	122,316,499	122,316,499	-
Unrestricted	<u>625,617,223</u>	<u>356,849,937</u>	<u>982,467,160</u>	<u>(80,522,826)</u>
Total net position	<u>\$ 877,476,888</u>	<u>\$ 806,275,792</u>	<u>\$ 1,683,752,680</u>	<u>\$ 1,533,239,333</u>

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

County of Oakland
Statement of Activities
Year Ended September 30, 2020

	Expenses	Program Revenues			Net Revenue (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Functions/Programs					
Primary government					
Governmental activities					
General government, administrative	\$ 45,235,353	\$ 20,723,525	\$ 772,768	\$ -	\$ (23,739,060)
Public safety	181,218,780	69,317,706	18,573,921	47,165	(93,279,988)
Justice administration	83,420,779	25,999,629	5,784,960	1,176,908	(50,459,282)
Citizen services	166,218,189	7,678,391	140,807,013	512,800	(17,219,985)
Public works	12,162,537	16,194,572	-	-	4,032,035
Recreation and leisure	958,837	3,968	-	-	(954,869)
Commerce and community development	38,828,613	21,372,375	18,118,102	-	661,864
Unallocated depreciation	3,287,405	-	-	-	(3,287,405)
Interest on debt	3,089,502	-	-	-	(3,089,502)
Total governmental activities	<u>534,419,995</u>	<u>161,290,166</u>	<u>184,056,764</u>	<u>1,736,873</u>	<u>(187,336,192)</u>
Business-type activities					
Airports	7,101,012	4,622,299	297,432	22,106	(2,159,175)
Community safety support	19,678,111	17,066,500	-	2,114,445	(497,166)
Community tax financing	838,789	12,293,716	-	-	11,454,927
Community water and sewer	90,362,472	104,098,318	32,458	-	13,768,304
Recreation and leisure	23,046,773	6,365,194	274,351	2,923	(16,404,305)
Sewage disposal systems	149,057,323	148,678,133	535,493	10,773,357	10,929,660
Total business-type activities	<u>290,084,480</u>	<u>293,124,160</u>	<u>1,139,734</u>	<u>12,912,831</u>	<u>17,092,245</u>
Total primary government	<u>\$ 824,504,475</u>	<u>\$ 454,414,326</u>	<u>\$ 185,196,498</u>	<u>\$ 14,649,704</u>	<u>\$ (170,243,947)</u>
Component units					
Drainage districts	\$ 110,383,482	\$ 102,979,082	\$ 122,924	\$ 10,041,108	\$ 2,759,632
Road commission	133,068,151	18,799,197	103,608,028	61,623,457	50,962,531
Total component units	<u>\$ 243,451,633</u>	<u>\$ 121,778,279</u>	<u>\$ 103,730,952</u>	<u>\$ 71,664,565</u>	<u>\$ 53,722,163</u>

(continued)

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

County of Oakland
Statement of Activities (Continued)
Year Ended September 30, 2020

	Primary Government			Component Units
	Governmental Activities	Business- Type Activities	Totals	
<u>Changes in net position</u>				
Net (expense) revenue	\$ (187,336,192)	\$ 17,092,245	\$ (170,243,947)	\$ 53,722,163
General revenues				
Taxes				
Property taxes	247,883,604	13,735,450	261,619,054	-
State-shared revenue (unrestricted)	38,533,633	301,929	38,835,562	-
Unrestricted investment earnings	11,238,803	7,475,187	18,713,990	2,393,181
Gain (loss) on sale of capital assets	432,430	-	432,430	270,731
Other revenues	220,576	-	220,576	-
Special item - Transfer of water system to Oxford Township	-	(3,344,522)	(3,344,522)	-
Transfers in (out)	8,063,054	(8,063,054)	-	-
Total general revenues, transfers and special item	<u>306,372,100</u>	<u>10,104,990</u>	<u>316,477,090</u>	<u>2,663,912</u>
Change in net position	<u>119,035,908</u>	<u>27,197,235</u>	<u>146,233,143</u>	<u>56,386,075</u>
Net position				
Beginning	<u>758,440,980</u>	<u>779,078,557</u>	<u>1,537,519,537</u>	<u>1,476,853,258</u>
Ending	<u>\$ 877,476,888</u>	<u>\$ 806,275,792</u>	<u>\$ 1,683,752,680</u>	<u>\$ 1,533,239,333</u>

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

Governmental Fund Financial Statements

Major Funds

General Fund - The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

Water and Sewer Debt Act 342 Fund - This fund was established to account for the accumulation of resources, mainly special assessments, for the payment of bonded debt issued for the construction of water and sewer systems under Public Act 342 of 1939.

Non-Major Funds

Non-major governmental funds are presented, by fund type, in the following sections:

Special revenue funds

Debt service funds

Capital projects funds

**County of Oakland
Balance Sheet
Governmental Funds
September 30, 2020**

	Major Funds			Totals September 30, 2020
	General	Water and Sewer Debt Act 342	Non-Major Funds	
Assets				
Pooled cash and investments	\$ 414,215,420	\$ 1,071,536	\$ 70,014,035	\$ 485,300,991
Receivables (net of allowance for uncollectibles where applicable)				
Current property taxes	23,798,103	-	-	23,798,103
Delinquent property taxes	622,453	-	-	622,453
Due from other governmental units	14,409,575	-	14,999,706	29,409,281
Due from component units	45,160	-	570,383	615,543
Accrued interest receivable	747,104	-	206,112	953,216
Accounts receivable	7,485,697	-	860,704	8,346,401
Contracts receivable	56,831,224	-	9,438,800	66,270,024
Special assessments receivable		52,295,727	2,194,472	54,490,199
Due from other funds	20,893,817	22,590	17,890,572	38,806,979
Advances receivable	-	-	899,163	899,163
Inventories	261,038	-	-	261,038
Prepayments and other assets	229,996	-	1,964,799	2,194,795
Total assets	<u>\$ 539,539,587</u>	<u>\$ 53,389,853</u>	<u>\$ 119,038,746</u>	<u>\$ 711,968,186</u>
Liabilities				
Vouchers payable	\$ 19,464,125	\$ 1,070,715	\$ 3,875,190	\$ 24,410,030
Accrued payroll	10,973,187	-	741,021	11,714,208
Due to other governmental units	947,522	-	3,249	950,771
Due to other funds	23,070,605	771	21,337,259	44,408,635
Advances payable	-	-	899,163	899,163
Unearned revenue	180,517,427	-	9,463,446	189,980,873
Other accrued liabilities	22,163,766	250	13,002,003	35,166,019
Total liabilities	<u>257,136,632</u>	<u>1,071,736</u>	<u>49,321,331</u>	<u>307,529,699</u>
Deferred Inflows of Resources				
Unavailable revenue-property taxes	10,498,792	-	-	10,498,792
Unavailable revenue-special assessments	-	52,295,727	2,194,472	54,490,199
Unavailable revenue-grants	189,845	-	5,940,479	6,130,324
Unavailable revenue-contracts receivable	-	-	9,350,000	9,350,000
Unavailable revenue-other	4,688,406	-	2,608,172	7,296,578
Total deferred inflows of resources	<u>15,377,043</u>	<u>52,295,727</u>	<u>20,093,123</u>	<u>87,765,893</u>
Fund Balances				
Nonspendable	491,034	-	-	491,034
Restricted	-	22,390	22,317,458	22,339,848
Committed	-	-	32,815,999	32,815,999
Assigned	264,217,322	-	-	264,217,322
Unassigned	2,317,556	-	(5,509,165)	(3,191,609)
Total fund balances	<u>267,025,912</u>	<u>22,390</u>	<u>49,624,292</u>	<u>316,672,594</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 539,539,587</u>	<u>\$ 53,389,853</u>	<u>\$ 119,038,746</u>	<u>\$ 711,968,186</u>

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

County of Oakland
Reconciliation of the Balance Sheet – Governmental Funds
to the Statement of Net Position
September 30, 2020

Total fund balances for governmental funds		\$ 316,672,594
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Land, not being depreciated	\$ 7,235,551	
Construction in progress, not being depreciated	14,596,880	
Land improvements, net of \$1,230,036 depreciation	445,905	
Buildings and improvements, net of \$137,458,822 depreciation	139,967,913	
Equipment and vehicles, net of \$31,026,458 depreciation	9,983,733	
Infrastructure, net of \$18,220,324 depreciation	<u>16,794,823</u>	
		189,024,805
Internal service funds are used by management to charge the cost of certain activities, such as insurance and telecommunications, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		379,330,610
Property tax revenues in the Statement of Activities that do not provide current financial resources are deferred and not reported as revenue in the funds.		9,876,339
Long-term receivables such as special assessments and contracts receivable are expected to be collected over several years and are deferred in the governmental funds and are not available to pay for current year expenditures.		77,267,101
Long-term bonded debt is not due and payable in the current period and therefore is not reported in the funds. Unamortized premiums, loss on refundings, and interest payable are not reported in the funds. However, these amounts are included in the Statement of Net Position. This is the net effect of these balances on the statement:		
Bonds and notes payable	(92,402,709)	
Accrued interest payable	(378,287)	
Unamortized bond premiums	<u>(1,913,565)</u>	
		<u>(94,694,561)</u>
Net position of governmental activities		<u>\$ 877,476,888</u>

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

County of Oakland
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended September 30, 2020

	Major Funds			Totals September 30, 2020
	General	Water and Sewer Debt Act 342	Non-Major Funds	
Revenues				
Taxes	\$ 247,512,190	\$ -	\$ -	\$ 247,512,190
Special assessments	-	4,424,976	4,231,092	8,656,068
Federal grants	105,909,329	-	38,542,844	144,452,173
State grants	6,666,072	-	24,388,755	31,054,827
Other intergovernmental revenues	40,763,727	-	9,973,070	50,736,797
Charges for services	108,978,364	1,800	12,200,842	121,181,006
Contributions	332,047	-	283,315	615,362
Investment income	6,575,597	5,531	509,505	7,090,633
Indirect cost recovery	9,372,744	-	-	9,372,744
Other	150,045	-	32,598	182,643
Total revenues	<u>526,260,115</u>	<u>4,432,307</u>	<u>90,162,021</u>	<u>620,854,443</u>
Expenditures				
Current operations				
County Executive	131,813,492	-	87,376,678	219,190,170
Clerk/Register of Deeds	9,592,086	-	2,186,884	11,778,970
Treasurer	16,578,419	-	-	16,578,419
Justice administration	54,358,092	-	27,166,769	81,524,861
Law enforcement	187,015,069	-	7,924,596	194,939,665
Legislative	4,712,556	-	-	4,712,556
Water Resource Commissioner	8,237,099	22,205	2,415,965	10,675,269
Non-departmental	50,217,877	-	112,383	50,330,260
Total current operations	<u>462,524,690</u>	<u>22,205</u>	<u>127,183,275</u>	<u>589,730,170</u>
Capital outlay	1,464,023	-	16,689,083	18,153,106
Intergovernmental	3,054,017	-	-	3,054,017
Debt service				
Principal payments	-	3,740,000	28,850,000	32,590,000
Interest and fiscal charges	-	1,387,526	1,606,293	2,993,819
Total expenditures	<u>467,042,730</u>	<u>5,149,731</u>	<u>174,328,651</u>	<u>646,521,112</u>
Excess (deficiency) of revenues over (under) expenditures	<u>59,217,385</u>	<u>(717,424)</u>	<u>(84,166,630)</u>	<u>(25,666,669)</u>
Other financing sources (uses)				
Transfers in	6,179,427	-	53,718,497	59,897,924
Transfers out	(58,105,678)	(875)	(5,086,486)	(63,193,039)
Insurance recoveries	-	-	-	-
Issuance of bonds	-	-	470,633	470,633
Issuance of refunding bonds	-	721,000	18,775,000	19,496,000
Premiums on bonds sold	-	-	2,028,965	2,028,965
Total other financing sources (uses)	<u>(51,926,251)</u>	<u>720,125</u>	<u>69,906,609</u>	<u>18,700,483</u>
Net change in fund balances	7,291,134	2,701	(14,260,021)	(6,966,186)
Fund balances				
October 1, 2019	259,734,778	19,689	63,884,313	323,638,780
September 30, 2020	<u>\$ 267,025,912</u>	<u>\$ 22,390</u>	<u>\$ 49,624,292</u>	<u>\$ 316,672,594</u>

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

County of Oakland
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
Balances – Governmental Funds to the Statement of Activities
Year Ended September 30, 2020

Net change in fund balance - total governmental funds		\$ (6,966,186)
Governmental funds report capital outlay as expenditures.		
However, in the Statement of Activities, the cost of those assets		
is allocated over their estimated useful lives as depreciation expense.		
This is the amount by which capital outlays exceeded depreciation		
in the current period.		
Construction in progress	\$ (977,203)	
Buildings and improvements	1,164,159	
Equipment and vehicles	755,715	
Infrastructure	3,051,495	
Depreciation expense	<u>(9,252,083)</u>	
		(5,257,917)
Internal service funds are used by management to charge the		
costs of certain activities, such as insurance and telecommunications,		
to individual funds. The net revenue (expense) of the internal		
service funds is reported with governmental activities.		114,761,433
Property tax revenues in the Statement of Activities that do		
not provide current financial resources are deferred and not		
reported as revenue in the funds.		
Prior year's deferral	(9,504,925)	
Current year deferral	<u>9,876,339</u>	
		371,414
Revenues from special assessments and contracts receivable		
reported in the Statement of Activities in previous years did not		
provide current financial resources in the governmental funds		
until the current year.		5,475,113
Premiums on the sale of bonds provide current financial resources		
in governmental funds, but increases long-term liabilities in the		
Statement of Net Position. Amortization of premiums reduces long-		
term liabilities in the Statement of Net Position		
Current year premiums on bonds	(2,028,965)	
Amortization of current year premium	<u>115,400</u>	
		(1,913,565)
Bond proceeds provide current financial resources to governmental		
funds by issuing debt which increases long-term bonded debt in		
the Statement of Net Position. Repayment of bond principal is an		
expenditure in the governmental funds, but the repayment reduces		
long-term bonded debt in the Statement of Net Position. This is the		
amount proceeds exceed repayments.		
Bond proceeds	(19,966,633)	
Repayment of bond principal	32,590,000	
Accrued interest	<u>(57,751)</u>	
		12,565,616
Change in net position of governmental activities		<u>\$ 119,035,908</u>

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

Proprietary Fund Financial Statements

Major Funds

Parks and Recreation Fund - This fund is used to account for revenues earmarked for the operation of the County's 13 parks, including campgrounds, day-use and dog parks, five golf courses, 65 miles of trails, two waterparks, nature centers and banquet facilities, and management of the Oakland County Market. Principal revenue is from a voter-approved millage and user charges.

Delinquent Tax Revolving Fund - This fund is used to account for money advanced by the County to cities, townships, villages and County funds for unpaid property taxes, and the subsequent collections of delinquencies from taxpayers.

The County Airports Fund - This fund was established to account for operations of the County's Oakland County International, Oakland/Troy, and Oakland/Southwest airports. Revenue is primarily derived from leases, hangar rentals, landing fees, and other rental or service charges. Capital costs are financed primarily from issuance of debt or state and federal capital grants.

Water and Sewer Trust Fund - This fund is used to account for monies received from those County residents whose water and sewer systems are maintained for their respective city, villages, or townships by Oakland County.

Evergreen-Farmington S.D.S. (Sewage Disposal System) Fund - This fund was established to record the operations and maintenance of the system, which is used to move sewage to the Great Lakes Water Authority for treatment. Costs are recovered by developing rates and billing the municipalities being serviced or issuance of debt.

Southeastern Oakland County S.D.S. (S.O.C.S.D.S.) Fund - This fund was established to record the operations and maintenance of the system, which is used to move sewage and storm water to the Great Lakes Water Authority for treatment. Costs are recovered by developing rates and billing the municipalities being serviced.

Clinton-Oakland S.D.S. (Sewage Disposal System) Fund - This fund was established to record the operations and maintenance of the system, which is used to move sewage to the Great Lakes Water Authority for treatment. Costs are recovered by developing rates and billing the municipalities being serviced.

Non-Major Funds

Non-major proprietary funds are presented, by fund type, in the following sections:

Internal service funds
Enterprise funds

**County of Oakland
Statement of Net Position
Proprietary Funds
September 30, 2020**

	Business-Type Activities - Enterprise Funds				
	Major				
	Parks and Recreation	Delinquent Tax Revolving	County Airports	Water and Sewer Trust	Evergreen- Farmington SDS
Assets					
Current assets					
Pooled cash and investments	\$ 19,316,205	\$ 144,475,621	\$ 16,868,095	\$ 98,932,115	\$ 20,677,530
Investments, at fair value	-	-			
Delinquent property taxes receivable	-	49,905,763	-	-	-
Current portion of due from other governmental units	126,521	302,394	300	3,310,211	5,154,294
Due from component units	-	-	-	-	102,489
Accrued interest receivable	28,959	2,334,022	141,929	438,339	191,478
Accounts receivable (net of allowance for uncollectibles where applicable)	382,003	9,535,720	234,109	30,176,860	-
Due from other funds	98,100	-	-	138	-
Current portion of contracts receivable	-	-	1,941,542	-	-
Inventories and supplies	141,941	-	-	-	-
Prepayments and other assets	-	-	59,204	808,754	-
Total current assets	<u>20,093,729</u>	<u>206,553,520</u>	<u>19,245,179</u>	<u>133,666,417</u>	<u>26,125,791</u>
Noncurrent assets					
Restricted cash	-	-	-	-	217,458
Due from other governmental units	-	-	-	-	2,980,530
Net OPEB assets	-	-	-	-	-
Capital assets, net					
Land and other nondepreciable assets	33,322,658	-	36,488,418	25,520,878	73,997,145
Land improvements, net	-	-	12,060,910	-	432,261
Building and improvements, net	17,829,954	-	19,009,583	2,261,916	10,526,711
Equipment and vehicles, net	1,210,495	-	422,052	7,877,848	2,935,592
Infrastructure, net	14,239,392	-	1,521,101	27,446,233	7,228,431
Total capital assets	<u>66,602,499</u>	<u>-</u>	<u>69,502,064</u>	<u>63,106,875</u>	<u>95,120,140</u>
Total noncurrent assets	<u>66,602,499</u>	<u>-</u>	<u>69,502,064</u>	<u>63,106,875</u>	<u>98,318,128</u>
Total assets	<u>86,696,228</u>	<u>206,553,520</u>	<u>88,747,243</u>	<u>196,773,292</u>	<u>124,443,919</u>
Deferred Outflows of Resources					
Deferred outflows related to pension	-	-	-	-	-
Deferred outflows related to OPEB	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(continued)

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

**County of Oakland
Statement of Net Position (Continued)
Proprietary Funds
September 30, 2020**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Major			Totals September 30, 2020	
	S.O.C.S.D.S.	Clinton- Oakland S.D.S.	Non-Major Funds		
Assets					
Current assets					
Pooled cash and investments	\$ 38,471,050	\$ 14,442,337	\$ 46,548,060	\$ 399,731,013	\$ 142,527,893
Investments, at fair value					16,501,806
Delinquent property taxes	-	-	-	49,905,763	
Current portion of due from other governmental units	6,627,796	4,227,698	2,740,999	22,490,213	52,006
Due from component units	-	-	-	102,489	57,354
Accrued interest receivable	331,500	190,383	420,009	4,076,619	1,251,793
Accounts receivable (net of allowance for uncollectibles where applicable)	38,944	-	976,450	41,344,086	2,472,714
Due from other funds	-	-	7,687	105,925	7,092,033
Current portion of contracts receivable	-	-	-	1,941,542	-
Inventories and supplies	-	-	164,859	306,800	1,700,240
Prepayments and other assets	421,361	-	1,810,810	3,100,129	9,502,806
Total current assets	<u>45,890,651</u>	<u>18,860,418</u>	<u>52,668,874</u>	<u>523,104,579</u>	<u>181,158,645</u>
Noncurrent assets					
Restricted cash	-	-	18,402,216	18,619,674	-
Due from other governmental units	-	-	-	2,980,530	-
Net OPEB asset	-	-	-	-	384,338,239
Capital assets, net					
Land and other nondepreciable assets	8,477,586	18,335,947	20,966,229	217,108,861	24,948,540
Land improvements, net	-	-	-	12,493,171	
Building and improvements, net	35,740	150,617	114,741	49,929,262	1,686,600
Equipment and vehicles, net	2,696,332	1,005,636	5,465,625	21,613,580	14,201,258
Infrastructure, net	1,025,638	10,601,320	403,994	62,466,109	127,019
Total capital assets	<u>12,235,296</u>	<u>30,093,520</u>	<u>26,950,589</u>	<u>363,610,983</u>	<u>40,963,417</u>
Total noncurrent assets	<u>12,235,296</u>	<u>30,093,520</u>	<u>45,352,805</u>	<u>385,211,187</u>	<u>425,301,656</u>
Total assets	<u>58,125,947</u>	<u>48,953,938</u>	<u>98,021,679</u>	<u>908,315,766</u>	<u>606,460,301</u>
Deferred Outflows of Resources					
Deferred outflows related to pension	-	-	-	-	26,980,166
Deferred outflows related to OPEB	-	-	-	-	65,352,798
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,332,964</u>

(continued)

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

**County of Oakland
Statement of Net Position (Continued)
Proprietary Funds
September 30, 2020**

	Business-Type Activities - Enterprise Funds				
	Major				
	Parks and Recreation	Delinquent Tax Revolving	County Airports	Water and Sewer Trust	Evergreen- Farmington SDS
Liabilities					
Current liabilities					
Vouchers payable	\$ 457,539	\$ 601,735	\$ 137,712	\$ 4,966,008	\$ 6,263,157
Accrued payroll	151,335	2,130	22,587	1,012	-
Due to other governmental units	4,332	191,660	-	101,034	518
Due to component units	-	-	-	-	-
Due to other funds	66,676	-	-	22,590	-
Unearned revenue	167,774	-	2,327,437	-	-
Current portion of bonds payable	-	-	620,000	1,124,900	1,185,000
Accrued interest payable	-	-	50,820	-	-
Current portion of accrued compensated absences	-	-	-	-	-
Current portion of claims and judgments	-	-	-	-	-
Other accrued liabilities	642,248	109,947	537,170	5,569,324	1,614,160
Total current liabilities	<u>1,489,904</u>	<u>905,472</u>	<u>3,695,726</u>	<u>11,784,868</u>	<u>9,062,835</u>
Noncurrent liabilities					
Bonds payable	-	-	4,030,000	14,715,012	14,410,000
Unamortized premiums on bonds	-	-	634,173	-	-
Net pension liability	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-
Claims and judgments	-	-	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>4,664,173</u>	<u>14,715,012</u>	<u>14,410,000</u>
Total liabilities	<u>1,489,904</u>	<u>905,472</u>	<u>8,359,899</u>	<u>26,499,880</u>	<u>23,472,835</u>
Deferred Inflows of Resources					
Deferred inflows related to OPEB	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position					
Net investment in capital assets	66,602,499	-	64,217,891	47,266,963	79,742,598
Restricted for programs	-	-	-	67,195,904	12,646,527
Unrestricted	18,603,825	205,648,048	16,169,453	55,810,545	8,581,959
Total net position	<u>\$ 85,206,324</u>	<u>\$ 205,648,048</u>	<u>\$ 80,387,344</u>	<u>\$ 170,273,412</u>	<u>\$ 100,971,084</u>

(continued)

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

**County of Oakland
Statement of Net Position (Continued)
Proprietary Funds
September 30, 2020**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Major			Totals	
	S.O.C.S.D.S.	Clinton- Oakland S.D.S.	Non-Major Funds	September 30, 2020	
Liabilities					
Current liabilities					
Vouchers payable	\$ 7,847,720	\$ 94,041	\$ 1,241,978	\$ 21,609,890	\$ 8,841,079
Accrued payroll	-	-	55,696	232,760	802,627
Due to other governmental units	3,845	1,357	513,576	816,322	562,494
Due to component units	-	-	-	-	95
Due to other funds	22,901	-	7,663	119,830	1,476,472
Unearned revenue	-	-	386,442	2,881,653	5,865
Current portion of bonds payable	-	-	985,000	3,914,900	26,605,000
Accrued interest payable	-	-	253,262	304,082	-
Current portion of accrued compensated absenc	-	-	-	-	1,654,822
Current portion of claims and judgments	-	-	-	-	7,750,768
Other accrued liabilities	9,011,062	2,171,932	1,298,293	20,954,136	6,467,516
Total current liabilities	16,885,528	2,267,330	4,741,910	50,833,573	54,166,738
Noncurrent liabilities					
Bonds payable	-	-	14,140,000	47,295,012	182,485,000
Unamortized premiums on bonds	-	-	3,277,216	3,911,389	-
Net pension liability	-	-	-	-	22,497,565
Accrued compensated absences	-	-	-	-	14,893,399
Claims and judgments	-	-	-	-	14,198,025
Total noncurrent liabilities	-	-	17,417,216	51,206,401	234,073,989
Total liabilities	16,885,528	2,267,330	22,159,126	102,039,974	288,240,727
Deferred Inflows of Resources					
Deferred inflows related to OPEB	-	-	-	-	31,221,928
Total deferred inflows of resources	-	-	-	-	31,221,928
Net position					
Net investment in capital assets	12,235,296	30,093,520	26,950,589	327,109,356	40,963,417
Restricted for programs	13,804,398	13,646,494	15,023,176	122,316,499	16,744,693
Unrestricted	15,200,725	2,946,594	33,888,788	356,849,937	321,622,500
Total net position	\$ 41,240,419	\$ 46,686,608	\$ 75,862,553	\$ 806,275,792	\$ 379,330,610

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

County of Oakland
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
Year Ended September 30, 2020

	Business-Type Activities - Enterprise Funds				
	Major				
	Parks and Recreation	Delinquent Tax Revolving	County Airports	Water and Sewer Trust	Evergreen- Farmington SDS
Operating revenues					
Charges for services	\$ 6,334,009	\$ 11,882,315	\$ 4,611,260	\$ 103,529,858	\$ 46,700,515
Other	31,185	1,258	9,089	567,285	299
Total operating revenues	<u>6,365,194</u>	<u>11,883,573</u>	<u>4,620,349</u>	<u>104,097,143</u>	<u>46,700,814</u>
Operating expenses					
Salaries	8,374,703	121,249	1,444,800	106,733	-
Fringe benefits	3,480,233	79,977	792,419	60,748	-
Fringe benefits - pension	-	-	-	-	-
Fringe benefits - OPEB	-	-	-	-	-
Contractual services	5,740,016	178,725	1,562,152	45,528,091	39,898,508
Commodities	609,910	-	107,772	1,844,811	60,571
Depreciation	3,235,801	-	2,692,986	1,935,102	854,645
Internal services	1,606,110	62,377	279,997	26,144,257	1,662,791
Intergovernmental	-	-	-	14,327,313	-
Total operating expenses	<u>23,046,773</u>	<u>442,328</u>	<u>6,880,126</u>	<u>89,947,055</u>	<u>42,476,515</u>
Operating income (loss)	<u>(16,681,579)</u>	<u>11,441,245</u>	<u>(2,259,777)</u>	<u>14,150,088</u>	<u>4,224,299</u>
Nonoperating revenues (expenses)					
Property taxes	13,735,450	-	-	-	-
Local community stabilization share	301,929	-	-	-	-
Contributions	274,351	-	256,000	32,458	-
Interest recovery - federal grants	-	-	41,432	-	-
Investment income	377,134	2,961,521	311,040	1,733,707	347,260
Interest expense	-	-	(220,886)	(415,417)	(329,206)
Insurance recoveries	-	-	-	-	-
Gain on sale of property and equipment	-	-	1,950	1,175	-
Total nonoperating revenues (expenses)	<u>14,688,864</u>	<u>2,961,521</u>	<u>389,536</u>	<u>1,351,923</u>	<u>18,054</u>
Income (loss) before transfers and contributions	<u>(1,992,715)</u>	<u>14,402,766</u>	<u>(1,870,241)</u>	<u>15,502,011</u>	<u>4,242,353</u>
Transfers and contributions					
Capital contributions	2,923	-	22,106	-	773,357
Transfers in	216,100	-	-	-	-
Transfers out	(104,577)	(10,292,314)	-	(98,407)	-
Total transfers and contributions	<u>114,446</u>	<u>(10,292,314)</u>	<u>22,106</u>	<u>(98,407)</u>	<u>773,357</u>
Special items					
Transfer of water system to Oxford Township	-	-	-	(3,344,522)	-
Change in net position	<u>(1,878,269)</u>	<u>4,110,452</u>	<u>(1,848,135)</u>	<u>12,059,082</u>	<u>5,015,710</u>
Net position					
October 1, 2019	<u>87,084,593</u>	<u>201,537,596</u>	<u>82,235,479</u>	<u>158,214,330</u>	<u>95,955,374</u>
September 30, 2020	<u>\$ 85,206,324</u>	<u>\$ 205,648,048</u>	<u>\$ 80,387,344</u>	<u>\$ 170,273,412</u>	<u>\$ 100,971,084</u>

(continued)

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

County of Oakland
Statement of Revenues, Expenses, and Changes in Net Position (Continued)
Proprietary Funds
Year Ended September 30, 2020

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Major			Totals September 30, 2020	
	S.O.C.S.D.S.	Clinton- Oakland S.D.S.	Non-Major Funds		
Operating revenues					
Charges for services	\$ 53,964,049	\$ 38,877,220	\$ 26,611,438	\$ 292,510,664	\$ 281,956,623
Other	229	299	602	610,246	37,933
Total operating revenues	<u>53,964,278</u>	<u>38,877,519</u>	<u>26,612,040</u>	<u>293,120,910</u>	<u>281,994,556</u>
Operating expenses					
Salaries	-	-	3,288,601	13,336,086	46,816,870
Fringe benefits	-	-	1,673,300	6,086,677	25,837,736
Fringe benefits - pension	-	-	-	-	2,992,001
Fringe benefits - OPEB	-	-	-	-	(66,771,651)
Contractual services	57,451,592	29,028,024	16,046,340	195,433,448	159,669,501
Commodities	176,176	26,252	1,008,951	3,834,443	6,251,498
Depreciation	113,099	899,502	4,138,851	13,869,986	6,261,969
Internal services	2,074,552	1,159,157	2,372,437	35,361,678	9,056,829
Intergovernmental	-	6,709,713	-	21,037,026	-
Total operating expenses	<u>59,815,419</u>	<u>37,822,648</u>	<u>28,528,480</u>	<u>288,959,344</u>	<u>190,114,753</u>
Operating income (loss)	<u>(5,851,141)</u>	<u>1,054,871</u>	<u>(1,916,440)</u>	<u>4,161,566</u>	<u>91,879,803</u>
Nonoperating revenues (expenses)					
Property taxes	-	-	-	13,735,450	-
Local community stabilization share	-	-	-	301,929	-
Contributions	-	535,493	-	1,098,302	-
Interest recovery - federal grants	-	-	-	41,432	-
Investment income	560,295	307,380	876,850	7,475,187	4,148,170
Interest expense	-	-	(159,627)	(1,125,136)	(8,342,978)
Insurance recoveries	-	-	-	-	44,361
Gain on sale of property and equipment	-	-	125	3,250	432,430
Total nonoperating revenues (expenses)	<u>560,295</u>	<u>842,873</u>	<u>717,348</u>	<u>21,530,414</u>	<u>(3,718,017)</u>
Income (loss) before transfers and contributions	<u>(5,290,846)</u>	<u>1,897,744</u>	<u>(1,199,092)</u>	<u>25,691,980</u>	<u>88,161,786</u>
Transfers and contributions					
Capital contributions	-	-	12,114,445	12,912,831	15,241,478
Transfers in	-	-	2,502,144	2,718,244	11,471,046
Transfers out	-	-	(286,000)	(10,781,298)	(112,877)
Total transfers and contributions	<u>-</u>	<u>-</u>	<u>14,330,589</u>	<u>4,849,777</u>	<u>26,599,647</u>
Special items					
Transfer of water system to Oxford Township	-	-	-	(3,344,522)	-
Change in net position	<u>(5,290,846)</u>	<u>1,897,744</u>	<u>13,131,497</u>	<u>27,197,235</u>	<u>114,761,433</u>
Net position					
October 1, 2019	<u>46,531,265</u>	<u>44,788,864</u>	<u># 62,731,056</u>	<u>779,078,557</u>	<u>264,569,177</u>
September 30, 2020	<u>\$ 41,240,419</u>	<u>\$ 46,686,608</u>	<u>\$ 75,862,553</u>	<u>\$ 806,275,792</u>	<u>\$ 379,330,610</u>

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

**County of Oakland
Statement of Cash Flows
Proprietary Funds
Year Ended September 30, 2020**

	Business-Type Activities - Enterprise Funds				
	Major				
	Parks and Recreation	Delinquent Tax Revolving	County Airports	Water and Sewer Trust	Evergreen- Farmington SDS
Cash flows from operating activities					
Cash received from users	\$ 6,153,889	\$ 9,724,589	\$ 4,742,355	\$ 102,006,677	\$ 45,639,317
Cash paid to suppliers	(11,702,568)	(321,079)	(3,149,070)	(85,575,891)	(38,989,484)
Cash paid to employees	(8,223,368)	(119,119)	(1,422,213)	(105,721)	-
Net cash provided by (used in) operating activities	<u>(13,772,047)</u>	<u>9,284,391</u>	<u>171,072</u>	<u>16,325,065</u>	<u>6,649,833</u>
Cash flows from noncapital financing activities					
Transfers from other funds	216,100	-	-	-	-
Transfers to other funds	(104,577)	(10,292,314)	-	(98,407)	-
Local community stabilization share	301,929	-	-	-	-
Contributions	274,351	-	256,000	32,458	-
Interest recovery - federal grants	-	-	41,432	-	-
Principal paid on debt	-	-	-	-	-
Interest paid on debt	-	-	-	-	-
Purchase of delinquent property taxes	-	(66,201,221)	-	-	-
Delinquent property taxes collected	-	63,192,543	-	-	-
Repayments received on advances	-	25,766	-	-	-
Property taxes	13,735,450	-	-	-	-
Net cash provided by (used in) noncapital financing activities	<u>14,423,253</u>	<u>(13,275,226)</u>	<u>297,432</u>	<u>(65,949)</u>	<u>-</u>
Cash flows from capital and related financing activities					
Contributions for capital acquisitions	-	-	-	-	-
Proceeds from sale of bonds	-	-	3,623,991	173,796	3,910,000
Transfers from other funds	-	-	-	-	-
Insurance recoveries	-	-	-	-	-
Proceeds from sale of capital assets	-	-	1,950	1,175	-
Acquisition of capital assets	(2,519,216)	-	(28,022)	(4,352,291)	(7,145,839)
Principal paid on debt	-	-	(3,945,000)	(1,091,800)	(770,000)
Interest paid on debt	-	-	(189,884)	(415,417)	(329,206)
Amount paid on advances	-	-	-	-	-
Interest paid on advances	-	-	-	-	-
Net cash provided by (used in) capital and related financing activities	<u>(2,519,216)</u>	<u>-</u>	<u>(536,965)</u>	<u>(5,684,537)</u>	<u>(4,335,045)</u>
Cash flows from investing activities					
Purchase of investments	-	-	-	-	-
Proceeds on sale of investments	-	-	-	-	-
Interest on investments	412,798	3,216,973	336,234	1,862,619	370,932
Net cash provided by investing activities	<u>412,798</u>	<u>3,216,973</u>	<u>336,234</u>	<u>1,862,619</u>	<u>370,932</u>
Net increase (decrease) in cash and cash equivalents	<u>(1,455,212)</u>	<u>(773,862)</u>	<u>267,773</u>	<u>12,437,198</u>	<u>2,685,720</u>
Pooled cash and investments					
October 1, 2019	20,771,417	145,249,483	16,600,322	86,494,917	18,209,268
September 30, 2020	<u>\$ 19,316,205</u>	<u>\$ 144,475,621</u>	<u>\$ 16,868,095</u>	<u>\$ 98,932,115</u>	<u>\$ 20,894,988</u>
Classification of cash and cash equivalents					
Pooled cash and investments	\$ 19,316,205	\$ 144,475,621	\$ 16,868,095	\$ 98,932,115	\$ 20,677,530
Restricted cash	-	-	-	-	217,458
Total cash and cash equivalents	<u>\$ 19,316,205</u>	<u>\$ 144,475,621</u>	<u>\$ 16,868,095</u>	<u>\$ 98,932,115</u>	<u>\$ 20,894,988</u>

(continued)

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

County of Oakland
Statement of Cash Flows (Continued)
Proprietary Funds
Year Ended September 30, 2020

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Major			Totals	
	S.O.C.S.D.S.	Clinton-Oakland S.D.S.	Non-Major Funds	September 30, 2020	
Cash flows from operating activities					
Cash received from users	\$ 52,275,580	\$ 38,334,576	\$ 25,818,924	\$ 284,695,907	\$ 275,746,525
Cash paid to suppliers	(47,349,444)	(34,905,442)	(20,483,771)	(242,476,749)	(196,776,832)
Cash paid to employees	-	-	(3,232,905)	(13,103,326)	(46,014,243)
Net cash provided by (used in) operating activities	<u>4,926,136</u>	<u>3,429,134</u>	<u>2,102,248</u>	<u>29,115,832</u>	<u>32,955,450</u>
Cash flows from noncapital financing activities					
Transfers from other funds	-	-	2,502,144	2,718,244	11,076,237
Transfers to other funds	-	-	(286,000)	(10,781,298)	(112,877)
Local community stabilization share	-	-	-	301,929	-
Contributions	-	535,493	-	1,098,302	-
Interest recovery - federal grants	-	-	-	41,432	-
Principal paid on debt	-	-	-	-	(25,660,000)
Interest paid on debt	-	-	-	-	(8,342,648)
Purchase of delinquent property taxes	-	-	-	(66,201,221)	-
Delinquent property taxes collected	-	-	-	63,192,543	-
Repayments received on advances	-	-	-	25,766	-
Property taxes	-	-	-	13,735,450	-
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>535,493</u>	<u>2,216,144</u>	<u>4,131,147</u>	<u>(23,039,288)</u>
Cash flows from capital and related financing activities					
Contributions for capital acquisitions	-	-	10,000,000	10,000,000	-
Proceeds from sale of bonds	-	-	18,495,851	26,203,638	-
Transfers from other funds	-	-	-	-	394,809
Insurance recoveries	-	-	-	-	44,361
Proceeds from sale of capital assets	-	-	125	3,250	479,672
Acquisition of capital assets	(5,832,681)	(3,885,864)	(15,213,592)	(38,977,505)	(4,685,982)
Principal paid on debt	-	-	-	(5,806,800)	-
Interest paid on debt	-	-	-	(934,507)	-
Amount paid on advances	-	-	-	-	(25,766)
Interest paid on advances	-	-	-	-	(330)
Net cash provided by (used in) capital and related financing activities	<u>(5,832,681)</u>	<u>(3,885,864)</u>	<u>13,282,384</u>	<u>(9,511,924)</u>	<u>(3,793,236)</u>
Cash flows from investing activities					
Purchase of investments	-	-	-	-	(4,122,778)
Proceeds on sale of investments	-	-	-	-	2,487,614
Interest on investments	614,007	328,690	922,948	8,065,201	4,365,932
Net cash provided by investing activities	<u>614,007</u>	<u>328,690</u>	<u>922,948</u>	<u>8,065,201</u>	<u>2,730,768</u>
Net increase (decrease) in cash and cash equivalents	<u>(292,538)</u>	<u>407,453</u>	<u>18,523,724</u>	<u>31,800,256</u>	<u>8,853,694</u>
Pooled cash and investments					
October 1, 2019	38,763,588	14,034,884	46,426,552	386,550,431	133,674,199
September 30, 2020	<u>\$ 38,471,050</u>	<u>\$ 14,442,337</u>	<u>\$ 64,950,276</u>	<u>\$ 418,350,687</u>	<u>\$ 142,527,893</u>
Classification of cash and cash equivalents					
Pooled cash and investments	\$ 38,471,050	\$ 14,442,337	\$ 46,548,060	\$ 399,731,013	\$ 142,527,893
Restricted cash	-	-	18,402,216	18,619,674	-
Total cash and cash equivalents	<u>\$ 38,471,050</u>	<u>\$ 14,442,337</u>	<u>\$ 64,950,276</u>	<u>\$ 418,350,687</u>	<u>\$ 142,527,893</u>

(continued)

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

County of Oakland
Statement of Cash Flows (Continued)
Proprietary Funds
Year Ended September 30, 2020

	Business-Type Activities - Enterprise Funds				
	Major				
	Parks and Recreation	Delinquent Tax Revolving	County Airports	Water and Sewer Trust	Evergreen- Farmington SDS
Operating (loss) income	\$ (16,681,579)	\$11,441,245	\$(2,259,777)	\$ 14,150,088	\$ 4,224,299
Adjustments to reconcile operating (loss) income to net cash provided by (used in) operating activities					
Depreciation expense	3,235,801	-	2,692,986	1,935,102	854,645
(Increase) decrease in current portion of due from other governmental units	(9,550)	198,861	300	(1,055,358)	(1,251,125)
(Increase) decrease in due from component units	-	-	-	-	(12,215)
(Increase) decrease in accounts receivable	(105,555)	(1,250,026)	183,121	(1,199,057)	-
(Increase) decrease in due from other funds	(83,548)	-	-	163,949	-
(Increase) decrease in inventories and supplies	284	-	-	-	-
(Increase) decrease in prepayments and other assets	3,290	-	(59,204)	(22,205)	31,768
(Increase) decrease in due from other govern- mental units	-	-	-	-	201,843
(Increase) decrease in net pension asset	-	-	-	-	-
(Increase) decrease in net OPEB asset	-	-	-	-	-
(Increase) decrease in deferred outflows related to pension	-	-	-	-	-
(Increase) decrease in deferred outflows related to OPEB	-	-	-	-	-
Increase (decrease) in vouchers payable	(172,571)	250,444	(369,271)	2,094,517	3,029,449
Increase (decrease) in accrued payroll	151,335	2,130	22,587	1,012	-
Increase (decrease) in due to other govern- mental units	(1,802)	(1,431,073)	-	(53,233)	(31,580)
Increase (decrease) in due to component units	-	-	-	-	-
Increase (decrease) in due to other funds	66,676	-	-	(414,001)	(1,580)
Increase (decrease) in unearned revenue	(12,652)	-	(61,415)	-	-
Increase (decrease) in current portion of other long-term liabilities	-	-	-	-	-
Increase (decrease) in other accrued liabilities	(162,176)	72,810	21,745	724,251	(395,671)
Increase (decrease) in net pension liability	-	-	-	-	-
Increase (decrease) in other long-term liabilities	-	-	-	-	-
Increase (decrease) in deferred inflows related to pensions	-	-	-	-	-
Increase (decrease) in deferred inflows related to OPEB	-	-	-	-	-
Net cash provided by (used in) operating activities	<u>\$ (13,772,047)</u>	<u>\$ 9,284,391</u>	<u>\$ 171,072</u>	<u>\$ 16,325,065</u>	<u>\$ 6,649,833</u>

(continued)

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

**County of Oakland
Statement of Cash Flows (Continued)
Proprietary Funds
Year Ended September 30, 2020**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Major			Totals	
	S.O.C.S.D.S.	Clinton- Oakland S.D.S.	Non-Major Funds	September 30, 2020	
Operating income (loss)	\$ (5,851,141)	\$ 1,054,871	\$ (1,916,440)	\$ 4,161,566	\$ 91,879,803
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Depreciation expense	113,099	899,502	4,138,851	13,869,986	6,261,969
(Increase) decrease in current portion of due from other governmental units	(1,683,221)	(542,943)	(842,546)	(5,185,582)	(16,805)
(Increase) decrease in due from component units				(12,215)	(27,447)
(Increase) decrease in accounts receivable	(5,477)	-	11,515	(2,365,479)	(2,098,886)
(Increase) decrease in due from other funds	-	-	1,930	82,331	(4,105,946)
(Increase) decrease in inventories and supplies	-	-	23,905	24,189	(322,458)
(Increase) decrease in prepayments and other assets	(11,939)	31,267	149,730	122,707	(2,595,152)
(Increase) decrease in due from other govern- mental units	-	-	-	201,843	-
(Increase) decrease in net OPEB asset	-	-	-	-	(2,221,976)
(Increase) decrease in deferred outflows related to pension	-	-	-	-	(17,252,370)
(Increase) decrease in deferred outflows related to OPEB	-	-	-	-	(13,212,199)
Increase (decrease) in vouchers payable	3,834,634	(24,379)	(515,655)	8,127,168	533,249
Increase (decrease) in accrued payroll	-	-	55,696	232,760	802,627
Increase (decrease) in due to other govern- mental units	(5,005)	(22,326)	164,157	(1,380,862)	361,350
Increase (decrease) in due to component units	-	(3,666)	-	(3,666)	-
Increase (decrease) in due to other funds	21,002	(282)	(182,160)	(510,345)	1,264,833
Increase (decrease) in unearned revenue	-	-	35,985	(38,082)	1,053
Increase (decrease) in current portion of other long-term liabilities	-	-	-	-	975,633
Increase (decrease) in other accrued liabilities	8,514,184	2,037,090	977,280	11,789,513	555,292
Increase (decrease) in net pension liability	-	-	-	-	20,244,371
Increase (decrease) in other long-term liabilities	-	-	-	-	3,265,985
Increase (decrease) in deferred inflows related to OPEB	-	-	-	-	(51,337,476)
Net cash provided by (used in) operating activities	<u>\$ 4,926,136</u>	<u>\$ 3,429,134</u>	<u>\$ 2,102,248</u>	<u>\$ 29,115,832</u>	<u>\$ 32,955,450</u>

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

County of Oakland
Statement of Cash Flows (Continued)
Proprietary Funds
Year Ended September 30, 2020

Noncash transactions

Enterprise Funds

Major funds:

Noncash and capital related financing activities included contribution of capital assets in the amount of \$2,923, \$22,106 and \$773,357 in the Parks and Recreation, County Airports, and Evergreen-Farmington S.D.S. funds, respectively; the transfer of \$3,344,522 of capital assets (\$7,838,305 less accumulated depreciation of \$4,493,783) to Oxford Township (Special item) in the Water & Sewer Trust fund; acquisition of capital assets reported in the Vouchers Payable liability account in the amount of \$54,810, and amortization of premiums of \$19,818 in the County Airports fund.

Noncash and non-capital related financing activities included the recording of Contracts Receivable and Unearned Revenue of \$1,941,542 in the County Airports fund.

Non-Major funds:

Contribution of capital assets in the amount of \$2,114,445 in the CLEMIS fund, and amortization of premiums in the amount of \$93,635 in the Radio Communications fund.

Internal Service Funds

Noncash and non-capital related financing activities included the recording of pension expense of \$2,992,001 and a reduction of OPEB expense of (\$66,771,651) in the Fringe Benefits fund.

Noncash and capital related financing activities included contribution of capital assets in the amount of \$15,241,478, and write-off of capital assets in the amount of \$7,615 (\$184,807 less accumulated depreciation of \$177,192) in the Information Technology fund.

Fiduciary Fund Financial Statements

Pension (and Other Postemployment Benefits) Trust Funds - Employee Pension Trust funds accept payments made by the County, invest fund resources, and calculate and pay pensions to beneficiaries. Postemployment benefit trust funds accumulate resources to provide health-related benefits to retired employees, dependents and beneficiaries.

Investment Trust Funds - These funds account for monies from external local units of government, held in a pooled investment portfolio for the benefit of the respective governmental units under contractual arrangement.

Agency Funds - These funds account for assets held by the County in a custodial capacity. Disbursements from these funds are contingent upon the agreement or applicable legislative enactment for each particular fund. Agency funds are generally clearance devices for monies collected for others, held briefly, and then disbursed to authorized recipients.

Combining schedules for fiduciary funds are presented, by fund type, in the following sections:

Pension (and other postemployment benefits) trust funds

Investment trust funds

Agency funds

**County of Oakland
Statement of Net Position
Fiduciary Funds
September 30, 2020**

	Pension (and Other Post- employment Benefits) Trust Funds	Investment Trust Funds	Agency Funds
Assets			
Pooled cash and investments	\$ 3,408,253	\$ 797,411,720	\$ 271,507,412
Cash and cash equivalents	35,492,178	-	575,749
Investments, at fair value			
Common stock	426,945,675	-	-
Preferred Stock	1,286,190		
Government agencies	72,429,376	-	-
Corporate bonds	224,743,247	-	-
Municipal bonds	912,504	-	-
Hedge funds	102,353,931	-	-
Partnerships	136,724,295	-	-
Asset-backed fixed income	19,211,916	-	-
Government bonds	105,189,119	-	-
Government mortgage-backed securities	64,577,726	-	-
Government issued commercial mortgage-backed securities	46,004	-	-
Non-government backed CMOs	1,131,038	-	-
Commercial mortgage-backed securities	19,834,625	-	-
Bank loans	3,584,318	-	-
Exchange traded funds	972,441	-	-
International common stock	614,105,086	-	-
Index linked government bonds	24,104,254	-	-
Real estate	188,044,118	-	-
Other fixed income	10,624,954	-	-
Other	1,321,938	-	-
Total investments	<u>2,018,142,755</u>	<u>-</u>	<u>-</u>
Receivables - interest and dividends	4,211,952	1,695,569	220,963
Receivables -other	5,042,804	-	-
Prepaid expenses	36,949	-	-
Total assets	<u>2,066,334,891</u>	<u>799,107,289</u>	<u>272,304,124</u>
Liabilities			
Vouchers payable	1,813,080	-	75,121
Due to other governmental units	-	-	257,593,699
Other accrued liabilities	9,246,850	-	14,635,304
Total liabilities	<u>11,059,930</u>	<u>-</u>	<u>272,304,124</u>
Net position restricted for			
Pension	717,768,650	-	-
OPEB	1,337,506,311	-	-
Pool participants	-	799,107,289	-
	<u>\$ 2,055,274,961</u>	<u>\$ 799,107,289</u>	<u>\$ -</u>

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

County of Oakland
Statement of Changes in Net Position
Fiduciary Funds
Year Ended September 30, 2020

	Pension (and Other Post- employment Benefits) Trust Funds	Investment Trust Funds
Additions		
Contributions		
Pool participants	\$ -	\$ 1,189,992,875
Plan members	445,350	-
Total contributions	<u>445,350</u>	<u>1,189,992,875</u>
Investment income		
Interest and dividends	27,576,721	10,947,419
Net increase in fair value of investments	73,855,361	-
Total investment income	<u>101,432,082</u>	<u>10,947,419</u>
Less investment expense	4,817,835	-
Net investment income	<u>96,614,247</u>	<u>10,947,419</u>
Other revenue	4,770,018	-
Total additions	<u>101,829,615</u>	<u>1,200,940,294</u>
Deductions		
Benefits	98,406,168	-
Administrative expenses	921,430	-
Distribution to pool participants	-	844,832,222
Total deductions	<u>99,327,598</u>	<u>844,832,222</u>
Net increase (decrease)	2,502,017	356,108,072
Net position restricted for pension and other postemployment healthcare benefits, and pool participants		
October 1, 2019	<u>2,052,772,944</u>	<u>442,999,217</u>
September 30, 2020	<u>\$ 2,055,274,961</u>	<u>\$ 799,107,289</u>

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

Component Unit Financial Statements

Component Units

Drainage Districts - This component unit consists of many individual districts created for the purpose of alleviating drainage problems. This involves accounting for the resources and costs associated with the construction, maintenance, and financing of the individual drainage districts.

Road Commission - This component unit is responsible for the construction and maintenance of the County's system of roads and bridges, and is principally funded by the State-collected vehicle fuel and registration taxes under Michigan Public Act 51 of 1951.

Combining schedules for Drainage Districts Funds are presented, by fund type, in the Drainage Districts section.

**County of Oakland
Statement of Net Position
Component Units
September 30, 2020**

	Drainage Districts	Road Commission	Total Component Units
Assets			
Current assets			
Pooled cash and investments	\$ 60,421,533	\$ -	\$ 60,421,533
Cash and cash equivalents		71,357,871	71,357,871
Receivables, net			
Special assessments	-	10,899,548	10,899,548
Due from other governmental units	4,841,539	-	4,841,539
Due from primary government	95	-	95
Accrued interest receivable	286,219	-	286,219
Accounts receivable	853,502	22,123,923	22,977,425
Inventories and supplies	-	4,778,003	4,778,003
Prepayments and other assets	392,560	2,737,932	3,130,492
Total current assets	<u>66,795,448</u>	<u>111,897,277</u>	<u>178,692,725</u>
Noncurrent assets			
Restricted cash	64,130,588	-	64,130,588
Special assessments receivable	225,817,684	-	225,817,684
Capital assets, net			
Land and other nondepreciable assets	161,288,300	234,918,936	396,207,236
Land improvements, net	-	521,274	521,274
Buildings and improvements, net	55,348,695	9,230,226	64,578,921
Equipment and vehicles, net	760,196	20,388,832	21,149,028
Infrastructure, net	455,655,233	714,132,790	1,169,788,023
Total capital assets, net	<u>673,052,424</u>	<u>979,192,058</u>	<u>1,652,244,482</u>
Total noncurrent assets	<u>963,000,696</u>	<u>979,192,058</u>	<u>1,942,192,754</u>
Total assets	<u>1,029,796,144</u>	<u>1,091,089,335</u>	<u>2,120,885,479</u>
Deferred Outflows of Resources			
Deferred outflows related to pension	-	4,585,119	4,585,119
Deferred outflows related to OPEB	-	20,515,624	20,515,624
Total deferred outflows of resources	<u>-</u>	<u>25,100,743</u>	<u>25,100,743</u>
Liabilities			
Current liabilities			
Vouchers payable	9,629,465	14,861,581	24,491,046
Due to other governmental units	1,094,436	-	1,094,436
Due to primary government	717,998	57,388	775,386
Unearned revenue and advances	86,437,324	11,326,217	97,763,541
Current portion of long-term debt	22,355,100	-	22,355,100
Current portion of long-term liabilities	-	711,123	711,123
Other accrued liabilities	7,684,447	5,517,591	13,202,038
Total current liabilities	<u>127,918,770</u>	<u>32,473,900</u>	<u>160,392,670</u>
Bonds and notes payable	258,167,669	-	258,167,669
Unamortized bonds premiums	7,640,486	-	7,640,486
Accrued compensated absences	-	3,783,997	3,783,997
Claims and judgments	-	794,818	794,818
Net pension liability	-	36,882,420	36,882,420
Net OPEB obligation	-	126,288,932	126,288,932
Total liabilities	<u>393,726,925</u>	<u>200,224,067</u>	<u>593,950,992</u>
Deferred Inflows of Resources			
Deferred inflows related to pension	-	6,309,492	6,309,492
Deferred inflows related to OPEB	-	12,486,40	12,486,405
Total deferred inflows of resources	<u>-</u>	<u>\$8,795,897</u>	<u>18,795,897</u>
Net position			
Net investment in capital assets	456,660,243	979,192,058	1,435,852,301
Restricted for			
Public works	26,295,068	-	26,295,068
Debt service	151,614,790	-	151,614,790
Unrestricted	1,499,118	(82,021,944)	(80,522,826)
Total net position	<u>\$ 636,069,219</u>	<u>\$ 897,170,114</u>	<u>\$ 1,533,239,333</u>

The accompanying notes are an integral part of the financial statements

**County of Oakland
Statement of Activities
Component Units
Year Ended September 30, 2020**

	Net Revenue (Expense) and Changes in Net Position						
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Drainage Districts	Road Commission	Total Component Units
Functions/Programs							
Drainage Districts	\$ 110,383,482	\$ 102,979,082	\$ 122,924	\$ 10,041,108	\$ 2,759,632	\$ -	\$ 2,759,632
Road Commission	133,068,151	18,799,197	103,608,028	61,623,457	-	50,962,531	50,962,531
Total component units	<u>\$ 243,451,633</u>	<u>\$ 121,778,279</u>	<u>\$ 103,730,952</u>	<u>\$ 71,664,565</u>	<u>2,759,632</u>	<u>50,962,531</u>	<u>53,722,163</u>
General Revenue							
Gain (loss) on sale of capital assets					-	270,731	270,731
Unrestricted investment earnings					1,102,836	1,290,345	2,393,181
Change in net position					<u>3,862,468</u>	<u>52,523,607</u>	<u>56,386,075</u>
Net position							
Beginning					632,206,751	844,646,507	1,476,853,258
Ending					<u>\$ 636,069,219</u>	<u>\$ 897,170,114</u>	<u>\$ 1,533,239,333</u>

The accompanying notes are an integral part of the financial statements

County of Oakland

Notes to Basic Financial Statements

September 30, 2020

1. Summary of Significant Accounting Policies

The basic financial statements of Oakland County (the County) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). The more significant of the County's accounting policies are described below.

The Financial Reporting Entity

As defined by generally accepted accounting principles established by the GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

The accompanying financial statements present Oakland County (the Primary Government) and its component units. The County's Parks and Recreation Commission is not legally separate from the County, nor does it possess separate corporate powers. As such, the financial data of the County's Parks and Recreation Commission have been included with the financial data of the Primary Government. The financial data of the component units are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

Blended Component Unit

A blended component unit is a legally separate entity from the County, but is so intertwined with the County that it is, in substance, the same as the County. It is reported as part of the County and blended into the appropriate funds.

- ***Oakland County Building Authority (the Authority)*** – A five-person authority is appointed by the Oakland County Board of Commissioners, and its activity is dependent upon Board actions. The purpose of the Authority is to finance, through tax-exempt bonds, the construction of public buildings for use by the County, with the bonds secured by lease agreements with the County and retired through lease payments from the County. The Oakland County Building Authority is reported as if it were part of the primary government because its sole purpose is to finance the construction of the County's public buildings. The Authority's activity is reported in various Debt Service funds (designated by the caption “Building Authority”), and the Building Improvement Fund, a capital projects fund.

Separate financial statements for the Authority are not published.

County of Oakland

Notes to Basic Financial Statements

September 30, 2020

Discretely Presented Component Unit

A discretely presented component unit is an entity that is legally separate from the County but for which the County is financially accountable, or its relationship with the County is such that exclusion would cause the County's financial statements to be misleading or incomplete. These component units are reported in separate columns to emphasize that they are legally separate from the County.

- **Road Commission for Oakland County (Road Commission)** – The Road Commission is governed by three appointees of the County Board of Commissioners who are not County Board members. The Road Commission is responsible for the construction and maintenance of the County's system of roads and bridges, and is principally funded by State-collected vehicle fuel and registration taxes under Michigan Public Act 51 of 1951. The County has budgetary control and appropriation authority over its activities; however, such has not been exercised. The Road Commission's primary activities, which are as of and for the year ended September 30, 2020, are reported discretely as a governmental fund type - Special Revenue fund. The Road Commission Retirement System, which is as of and for the year ended December 31, 2019, is not reported in the financial statements of Oakland County.
- Complete financial statements of the Road Commission, which include the Road Commission Retirement System and its separately issued statements, can be obtained from its administrative offices as follows:

Road Commission for Oakland County
31001 Lahser Road
Beverly Hills, Michigan 48025

- **Drainage Districts** – This component unit consists of individual districts created under Chapters 20 and 21 of Michigan Public Act 40 of 1956, for the purpose of alleviating drainage problems. This involves the construction, maintenance, and financing necessary to account for the cost of the drainage district. The individual districts, each a separate legal entity with power to assess the benefiting communities, is governed by the Drain Board for Oakland County, which consists of the Oakland County Water Resources Commissioner, the Chairman of the Oakland County Board of Commissioners, and the Chairperson of the Finance Committee of the Board of Commissioners. Assessments are made against the applicable municipalities within each district, including the Road Commission for Oakland County and the State of Michigan for road drainage. All activities of the various drainage districts are administered by the Oakland County Water Resources Commissioner. However, the drainage districts are not subject to the County's appropriation process. Because of the relationship between the component unit and the primary government, it would be misleading to exclude the Drainage Districts' Component Unit from the financial statements of Oakland County.
- The financial activities of the Drainage Districts as of and for the year ended September 30, 2020 are reported discretely as a governmental fund type. There are no separately issued financial statements of this component unit, although financial information for the specific drainage districts may be obtained from:

Oakland County Water Resources Commissioner
#1 Public Works Drive
Waterford, Michigan 48328

County of Oakland

Notes to Basic Financial Statements

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Basic (Government-wide) and Fund Financial Statements – GASB Statement No. 34

GASB Statement No. 34 establishes standards for external financial reporting for state and local governments and requires that net position be classified for accounting and reporting purposes into the following three categories:

- **Net investment in capital assets** consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction or improvement of those assets.
- **Restricted net position** results when constraints placed on net position use are either externally imposed by creditors, grantors, contributors and the like, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted net position** consists of net position which does not meet the definition of the two preceding categories. Unrestricted net position often is designated to indicate that management does not consider them to be available for general operations. Unrestricted net position often has constraints on resources which are imposed by management, but can be removed or modified.

The basic financial statements include both government-wide (based on the County as a whole) and fund financial statements. While the previous financial reporting model emphasized fund types (the total of all funds of a particular type) in the new financial reporting model, the focus is on either the County as a whole, or major individual funds (within the fund financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business-type. In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reflected, on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The County's fiduciary funds (which have been redefined and narrowed in scope) are presented in the fund financial statements by type. Since, by definition, these assets are being held for the benefit of third parties (pension participants and others) and cannot be used to finance activities or obligations of the government, these funds are not incorporated into the government-wide statements.

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

The government-wide Statement of Activities reflects the degree to which direct expenses that are clearly identifiable with a given functional category (General Government, Public Safety, Justice Administration, Citizen Services, Public Works, Recreation and Leisure, and Commerce and Community Development) are offset by program revenues. Program revenue includes 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or category, restricted investment earnings, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular

County of Oakland

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functional category. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. Property taxes and certain intergovernmental revenues are reported instead as general revenues, which are used to cover the net cost of the various functional categories of the County.

The County policy is to eliminate internal activity from the Statement of Activities. This policy dictates the elimination of indirect expenses, but not direct expenses. The exception to this general rule is activities between funds reported as governmental activities and funds reported as business-type activities (i.e., billings for services or products by internal service funds to enterprise funds).

The County does not currently employ an indirect cost allocation system. Rather, an administrative service fee is charged by the General Fund to the other operating funds to address General Fund services such as finance, personnel, purchasing, legal, administration, etc. This is treated like a reimbursement, eliminating revenues and expenses on the Statement of Activities.

This government-wide focus is more on the sustainability of the County as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

The fund financial statements are, in substance, very similar to the financial statements presented in the previous financial reporting model. Emphasis here is on the major funds in either the governmental or business-type categories. Non-major funds (by category) are summarized into a single column.

The governmental funds statements in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements governmental column, a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to reconcile the fund-based financial statements into the full accrual governmental column of the government-wide presentation.

Internal service funds of a government (which traditionally provide services primarily to other funds of the government) are presented, in summary form, as part of the proprietary fund financial statements. Since the principal users of the internal services are the County's governmental activities, financial statements of internal service funds are consolidated into the governmental column when presented at the government-wide level. The costs of these services are allocated to the appropriate functional activity. When appropriate, surplus or deficits in the internal service funds are allocated back to the various users within the entity-wide Statement of Activities.

The focus of the entity-wide financial statements under the new reporting model is to present the County as a whole. The focus of the Fund Financial Statements is on the major individual funds of the governmental and business-type categories, as well as the fiduciary funds (by category), and the component units. Each presentation provides valuable information that can be analyzed and compared (between years and between governments) to enhance the usefulness of the information.

Basis of Presentation – Fund Accounting

Funds are used to report the County's financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

County of Oakland

Notes to Basic Financial Statements

September 30, 2020

The County reports the following major governmental funds:

The General Fund is the County's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund. Revenue is primarily derived from property taxes, state and federal distributions, and charges for services.

The Water and Sewer Debt Act 342 Fund accounts for the accumulation of resources, mainly special assessments against benefiting municipalities, for the payment of bonded debt issued for construction of various water and sewer systems in Oakland County.

The County reports the following major enterprise funds:

The Parks and Recreation Fund accounts for the operation of the Oakland County parks system.

The Delinquent Tax Revolving Fund accounts for money advanced to the County and other local units of government for unpaid property taxes, and the subsequent collection of delinquencies.

The County Airports Fund was created to account for operations of the County's airports.

The Water and Sewer Trust Fund accounts for the collection of resources for the operation of various water and sewer systems maintained by the County, rather than the respective individual municipalities.

The Evergreen-Farmington S.D.S. (Sewage Disposal System) Fund was established to record the operations and maintenance of the system, which is used to move sewage to the Great Lakes Water Authority for treatment. Costs are recovered by developing rates and billing the municipalities serviced.

The Southeastern Oakland County S.D.S. (S.O.C.S.D.S.) Fund was established to record the operations and maintenance of the system, which is used to move sewage and storm water to the Great Lakes Water Authority for treatment. Costs are recovered by developing rates and billing the municipalities being served.

The Clinton-Oakland S.D.S. (Sewage Disposal System) Fund was established to record the operations and maintenance of the system, which is used to move sewage to the Great Lakes Water Authority for treatment. Costs are recovered by developing rates and billing the municipalities being serviced.

Additionally, the County reports the following fund types:

Governmental Fund Types

Special Revenue Funds are used to ensure that specified resources (other than expendable trusts and funds for major capital improvements) are used as required by legal, regulatory, and/or administrative provisions. Included within the Special Revenue Funds are programs for care of children, drain maintenance, and certain grant operations involving public health, employment training, community development, environmental infrastructure programs, and other grants.

Debt Service Funds account for the financing resources and payment of current principal and interest on debt. Debt Service Funds account for servicing of general long-term debt of various building authority debt issues, and debt associated with local water and sewer obligations upon which there are County guarantees.

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Capital Projects Funds account for the acquisition, construction, and renovation of major capital facilities other than those financed by proprietary funds.

Proprietary Fund Types

Internal service funds account for goods and services provided to departments, funds, and governmental units on a cost-reimbursement basis. Included within the internal service funds are certain fringe benefits provided to County employees which include health, workers' compensation, unemployment compensation, information technology, various equipment revolving funds, and central service-type operations.

Enterprise Funds, business-type activities, report operations for services to the general public, financed primarily by user charges intended to recover the cost of services provided, and include three airports, four sewage disposal systems, parks and others.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. The exception to this general rule is activities between funds reported as governmental activities and funds reported as business-type activities.

Amounts reported as program revenues include 1) charges for customers for goods supplied or services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources, as well as taxes, are reported as general revenue rather than as program revenues.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary Fund Types

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Oakland County's fiduciary funds include Pension (and other post-employment benefits) Trust funds to account for retirees' retirement and medical benefits; Investment Trust funds, which report funds deposited by and invested for local units of government; and Agency funds, which account for assets held in a custodial capacity by the County for others. These funds are not reflected in the government-wide financial statements because the resources of the funds are not available to support the programs of Oakland County.

Basis of Accounting

- **Primary government** – The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets, except for certain miscellaneous receivables and special assessments, and current liabilities are included on the balance sheet. Governmental funds are used to account for all or most of the County's general activities, including the collection and disbursement of earmarked resources and the servicing of long-term debt.
- Proprietary, Pension Trust, and Investment Trust Funds are accounted for on a flow-of-economic-resources measurement focus. All assets and liabilities are included on the Statement of Net Position with the balance classified as net position. Proprietary funds account

County of Oakland

Notes to Basic Financial Statements

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for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration.

- The financial statements have been prepared in conformity with generally accepted accounting principles. Governmental funds use the modified accrual basis of accounting, which recognizes revenue in the accounting period in which they become susceptible to accrual, generally when they become both measurable and available. Property taxes are levied on December 1 and July 1 of each year (see Note 4) and are recognized as revenue in the fiscal year during which they are levied, and interest associated with the current fiscal period is considered to be susceptible to accrual and has been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenues of the current period. Other revenue is considered to be available when anticipated to be collected within 60 days of the end of the fiscal period. Expenditures are recorded when the related fund liability is incurred, except debt service expenditures, which are recorded when paid.
- Proprietary, Pension Trust, and Investment Trust Funds use the accrual basis of accounting. Under this method, revenue is recorded when earned and expenses are recorded at the time liabilities are incurred. Agency funds, which report only a Statement of Net Position, use the accrual basis of accounting.

Discretely Presented Component Units

The Road Commission uses the current financial resources measurement focus for its governmental fund-type activities. The governmental fund type is used to account for all of the Road Commission's activities, including the collection and disbursement of earmarked resources and the servicing of long-term debt. Revenues and expenditures are recorded under the modified accrual basis of accounting, and, as such, revenue is recorded when measurable and available, and earned. Project-related revenue is recognized as related costs are incurred, except for interest on long-term debt, which is recorded when paid.

The Drainage Districts use the current financial resources measurement focus for their activities. The governmental fund type is used to account for all of the Drainage Districts' activities, including the financing of the cost of construction and maintenance of Drainage Districts and servicing of long-term debt. Revenues and expenditures are recorded under the modified accrual basis of accounting, and as such, revenue is recorded when measurable and available, and earned. Project-related revenues are recognized as related costs are incurred, except for debt service expenditures, which are recorded when paid.

Budgets

Budgets and budgetary accounting are on the modified accrual basis, which is consistent with generally accepted accounting principles (GAAP basis) in that property tax revenue is recognized when made available by Board resolution. The budget was legally adopted by the Board of Commissioners prior to September 30, 2019 and presented in a separate document. Appropriation budgets were adopted for the General Fund and the following Special Revenue funds: Child Care and Social Welfare-Foster Care. Appropriations lapse at the end of the year. Project-length financial plans are budgeted for the remainder of the Special Revenue funds and for all Debt Service and Capital Projects funds. Budget and actual comparisons for such funds are not reported in the financial statements because annual budgets are not prepared.

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Encumbrances are recorded at the time that purchase orders and contracts are issued. The encumbrances are liquidated when the goods or services are received. Unliquidated encumbrances at the end of the year are set aside as assigned within fund balance. In the succeeding year, the encumbrances are re-appropriated by the Board of Commissioners to cover the unliquidated encumbrances included in fund equity. As of September 30, 2020 there were no significant encumbrances.

Pooled Cash and Investments

The County maintains a cash and investment pool for all funds except the pension trust funds, the Superseding Trust fund, and two agency funds (Jail Inmate Trust and District Court Trust), in order to maximize investment earnings. Investments of the pool are not segregated by fund but each contributing fund's balance is treated as equity in the pool. For funds not in the pool, cash equivalents are considered to be demand deposits and short-term investments with an original maturity date of three months or less from the date of acquisition.

Cash overdrafts occurring in funds participating in pooled cash accounts at September 30, 2020 have been reclassified as a "due to other funds," and a corresponding "due from other funds" was established in the General Fund. Similarly, negative accrued interest receivable caused by negative cash balances is also reclassified at year end as an inter-fund liability.

Pooled investment income is allocated to all funds based on the respective share of their average daily balances. Interest charges for funds with negative balances are reported as negative interest income.

Inter-fund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Short-term receivables and payables resulting from such transactions are classified as "due from other funds" or "due to other funds" on the balance sheet.

Non-current portions of long-term inter-fund loan receivables are reported as advances and are offset equally by nonspendable fund balance.

Inventories

Inventories in governmental and proprietary funds are stated at cost using the first-in, first-out (FIFO) method. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Prepayments

Payments made for services that will benefit periods beyond September 30, 2020 are recorded as prepayments using the consumption method.

Unearned Revenue

Revenue for which asset recognition has been met, but for which revenue recognition criteria has not yet been met, for payments received before earnings are complete, is reported as a liability.

Capital Assets

Capital assets, which includes land, buildings, equipment and infrastructure assets (e.g., roads, drains, and similar items), are reported in the government-wide statements and applicable proprietary fund financial statements. Capital assets that are used for governmental activities are only capitalized in the government-wide statements and fully expended in the government funds. The County established capitalization thresholds for capital assets of \$5,000. Capital assets are

County of Oakland
Notes to Basic Financial Statements
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stated at cost or, if donated, at acquisition value at the time of donation. In some instances, capital asset historical costs were not available; therefore, the costs of these assets at the dates of acquisitions have been estimated. Expenditures materially extending the life of capital assets are capitalized. Interest incurred during construction is only capitalized in proprietary funds. Capital assets are depreciated over their useful lives, using the straight-line depreciation method. Infrastructure ("public domain") assets, including roads, bridges, sanitary sewers, drains, curbs, and gutters, are capitalized.

The County's estimated useful lives of the major classes of property and equipment follow:

Class	Years
Land improvements	10-15
Buildings and improvements	35-45
Equipment and vehicles	3-10
Sewage disposal systems	40-50
Infrastructure	10-75

Capital assets used in the general operation of the Road Commission are depreciated under various methods, including straight-line and sum-of-the-years digits.

Compensated Absences

Compensated absences (vested sick and annual leave) of the Primary Government that are allowed to accumulate are charged to operations in the Fringe Benefit fund (an Internal Service fund) as the benefits accrue. Compensated absences for the Road Commission are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only for employee terminations as of year-end.

No liability is recorded for non-vesting accumulating rights to receive sick pay benefits for the Primary Government and Component Units.

Pension

The County offers pension benefits to retirees. The County records a net pension liability (asset) for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, provides information about the fiduciary net position of the pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Pension Liability/(Asset)

The government-wide statements now include a liability/(asset) for our unfunded/overfunded legacy costs related to the County's pension plan. The net pension liability/(asset) is the difference between the total pension liability and the plan's fiduciary net position. The pension expense recognized each fiscal year is equal to the change in the net pension liability from the beginning of the year to the end of the year, adjusted for deferred recognition of the liability and investment experience. The net pension liability/(asset) is recorded on the government-wide, internal service

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and discretely presented component unit statements. This change does not impact the General Fund or any other governmental fund. Refer to the pension footnotes for further details.

Other Postemployment Benefit Liability/(Asset)

The County offers a defined healthcare benefits plan to retirees. The County records an OPEB liability (asset) for the difference between the total OPEB liability calculated by the actuary and the OPEB plan's fiduciary net position. For the purpose of measuring the net OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB plan and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The net OPEB liability (asset) is recorded on both the government wide and internal service funds statements. This change does not impact the General Fund or any other governmental fund. Refer to the OPEB notes for further details.

Fund Equity

In the fund financial statements for the governmental fund reports, the following are the components of fund balance.

- Nonspendable, includes resources that are not in spendable form (i.e. inventories).
- Restricted, amounts that are restricted to specific purposes externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through enabling legislation.
- Committed, amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolution of the County's highest level of decision-making authority. A formal resolution by the Board of Commissioners is required to establish, modify or rescind a fund balance commitment.
- Assigned, amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. These assignments are authorized by the Board of Commissioners through a formal resolution.
- Unassigned, is the residual classification of the General Fund, and the reporting of any negative fund balance of a governmental fund.

When an expense is incurred for purposes for which both restricted and unrestricted net position or fund balance are available, the County's policy is to first apply restricted resources. When an expense is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the County's policy to spend funds in this order: committed, assigned, and unassigned.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be

County of Oakland

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recognized as an outflow of resources (expense/expenditure) until then. The County recognizes deferred outflows related to/from the net difference between projected and actual earnings on Retirement and OPEB Plan investments, and changes in assumptions related to the OPEB Plans. The Road Commission component unit reports deferred outflows from contributions to the plan subsequent to the measurement date for both the pension and OPEB plans, and changes in assumptions in relation to the OPEB plan.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenues) until that time. The County has three types of deferred inflows, first one arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from five sources: property taxes, contracts, grants, special assessments and other. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second type is related to the difference between expected and actual experience related to the OPEB plans. The third type is related to changes in assumptions related to the OPEB Plans. These amounts will be amortized over the next four years and included in net OPEB expense. The Road Commission component unit reports deferred inflows of resources related to both the pension and OPEB plan for the difference between expected and actual experience and net difference between projected and actual earnings on investments along with grant reimbursement funding and special assessment receivables that were not received within the 60-day period of availability.

Property taxes levied are used to finance the expenditures of the current fiscal period (October 1, 2019 through September 30, 2020) and are reported as revenues in the financial statements. Amounts not collected within 60 days of the end of the fiscal year are considered unavailable for the current period, and are reported as deferred inflows.

Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements, September 30, 2020. These estimates and assumptions also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Upcoming Accounting Pronouncements

In January 2017, the GASB issued Statement No. 84, Fiduciary Activities. This statement establishes criteria for identifying fiduciary activities of all state and local governments. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. The County is currently evaluating the impact this standard will have on the financial statements for the year ending September 30, 2021.

In June 2017, the GASB issued Statement No. 87, Leases, which improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are

County of Oakland

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financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The County is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the County's financial statements for the year ending September 30, 2022.

In June 2018, the GASB issued Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period, which simplifies accounting for interest cost incurred before the end of construction and requires those costs to be expensed in the period incurred. As a result, interest cost incurred before the end of a construction period will not be capitalized and included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This statement also reiterates that, in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of the standard will be applied prospectively and result in increased interest expense during periods of construction. The provisions of this statement are effective for the County's financial statements for the September 30, 2022 fiscal year.

Subsequent Events

It is important to note that subsequent to year-end, the American Rescue Plan Act of 2021 was passed by congress and signed in to law by the President. Oakland County is slated to receive approximately \$244 million of funding under the American Rescue Plan Act. While the Act includes some information as to allowable uses and the time period for the funding, the additional administrative guidance has not been issued by the United State Treasury as of this document publication. Oakland County will be identifying strategic opportunities to most effectively support economic recovery for residents and businesses as well as potential infrastructure projects that meet eligibility requirements.

2. Legal Compliance - Budgets

The Board of Commissioners has established the legal level of control by control groups, as outlined in the County's General Appropriations Act. This act states that expenditures shall not exceed the total appropriations for personnel expenditures (salaries, overtime, and fringes), operating expenditures, and internal support expenditures (Internal Service fund charges), respectively, by department. Budgets are adopted and presented on the GAAP basis of accounting.

The Board of Commissioners is authorized to make amendments to the various budgets as deemed necessary. Current year supplemental budgetary appropriations were not material. Funds that receive an appropriation and can therefore be defined as those with an appropriated, annual, legally adopted budget are the General Fund and two Special Revenue funds: Child Care and Social Welfare-Foster Care. The budgetary comparison for the General Fund is presented in the Required Supplementary Information. The Child Care and Social Welfare Foster Care funds are presented in the Special Revenue Funds section.

Transfers within and between budgeted funds and departments may be made by the Fiscal Officer (Director of Management and Budget Department) in the following instances:

- (a) Transfers may be made from the non-departmental overtime reserve account and fringe benefit adjustment account to the appropriate departmental budget as specific overtime requests are reviewed and approved by the Fiscal Officer. Additionally, overtime

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appropriations may be transferred between divisions within a department at the request of the department head, if authorized by the Fiscal Officer or designee.

- (b) Transfers may be made from the non-departmental appropriation reserve accounts for maintenance department charges and miscellaneous capital outlay to the appropriate departmental budgets as specific requests for these items are reviewed and approved by the Fiscal Officer.
- (c) Transfers may be made from the non-departmental appropriation reserve accounts, emergency salaries, and summer help as specific requests for these items are reviewed and approved by the Director of the Human Resources Department.

At year end, the Board of Commissioners adopts a resolution which authorizes and closes amounts exceeding the original appropriation against the balances in other appropriations and closes the remaining balance to the General Fund's "Unassigned Fund Balance."

During the fiscal year, the County incurred no expenditures in excess of appropriations which are presented at the legal level of control.

3. Deposits and Investments

The County has deposits and investments which are maintained for its primary government, component unit and fiduciary fund types.

For the primary government, the County manages its investments in a pool format which is used by all County funds. Income, gains and losses are allocated back to County funds based on their share of the pool which is calculated on their average daily cash balance.

For its pool, the County only uses federal and state-chartered financial institutions, which are members of the FDIC, NCUA or DIFS and have a location in the state of Michigan. All deposits and investments for the pool are held in the County's name and tax ID number.

The County Treasurer is permitted to offer an investment option to local units of government within the County, called the Local Government Investment Pool (LGIP). Contracted participant deposits are treated just like County funds. Income, gains and losses are allocated based upon the participant's average daily balance. The LGIP is not subject to regulatory oversight, is not registered with the SEC, and does not issue a separate report. Fair value of the position in the pool is approximately equal to the value of the pool shares. The LGIP has not provided or obtained any legally binding guarantees during the period to support the value of the shares. Investments are valued monthly.

Deposits

It is County policy to review and verify a bank's creditworthiness through a system of ratio analysis and from information provided by several third-party sources. In addition, the County places concentration limits on banks based on creditworthiness resulting from both the ratio analysis and third-party information.

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that in the event of a bank failure, the County's deposits may not be returned.

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As of September 30, 2020, the bank balance of the County's deposits was \$1,572,512,810. Insured deposits were \$4,750,000, and the remaining \$1,567,762,810 was uninsured, uncollateralized, and held in the County's name.

The Drainage District's component unit's cash, deposits and investments are maintained in pooled accounts of the County; therefore, their amount of insurance would be allocated to the Drainage District's deposits based on their prorated share of the investment portfolio.

The County's Investment Policy allows for the use of bank deposits including certificates of deposit. The only limitation placed on bank deposits is that they cannot exceed 60% of the total investment portfolio. In addition, the County's investment policy limits the investment with any single financial institution to 15%.

At September 30, 2020, the Road Commission component unit had \$22,423,908 of bank deposits (checking and savings accounts) that were uninsured and uncollateralized. The Road Commission believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Road Commission evaluates each financial institution with which it deposits funds and assesses the level of risk for each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Investments - Internal Investment Pool

Investments, except those of the Retirement Systems, Superseding Retirees' Medical Benefits Trust and Deferred Compensation Plan, are administered by the Treasurer under guidelines established by Act 20 of the Michigan Public Acts of 1943, as amended and the Investment Policy as adopted by the County's Board of Commissioners. The County's Investment Policy is more restrictive than state law and allows for the following instruments:

1. Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.
2. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of Michigan financial institutions.
3. Commercial paper rated at the time of purchase at the *highest* classification established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
4. Repurchase agreements consisting of instruments in subdivision 1. The PSA Master Repurchase Agreement prototype agreement shall be employed with appropriate supplemental provisions regarding security delivery, security substitutions, and governing law. A signed Repurchase Agreement must be on file before entering into a repurchase transaction.
5. Bankers' acceptances of United States banks.
6. Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than 1 standard rating service.
7. Obligations described in subdivisions 1 through 6 if purchased through an inter-local agreement under the Urban Cooperation Act of 1967.
8. Investment pools organized under the Surplus Funds Investment Pool Act, PA 367 of 1982.
9. Investment pools organized under the Local Government Investment Pool Act, PA 121 of 1985.
10. Mutual funds registered under the Investment Company Act of 1940 with authority to only purchase investment vehicles that are legal for direct investment by a Michigan public corporation. Investment is limited to mutual funds that maintain a net asset value of \$1.00 per share.

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As of September 30, 2020, the County had the following deposit and investment types in its internal investment pool.

Deposit and Investment Type	Market Value	Weighted Average Maturity (days)
Certificates of Deposit (1)	\$ 978,403,365	267
Deposit Accounts (1)	594,109,446	1
Money Market Investment Pools	372,842,175	1
Amortizing Commercial Paper Disc.	24,999,356	8
Negotiable CD's	93,384,934	490
Municipal Bonds	40,772,120	2,373
Government Agencies	135,862,227	729
Total Fair Value of Internal Investment Pool	\$ 2,240,373,623	
Weighted Average Maturity of Internal Investment Pool (in days)		218

(1) These items are considered deposits and not investments. They are presented here to give a clear picture of the investment pool's overall weighted average maturity.

Credit Risk – At September 30, 2020, the County had \$135,862,227 invested in U.S. government securities which are rated AA by Standard & Poor's and Aaa by Moody's, and \$40,772,120 invested in AAA (S&P) and Aaa (Moody's) Municipal Bonds. State law limits investments in commercial paper to the top two ratings issued by a nationally recognized statistical rating organization (NRSROs). It is the County's policy to further limit its investments in commercial paper to only the top rating as issued by NRSRO's. At September 30, 2020, the County had \$24,999,356 invested in A1+ (S&P) and P1+ (Moody's) commercial paper. The money market investment pool had 372,842,175 invested with a rating of AAAM (S&P). The County's investment policy is silent on the use of rated versus unrated money market funds. In addition, there is no rating level requirement for rated money market funds.

Custodial Credit Risk – Investments is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments that are in the possession of another side party. The County's investment policy requires that all investment transactions (including collateral for repurchase agreements) be conducted on a delivery-versus-payment (DVP) basis. Securities shall be held by a third-party custodian, as designated by the County Treasurer, and shall be evidenced by a safekeeping receipt. As of September 30, 2020, \$295,018,637 in investments, at fair value, was held in third-party safekeeping in the County's name.

The County also invests in money market funds that have their securities safe kept with a third party selected by the counterparty. However, the pool's securities are held in trust for the participants of the fund and are not available to the counterparty if the counterparty should happen to fail. We believe this arrangement satisfies the County's investment policy safe-keeping requirement.

Concentration of Credit Risk – Investments. On September 30, 2020, the County had no investments of 5% or more of the total portfolio with U.S. agency issuers.

Interest Rate Risk – To limit its exposure to fair value losses from rising interest rates, the County's Investment Policy states the County will not directly invest in securities that mature more than three years from date of purchase; however, securities exceeding the three-year limitation may be

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purchased provided maturity dates coincide with the expected use of the funds. As of September 30, 2020, the internal investment pool had a weighted average maturity of 218 days and the longest investment maturity in the portfolio was 2,373 days (6.5 years).

Fair Value Measurement – The County categorizes investments measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The County’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The County has the following recurring fair value measurements as of September 30, 2020:

Assets and Liabilities Measured at Fair Value on a Recurring Basis

Investment Type	Total Value	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Government Agencies	\$ 135,862,227	\$ -	\$ 135,862,227	\$ -
Municipal Bonds	40,772,120		40,772,120	
Amortizing Commercial Paper Disc.	24,999,356		24,999,356	
Negotiable CD's	93,384,934	-	93,384,934	
Total Investments by Fair Value	\$ 295,018,637	\$ -	\$ 295,018,637	\$ -

Investments measured at the

Net Asset Value (NAV)

Money Market Investment Pools	<u>372,842,175</u>
Total Investments measured fair value	<u>\$ 667,860,812</u>

The fair value of Amort. Commercial Paper Disc., Negotiable CD’s, Government Agencies and Municipal Bonds at September 30, 2020 was determined primarily based on level 2 inputs, and are valued using quoted prices for identical securities in markets that are not active. The Money Market Investment Pools is valued at published fair value per share (unit) for the fund.

Investments – Pension Trust Funds and Superseding Trust

The Pension Trust Funds and the Superseding Trust (within the Fringe Benefits Internal Service Fund) investments are made in accordance with Act 55 of the Michigan Public Acts of 1982, as amended, and are limited to no more than 65 percent in common stock. In addition, no investments, loans, or leases are with parties related to the pension plan.

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Pension investments are made through the use of Investment Advisors which are selected and retained by the Retirement (PERS, VEBA and ST) and Deferred Compensation Boards. The advisors serve at the leisure of the Board as provided by investment agreements. At September 30, 2020, the Primary Government's Pension Trust fund had 30 investment advisors. Investments are held in street name by safekeeping agents under formal trust agreements and/or in the Retirement Systems' name.

As of September 30, 2020, the County had the following investment types in its Retirement System and Other Postemployment Benefits Trust funds and the Superseding Trust fund:

Investment Type	Fair Value	Percentage	Average Duration (In Years)
Common Stock	\$1,051,451,465	50.70%	N/A
Preferred Stock	1,286,190	0.06%	N/A
Convertible Equity	1,321,938	0.06%	N/A
Exchange Traded Funds	972,441	0.05%	N/A
Government Bonds	106,297,678	5.13%	1.94
Government Agencies	72,553,697	3.50%	0.35
Municipal Bonds	912,504	0.04%	14.09
Corporate Bonds	227,233,997	10.96%	7.07
Bank Loans	3,584,318	0.17%	0.01
Government Mortgage-Backed Securities	65,589,062	3.16%	0.30
Gov't Issued Commercial Mortgage-Backed	46,004	0.00%	0.00
Commercial Mortgage-Backed Securities	20,047,524	0.97%	0.15
Asset-Backed Securities	19,462,334	0.94%	0.05
Non-government Backed CMOs	1,131,038	0.05%	0.59
Index Linked Government Bonds	24,442,843	1.18%	0.34
Other Fixed Income	11,189,184	0.54%	0.06
Real Estate	188,044,118	9.07%	N/A
Partnerships	136,724,295	6.59%	N/A
Hedge Funds	102,353,931	4.94%	N/A
Cash and Cash Equivalents	39,185,038	1.89%	0.00
Total	\$2,073,829,599	100.00%	

Credit Risk. The Board's adopted Statement of Investment Goals and Objectives (SIGO) states that no non-convertible bonds and convertible securities are authorized for purchase. In addition, no more than 10% of the total value of the portfolio, at the time of purchase, may be held in non-investment grade bonds as rated by Moody's and/or Standard & Poor's. Ninety percent of the total value of the portfolio must have a quality rating of A or better by Moody's and Standard & Poor's. For any security held in the portfolio that drops below investment grade as rated by Moody's or Standard & Poor's, the investment manager is to advise the Board of that fact along with a buy/hold recommendation. The Board shall then instruct the investment manager as to which action should be taken.

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As of September 30, 2020, debt obligation investments held in the retirement system had the following ratings:

Fair Value	Percentage	Ratings	
		S&P	Moody's
\$15,611,649	2.30 %	AAA	Aaa
36,305,314	5.34	AA	Aa
84,176,965	12.39	A	A
101,645,115	14.96	BBB	Baa
14,041,252	2.07	BB	Ba
4,325,946	0.64	B	B
113,197	0.02	CCC	Caa
172,665,979	25.42	NR	NR
250,447,702	36.86	US Gov't Guaranteed	
<u>\$679,333,119</u>	<u>100.00 %</u>		

Custodial Credit Risk is the risk associated that in the event of the failure of the counterparty, the Retirement System would not be able to recover the value of its investments that are in the possession of another side party. The Retirement System's Statement of Investment Goals and Objectives (SIGO) requires that all investment transactions shall be conducted through a custodian that will act as the system's third party. Securities shall be held by the custodian, as designated by the Retirement Boards, and shall be evidenced by a custodial report. As of September 30, 2020, \$2,070,126,739 in investments was held in third-party safekeeping in the County's name.

Concentration of Credit Risk. The Board's adopted Statement of Investment Goals and Objectives (SIGO) states that no more than 5% of the assets of the Retirement System's portfolio may be invested in the fixed-income obligations of any one corporation or its affiliates and no more than 10% may be invested in the equity of any one corporation or its affiliates. Further, for fixed-income investments, no more than 10% of the assets of the portfolio may be invested in the securities of any governmental agency that is not fully backed by the U.S. government. No limitation applies to obligations of the United States Treasury or any fully guaranteed agency of the federal government.

For equities, holdings of all securities of an industry group should not exceed 25% of the portfolio at cost. ADRs should not exceed a maximum of 10% of the portfolio at cost and shall be further limited to Canadian securities and non-U.S. domiciled corporations issuing U.S. securities. As of September 30, 2020, as reported by the system's investment managers, no holdings exceed any of the Board's adopted limits.

Interest Rate Risk - The Board's adopted Statement of Investment Goals and Objectives (SIGO) places no limitation on the system's fixed-income managers on the length to maturity for fixed-income investments. As the schedule on page 84 indicates, the system's fixed-income investments had average durations of between .01 years and 14.09 years which is reasonable given the long-term nature of the system. Having reasonable durations will reduce the retirement system's risk exposure to rapidly adjusting interest rates.

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Collateralized Mortgage Obligations (CMOs) are U.S. government-issued asset-backed certificates and corporate-issued asset-backed certificates. Current CMO holdings have maturity lengths ranging from 9.0 years to 49.2 years and are backed by investments in various assets, including mortgages. As of September 30, 2020, the market value was \$21,178,562

Interest Rate Risk - Collateralized Mortgage Obligations. The market value of such investments can be affected by, among other factors, changes in interest rates, including the effect of prepayments, marketability, and default rates on assets underlying the securities. At September 30, 2020, the County's CMO portfolio had an effective duration of .59 years.

Fair Value Measurement – The County categorizes investments measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The County's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

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The County has the following recurring fair value measurements as of September 30, 2020:

Assets and Liabilities Measured at Fair Value on a Recurring Basis

	Balance at September 30, 2020	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Equity securities:				
Common Stock	\$ 614,105,086	\$ 614,105,086	\$ -	\$ -
Preferred Stock	1,286,190	1,286,190		
Convertible Equity	1,321,938	1,321,938		
Exchange Traded Funds	972,441	972,441	-	-
Equity Mutual Funds	22,379,498	22,379,498	-	-
Total equity securities	640,065,153	640,065,153	-	-
Debt securities:				
Government Bonds	106,297,678	-	106,277,166	20,512
Government Agencies	32,259,875	-	32,259,875	-
Municipal/Provincial Bonds	912,504	-	912,504	-
Corporate Bonds	227,233,997	-	227,032,996	201,001
Government Mortgage-Backed Securities	65,589,062	-	65,589,062	-
Government Issued Commercial Mortgage-Backed Securities	46,004	-	46,004	-
Commercial Mortgage-Backed Securities	20,047,524	-	20,047,524	-
Non-Government Backed C.M.O.	1,131,038	-	1,131,038	-
Asset Backed Securities	19,462,334	-	19,462,334	-
Index Linked Government Bonds	24,442,843	-	24,442,843	-
Bank Loans	3,584,318	-	3,584,318	-
Other Fixed Income	11,189,184	-	11,189,184	-
Total debt securities	512,196,361	-	511,974,848	221,513
Total investments by fair value level	\$ 1,152,261,514	\$ 640,065,153	\$ 511,974,848	\$ 221,513
Investments measured at the Net Asset Value (NAV)				
International Equity	173,504,444			
Global Fixed Income	95,985,703			
Private Fixed Income	81,032,414			
Index Funds	241,462,437			
Hedged Equity Long/Short Funds	102,353,931			
Real Estate	188,044,118			
Total investments measured at the NAV	882,383,047			
Total investments measured at fair value	\$ 2,034,644,561			

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Equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following approaches: Equity Mutual Funds are valued using fair value per share for each fund; Fixed Income investments are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors. Debt and equity securities classified in Level 3 are based upon unobservable inputs.

Investments in Entities that Calculate Net Asset Value per Share

The county holds shares or interests in investment companies whereby the fair value of the investments are measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

At the year ended September 30, 2020, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency, if eligible	Redemption Notice Period
International Equity	\$ 173,504,444	\$ -	Monthly	10 Days
Global Fixed Income	95,985,703	-	Daily	3 Days
Private Fixed Income	81,032,414	4,122,372	Daily	3 Days
Index Funds	241,462,437	-	Daily	3 Days
Hedged Equity Long/Short Funds	102,353,931	-	Quarterly	90 Days
Real Estate	188,044,118	23,207,835	-	-
Total investments measured at the NAV	<u>\$ 882,383,047</u>	<u>\$ 27,330,207</u>		

The International Equity Fund seeks long-term growth of capital by investing at least 80% of its net assets in large capitalization equity securities listed in the Morgan Stanley Capital International Europe, Australasia and Far East Index (MSCI EAFE Index).

The Global Fixed Income Fund seeks current income with capital appreciation and growth of income, by investing at least 80% of its net assets in bonds of governments, government related entities and government agencies located anywhere in the world. The fund regularly enters into various currency-related and other transactions involving derivative instruments.

The Private Fixed Income Fund invests in senior secured loans to U.S. middle market private equity portfolio companies with annual cash flow of up to \$100 million that are owned or controlled by leading private equity sponsors.

The Index Fund seeks to replicate the total return of the S&P 500 index. Under normal market conditions, at least 80% of its total assets will be invested in stocks in the S&P 500 index. The fund utilizes a “passive” investment approach, attempting to replicate the investment performance of its benchmark.

The Hedged Equity Long/Short Fund is comprised of hedge funds that invest in global equity markets using long/short strategies both from a bottom-up (stock-pickers) orientation and a top-down (macro) orientation, including emerging markets.

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The fair values of the investments in the preceding five classes have been estimated using the net asset value per share of the investments.

The Real Estate funds class included several real estate funds that invest primarily in U.S. commercial real estate. The fair values of the investments in this class have been estimated using the net asset value of the County’s ownership interest in partners’ capital.

Disclosures regarding redemption only upon liquidation

The investments in the Private Real Estate, Real Estate and Real Estate International can never be redeemed with the funds. Distributions from each fund will be received only as the underlying investments of the funds are liquidated. It is estimated that the underlying assets of the funds will be liquidated over the next one to ten years.

4. Property Taxes – Receivables

Receivables – In accordance with Michigan Public Act 357 of 2004, the County Operating Tax is levied on July 1 on the taxable value of real and personal property as established the preceding December 31. Taxes become a lien on the property on July 1 and are due and payable on that date through February 28 of the following year, after which unpaid taxes became delinquent and subject to penalty. Taxable value is determined by using such factors as State equalized, assessed, and capped values, along with a value change multiplier. Equalized values for the 2020 summer levy amounted to \$81,195,394,914 with taxable values of \$62,997,945,070. The operating tax rate for the 2020 levy was 4.02 mills, with an additional 0.2329 mills voted for Parks and Recreation (winter levy only). The amount unpaid at fiscal year-end is reported as current property taxes receivable in the County’s General Fund. These receivables (current and delinquent) for the County operating tax levy amounted to \$24,420,556 at September 30, 2020.

5. Allowances for Uncollectible Receivables

At September 30, 2020, the allowances for uncollectible receivables were as follows:

General Fund	\$ 25,000
Enterprise Funds	
Parks and Recreation	<u>140,377</u>
Total	<u>\$ 165,377</u>

The allowance in the General Fund is for accounts receivable, for the Parks and Recreation fund the allowance for uncollectible receivables consists of allowance for taxes receivable in the amount of \$39,672 and for accounts receivable of \$100,705.

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6. Investment Income – Pension and Other Postemployment Trust Funds

The following is a breakdown of the investment income for Pension and Other Postemployment Trust funds of the primary government for the year ended September 30, 2020:

	Employees' Retirement	VEBA Trust
Interest and dividends	\$ 9,821,555	\$ 17,755,166
Unrealized/Realized gain (loss) on investments	<u>25,336,661</u>	<u>48,518,700</u>
Total	<u>\$ 35,158,216</u>	<u>\$ 66,273,866</u>

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7. Capital Assets

An analysis of property and equipment as reported in the Statement of Net Position, and related accumulated depreciation, at September 30, 2020, for governmental activities follows:

	Balance October 1, 2019	Additions	Disposals and Adjustments	Balance September 30, 2020
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 7,365,551	\$ -	\$ -	\$ 7,365,551
Construction in progress	24,530,289	18,742,293	(3,857,162)	39,415,420
Total capital assets not being depreciated	<u>31,895,840</u>	<u>18,742,293</u>	<u>(3,857,162)</u>	<u>46,780,971</u>
Capital assets being depreciated				
Land improvements	1,475,941	-	200,000	1,675,941
Buildings and improvements	279,836,864	41,400	964,159	280,842,423
Equipment and vehicles	143,995,557	5,137,991	(1,774,654)	147,358,894
Infrastructure	35,133,335	-	3,137,648	38,270,983
Total capital assets being depreciated	<u>460,441,697</u>	<u>5,179,391</u>	<u>2,527,153</u>	<u>468,148,241</u>
Less: Accumulated depreciation				
Land improvements	1,198,175	31,861	-	1,230,036
Buildings and improvements	132,235,646	6,785,300	166,964	139,187,910
Equipment and vehicles	116,637,554	7,986,022	(1,449,673)	123,173,903
Infrastructure	20,638,272	710,869	-	21,349,141
Total accumulated depreciation	<u>270,709,647</u>	<u>15,514,052</u>	<u>(1,282,709)</u>	<u>284,940,990</u>
Total capital assets being depreciated, net	<u>189,732,050</u>	<u>(10,334,661)</u>	<u>3,809,862</u>	<u>183,207,251</u>
Governmental activities capital assets, net	<u>\$ 221,627,890</u>	<u>\$ 8,407,632</u>	<u>\$ (47,300)</u>	<u>\$ 229,988,222</u>

Depreciation expense was charged to functions as follows:

Public safety	\$ 3,976,618
Justice administration	1,051,595
Citizens services	690,178
Public infrastructure	216,618
Commerce and Community Development	29,669
Unallocated depreciation	3,287,405
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>6,261,969</u>
Total depreciation expense - governmental activities	<u>\$ 15,514,052</u>

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A summary of business-type property and equipment at September 30, 2020 follows:

	Balance October 1, 2019	Additions	Disposals and Adjustments	Balance September 30, 2020
Business-type Activities				
Capital assets not being depreciated				
Land	\$ 68,438,067	\$ 54,810	\$ -	\$ 68,492,877
Construction in progress	120,035,697	39,289,214	(10,720,927)	148,603,984
Other	12,000	-	-	12,000
Total capital assets not being depreciated	<u>188,485,764</u>	<u>39,344,024</u>	<u>(10,720,927)</u>	<u>217,108,861</u>
Capital assets being depreciated				
Land improvements	45,139,104	-	-	45,139,104
Buildings and improvements	104,894,591	282,397	(30,385)	105,146,603
Equipment and vehicles	81,702,001	9,838,497	(317,778)	91,222,720
Infrastructure	330,174,606	3,201,155	(7,522,874)	325,852,887
Total capital assets being depreciated	<u>561,910,302</u>	<u>13,322,049</u>	<u>(7,871,037)</u>	<u>567,361,314</u>
Less: Accumulated depreciation				
Land improvements	31,225,755	1,420,178	-	32,645,933
Buildings and improvements	52,040,027	3,183,897	(6,583)	55,217,341
Equipment and vehicles	65,897,096	3,769,758	(57,714)	69,609,140
Infrastructure	262,352,843	5,496,153	(4,462,218)	263,386,778
Total accumulated depreciation	<u>411,515,721</u>	<u>13,869,986</u>	<u>(4,526,515)</u>	<u>420,859,192</u>
Total capital assets being depreciated, net	<u>150,394,581</u>	<u>(547,937)</u>	<u>(3,344,522)</u>	<u>146,502,122</u>
Business-type activities capital assets, net	<u>\$ 338,880,345</u>	<u>\$ 38,796,087</u>	<u>\$ (14,065,449)</u>	<u>\$ 363,610,983</u>
Depreciation expense was charged to functions as follows:				
Airports		\$ 2,692,986		
Community safety support		4,066,386		
Community water and sewer		1,935,102		
Recreation and leisure		3,235,801		
Sewage disposal systems		1,939,711		
Total depreciation expense - business-type activities		<u>\$ 13,869,986</u>		

On September 5, 2019, the County approved a transfer of assets comprising the Oxford Township Water Supply System to grant the Township of Oxford control over the system. As a result of the transfer, the County recognized a loss of \$3.3 million on the disposal of the assets as a special item in the Water & Sewer Trust enterprise fund. After the transfer, the Township entered into an agreement with the County to operate and maintain the water system on their behalf.

County of Oakland
Notes to Basic Financial Statements
September 30, 2020

An analysis of property and equipment, and related accumulated depreciation where applicable, at September 30, 2020, for component units follows:

	Balance October 1, 2019	Additions	Disposals and Adjustments	Balance September 30, 2020
Component Units				
Drainage Districts				
Capital assets not being depreciated				
Construction in progress	\$ 145,966,963	\$ 19,723,974	\$ (4,728,601)	\$ 160,962,336
Land	325,964	-	-	325,964
Total capital assets not being depreciated	<u>146,292,927</u>	<u>19,723,974</u>	<u>(4,728,601)</u>	<u>161,288,300</u>
Capital assets being depreciated				
Buildings	69,870,049	-	-	69,870,049
Equipment	907,247	168,467	-	1,075,714
Infrastructure	586,045,808	-	4,728,601	590,774,409
Total capital assets being depreciated	<u>656,823,104</u>	<u>168,467</u>	<u>4,728,601</u>	<u>661,720,172</u>
Less: Accumulated depreciation				
Buildings	12,371,196	2,150,158	-	14,521,354
Equipment	246,475	69,043	-	315,518
Infrastructure	127,462,708	7,656,468	-	135,119,176
Total accumulated depreciation	<u>140,080,379</u>	<u>9,875,669</u>	<u>-</u>	<u>149,956,048</u>
Total capital assets being depreciated, net	<u>516,742,725</u>	<u>(9,707,202)</u>	<u>4,728,601</u>	<u>511,764,124</u>
Governmental activity capital assets, net	<u>\$ 663,035,652</u>	<u>\$ 10,016,772</u>	<u>\$ -</u>	<u>\$ 673,052,424</u>
Road Commission				
Capital assets not being depreciated				
Land and other	\$ 227,808,413	\$ 6,599,396	\$ -	\$ 234,407,809
Construction in progress	1,961,640	502,739	(1,953,252)	511,127
Total capital assets not being depreciated	<u>229,770,053</u>	<u>7,102,135</u>	<u>(1,953,252)</u>	<u>234,918,936</u>
Capital assets being depreciated				
Buildings and storage bins	22,664,942	489,095	529,249	23,683,286
Road equipment	69,843,136	10,963,155	760,953	81,567,244
Other equipment	6,475,423	885,432	641,124	8,001,979
Infrastructure	1,164,105,220	99,942,102	(26,987,432)	1,237,059,890
Brine wells and gravel pits	2,489,608	-	-	2,489,608
Total capital assets being depreciated	<u>1,265,578,329</u>	<u>112,279,784</u>	<u>(25,056,106)</u>	<u>1,352,802,007</u>
Less: Accumulated depreciation				
Buildings and storage bins	13,987,044	466,928	(912)	14,453,060
Road equipment	57,421,895	6,038,366	-	63,460,261
Other equipment	5,512,582	212,048	(4,500)	5,720,130
Infrastructure	500,834,295	49,080,237	(26,987,432)	522,927,100
Brine wells and gravel pits	1,858,276	110,058	-	1,968,334
Total accumulated depreciation	<u>579,614,092</u>	<u>55,907,637</u>	<u>(26,992,844)</u>	<u>608,528,885</u>
Total capital assets being depreciated, net	<u>685,964,237</u>	<u>56,372,147</u>	<u>1,936,738</u>	<u>744,273,122</u>
Governmental activity capital assets, net	<u>\$ 915,734,290</u>	<u>\$ 63,474,282</u>	<u>\$ (16,514)</u>	<u>\$ 979,192,058</u>

County of Oakland
Notes to Basic Financial Statements
September 30, 2020

8. Long-term Debt - The County issues bonds and notes authorized by various State acts. Each act provides specific covenants for specific purposes.

Primary Government	Interest rate	October 1, 2019	Additions	Reductions	September 30, 2020	Amounts due within one year	Amounts due thereafter	General obligation	With governmental commitment
Governmental activities									
Debt with limited taxing authority									
Direct borrowings									
Retirees Health Care Bonds	3.62%	\$ 200,750,000	\$ -	\$ (25,660,000)	\$ 175,090,000	\$ 26,605,000	\$ 148,485,000	\$ 175,090,000	\$ -
Water supply - Act 342	3.34%	165,000	-	(20,000)	145,000	20,000	125,000	-	145,000
Michigan Bond Authority - Sewage Disposal Bonds	1.62%-2.50%	31,246,076	2,633	(1,655,000)	29,593,709	1,690,000	27,903,709	-	29,593,709
Total direct borrowings		<u>232,161,076</u>	<u>2,633</u>	<u>(27,335,000)</u>	<u>204,828,709</u>	<u>28,315,000</u>	<u>176,513,709</u>	<u>175,090,000</u>	<u>29,738,709</u>
Other borrowings									
Building authority - Act 31	2.00%-3.375%	32,660,000	-	(13,340,000)	19,320,000	2,705,000	16,615,000	19,320,000	-
Building authority refunding	2.00%-5.00%	17,705,000	18,775,000	(15,290,000)	21,190,000	5,060,000	16,130,000	11,320,000	9,870,000
Retirees Health Care Bonds	4.52%	34,000,000	-	-	34,000,000	-	34,000,000	34,000,000	-
Lake levels - Act 451	2.00%	-	468,000	-	468,000	46,800	421,200	-	468,000
Water supply - Act 342	2.00%-4.72%	12,775,000	-	(1,440,000)	11,335,000	770,000	10,565,000	-	11,335,000
Sewage disposal - Act 342	1.70%-3.25%	9,880,000	-	(625,000)	9,255,000	645,000	8,610,000	-	9,255,000
Water and sewer refunding bonds	1.50%-2.75%	595,000	721,000	(220,000)	1,096,000	215,000	881,000	-	1,096,000
Total other borrowings		<u>107,615,000</u>	<u>19,964,000</u>	<u>(30,915,000)</u>	<u>96,664,000</u>	<u>9,441,800</u>	<u>87,222,200</u>	<u>64,640,000</u>	<u>32,024,000</u>
Total bonds - governmental activities		<u>\$ 339,776,076</u>	<u>\$ 19,966,633</u>	<u>\$ (58,250,000)</u>	<u>\$ 301,492,709</u>	<u>\$ 37,756,800</u>	<u>\$ 263,735,909</u>	<u>\$ 239,730,000</u>	<u>\$ 61,762,709</u>
Unamortized bond premiums			2,028,965	(115,400)	1,913,565	346,197	1,567,368	450,436	1,463,129
Business-type activities									
Direct borrowings									
Michigan Bond Authority - Water & Sewage Disposal Bonds	2.5%-6.00%	\$ 18,462,915	\$ 173,797	\$ (1,206,800)	\$ 17,429,912	\$ 1,239,900	\$ 16,190,012	\$ 17,429,912	\$ -
Other borrowings									
BA - Act 31 - County Airport	1.00%-5.90%	3,550,000	-	(3,550,000)	-	-	-	-	-
BA refunding - County Airport	2.00%-2.25%	2,075,000	2,970,000	(395,000)	4,650,000	620,000	4,030,000	4,650,000	-
BA - Act 31 - Radio	2.00%	-	15,125,000	-	15,125,000	985,000	14,140,000	15,125,000	-
Sewage disposal - Act 34	2.50%-3.125%	7,880,000	3,910,000	(455,000)	11,335,000	865,000	10,470,000	11,335,000	-
Sewage disposal refunding	2.00%-3.00%	2,870,000	-	(200,000)	2,670,000	205,000	2,465,000	2,670,000	-
Total other borrowings		<u>16,375,000</u>	<u>22,005,000</u>	<u>(4,600,000)</u>	<u>33,780,000</u>	<u>2,675,000</u>	<u>31,105,000</u>	<u>33,780,000</u>	<u>-</u>
Total bonds - business type		<u>34,837,915</u>	<u>22,178,797</u>	<u>(5,806,800)</u>	<u>51,209,912</u>	<u>3,914,900</u>	<u>47,295,012</u>	<u>51,209,912</u>	<u>-</u>
Unamortized bond premiums		-	4,024,842	(113,453)	3,911,389	340,358	3,571,031	3,911,389	-
Total bonds - primary government		<u>\$ 374,613,991</u>	<u>\$ 42,145,430</u>	<u>\$ (64,056,800)</u>	<u>\$ 352,702,621</u>	<u>\$ 41,671,700</u>	<u>\$ 311,030,921</u>	<u>\$ 290,939,912</u>	<u>\$ 61,762,709</u>

County of Oakland
Notes to Basic Financial Statements
September 30, 2020

Component Units

Drainage Districts	Interest rate	October 1, 2019	Additions	Reductions	September 30, 2020	Amounts due within one year	Amounts due thereafter	General obligation	With governmental commitment
Debt with limited taxing authority									
Direct borrowings									
Drain bonds - Act 40	1.00%-2.45%	\$ 600,000	\$ -	\$ (80,000)	\$ 520,000	\$ 80,000	\$ 440,000	\$ 187,564	\$ 332,436
Michigan Bond Authority-Drain Bonds	1.625%-6.00%	168,894,273	2,746,696	(14,308,200)	157,332,769	14,645,100	142,687,669	15,909,331	141,423,438
Total direct borrowings		<u>169,494,273</u>	<u>2,746,696</u>	<u>(14,388,200)</u>	<u>157,852,769</u>	<u>14,725,100</u>	<u>143,127,669</u>	<u>16,096,895</u>	<u>141,755,874</u>
Other borrowings									
Drain bonds - Act 40	1.00%-7.00%	59,065,000	62,420,000	(10,245,000)	111,240,000	5,685,000	105,555,000	42,259,617	68,980,383
Drain refunding bonds	1.85%-3.00%	8,735,000	4,510,000	(1,815,000)	11,430,000	1,945,000	9,485,000	1,419,691	10,010,309
Total other borrowings		<u>67,800,000</u>	<u>66,930,000</u>	<u>(12,060,000)</u>	<u>122,670,000</u>	<u>7,630,000</u>	<u>115,040,000</u>	<u>43,679,308</u>	<u>78,990,692</u>
Total Drainage Districts		<u>237,294,273</u>	<u>69,676,696</u>	<u>(26,448,200)</u>	<u>280,522,769</u>	<u>22,355,100</u>	<u>258,167,669</u>	<u>59,776,203</u>	<u>220,746,566</u>
Unamortized bond premiums		-	7,672,725	(32,239)	7,640,486	386,860	7,253,626	-	7,640,486
Total County Debt		<u>\$ 611,908,264</u>	<u>\$ 111,822,126</u>	<u>\$ (90,505,000)</u>	<u>\$ 633,225,390</u>	<u>\$ 64,026,800</u>	<u>\$ 569,198,590</u>	<u>\$ 350,716,115</u>	<u>\$ 282,509,275</u>
Road Commission									
Compensated absences	--	\$ 2,645,605	\$ 1,138,392	\$ -	\$ 3,783,997	\$ -	\$ 3,783,997	\$ -	\$ 3,783,997
Self-insured losses	--	1,474,219	887,361	(855,639)	1,505,941	711,123	794,818	-	1,505,941
Net OPEB liability	--	124,658,295	33,789,988	(32,159,351)	126,288,932	-	126,288,932	-	126,288,932
Net pension liability	--	54,277,231	19,721,920	(37,116,731)	36,882,420	-	36,882,420	-	36,882,420
Total Road Commission		<u>\$ 183,055,350</u>	<u>\$ 55,537,661</u>	<u>\$ (70,131,721)</u>	<u>\$ 168,461,290</u>	<u>\$ 711,123</u>	<u>\$ 167,750,167</u>	<u>\$ -</u>	<u>\$ 168,461,290</u>
Total reporting entity		<u>\$ 794,963,614</u>	<u>\$ 167,359,787</u>	<u>\$ (160,636,721)</u>	<u>\$ 801,686,680</u>	<u>\$ 64,737,923</u>	<u>\$ 736,948,757</u>	<u>\$ 350,716,115</u>	<u>\$ 450,970,565</u>

County of Oakland
Notes to Basic Financial Statements
September 30, 2020

The annual requirements to pay principal and interest on debt outstanding at September 30, 2020 (excluding the liabilities for compensated absences, other postemployment benefits, pension liability and uninsured losses for the Road Commission component unit) were as follows:

	Governmental Activities limited taxing authority				Business-type Bonds limited taxing authority				Total primary government	
	Direct		Other		Direct		Other		Principal	Interest
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest		
2021	\$ 28,315,000	\$ 6,595,270	\$ 9,441,800	\$ 3,495,018	\$ 1,239,900	\$ 428,249	\$ 2,675,000	\$ 1,175,186	\$ 41,671,700	\$ 11,693,723
2022	29,335,000	5,572,380	9,622,800	3,204,180	1,267,600	397,155	2,725,000	1,133,102	42,950,400	10,306,817
2023	30,400,000	4,512,298	6,983,800	2,882,183	1,300,700	365,239	2,845,000	1,038,422	41,529,500	8,798,142
2024	31,495,000	3,413,533	4,536,800	2,677,946	1,336,100	332,529	2,935,000	938,436	40,302,900	7,362,444
2025	32,630,000	2,274,944	3,130,800	2,545,018	1,361,500	298,934	2,615,000	833,468	39,737,300	5,952,364
2026-2030	41,600,727	2,688,103	49,638,000	5,755,931	6,991,971	966,395	14,170,000	2,581,738	112,400,698	11,992,167
2031-2035	10,715,000	858,998	11,160,000	1,187,266	3,932,141	217,608	5,815,000	242,997	31,622,141	2,506,869
2036-2040	337,982	8,449	2,150,000	56,122	-	-	-	-	2,487,982	64,571
2041-2045	-	-	-	-	-	-	-	-	-	-
Totals	<u>\$ 204,828,709</u>	<u>\$ 25,923,975</u>	<u>\$ 96,664,000</u>	<u>\$ 21,803,664</u>	<u>\$ 17,429,912</u>	<u>\$ 3,006,109</u>	<u>\$ 33,780,000</u>	<u>\$ 7,943,349</u>	<u>\$ 352,702,621</u>	<u>\$ 58,677,097</u>

	Drainage Districts				Total reporting entity	
	Direct		Other		Principal	Interest
	Principal	Interest	Principal	Interest		
2021	\$ 14,725,100	\$ 3,588,005	\$ 7,630,000	\$ 3,647,233	\$ 64,026,800	\$ 18,928,961
2022	15,082,400	3,234,313	7,605,000	3,777,634	65,637,800	17,318,764
2023	14,299,300	2,886,297	6,850,000	3,563,530	62,678,800	15,247,969
2024	14,641,576	2,544,151	7,030,000	3,351,009	61,974,476	13,257,604
2025	9,578,500	2,261,122	6,755,000	3,130,571	56,070,800	11,344,057
2026-2030	49,852,546	7,901,958	34,540,000	11,854,970	196,793,244	31,749,095
2031-2035	36,154,510	2,489,786	32,955,000	4,831,625	100,731,651	9,828,280
2036-2040	3,518,837	97,350	19,305,000	1,173,800	25,311,819	1,335,721
2041-2045	-	-	-	-	-	-
Totals	<u>\$ 157,852,769</u>	<u>\$ 25,002,982</u>	<u>\$ 122,670,000</u>	<u>\$ 35,330,372</u>	<u>\$ 633,225,390</u>	<u>\$ 119,010,451</u>

County of Oakland
Notes to Basic Financial Statements
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The County has pledged its full faith and credit on debt totaling \$633,225,390. By statute, general obligation debt is limited to 10 percent of the state equalized value. As of September 30, 2020, the debt limit was \$8,119,539,491. The County is obligated if payments received on assessments or contracts levied against benefiting municipalities are insufficient to meet principal and interest requirements of this debt when due and is shown in the preceding table as debt "with governmental commitment."

The aforementioned bonds are to be repaid as summarized in the following paragraphs.

Building Authority – Act 31

Act 31, Michigan Public Acts of 1948, provides for an authority to issue bonds to build and equip various public buildings, which are then leased to the County. Proceeds from these leases are used to repay the bonds. The collection of lease payments and retirement of debt is reflected in the respective Debt Service fund. At September 30, 2020, there were two issues outstanding, totaling \$19,320,000, maturing in the years 2021-2035, which represents debt originally issued in the years 2012-2015 totaling \$34,775,000.

Retirees Health Care Bonds

In September 2013, the County issued refunding bonds in the amount of \$350,000,000, in order to refinance and redeem the 2007 Certificates of Participation debt. This enabled the County to fully fund the VEBA Trust Fund as of September 30, 2014. The County thereafter entered into a Superseding Contract with a new Superseding Trust which was created by the County, under which contract the County is now obligated to maintain the funding in the VEBA Trust in future years pursuant to the terms of that contract under a Superseding Plan which has superseded and supplanted the obligation of the County to maintain retiree health services by keeping the VEBA Trust at full funding. As of September 30, 2020, there were two issues outstanding totaling \$209,090,000 maturing in the years 2021-2027. The debt is recorded in the Fringe Benefits Fund, an Internal Service Fund of the County.

Sewage Disposal, Water and Sewer, and Water Supply Bonds – Act 342

Act 342, Michigan Public Acts of 1939 provides for a contract between the County and local municipalities which defines a schedule of annual payments to be made by the municipality to meet principal and interest obligations. Such contractual payments may be funded by revenue produced by utility or tax revenue. The County is obligated upon the default of the local municipality, and therefore, such obligation is shown as "with governmental commitment." Assessments are shown in their entirety with the corresponding deferred inflows in the Debt Service funds for each act. At September 30, 2020, there were eight issues outstanding, totaling \$20,735,000, maturing in the years 2021-2037. This represents debt originally issued in the amount of \$28,050,000 issued in the years 2010-2018.

Refunding Bonds

Michigan Public Act 31 of 1948 and Act 34 of 2001 provide for the refunding of bonds based on covenants contained in the acts. The bonds will be repaid from assessments levied against the benefiting municipalities for water and sewer debt, or leases for Building Authority debt. At September 30, 2020, there were ten issues outstanding, totaling \$22,286,000, maturing in the years 2021-2040. This represents debt originally issued in the years 2010-2020 totaling \$40,136,000.

County of Oakland

Notes to Basic Financial Statements

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Lake Levels

Act 451 of Michigan Public Acts of 1994 permits the issuance of debt for providing lake level control. Bonds are to be repaid through special assessments levied against benefiting property owners. In March 2020, the County authorized the issuance of bonds in the amount of \$468,000 for the Upper Straits Lake Level. This debt issued matures in the year 2030.

Michigan Bond Authority Sewage Disposal Bonds

In September 2007, the County authorized the issuance of bonds from the Michigan Municipal Bond Authority Revolving Loan fund for up to \$2,000,000 for the Softwater Lake Capital Improvement Sewage Disposal System project. As of September 30, 2010, a final amount of \$1,935,727 was received from the State Revolving Loan fund. The amount outstanding at September 30, 2020 for this issue is \$700,727, which matures in the years 2021-2027.

In September 2014, the County authorized the issuance of bonds from the Michigan Municipal Bond Authority Revolving Loan fund for up to \$36,855,000 for the Evergreen and Farmington Sewage Disposal Systems Middlebelt Transport and Storage Tunnel project. As of September 30, 2020, \$1,967,018 remains undrawn from the State Revolving Loan fund. The amount outstanding at September 30, 2020 for this issue is \$28,892,982, which matures in the years 2021-2036.

Business Type

Two Building Authority refunding bond issues for the County Airport fund consist of the Airport T-Hangar Refunding in the amount outstanding as of September 30, 2020 of \$1,680,000 maturing in the years 2021-2024 and the Airport Terminal Building in the amount outstanding as of September 30, 2020 of \$2,970,000 maturing in the years 2021-2030. These represent original refunding debt issued in the amount of \$4,585,000 in 2012 for the Airport T-Hangar and \$2,970,000 in 2020 for the Airport Terminal Building.

In March 2012, the County authorized the issuance of bonds from the Michigan Municipal Bond Authority Revolving Loan fund for up to \$2,415,000 for the Evergreen-Farmington Sewage Disposal System 8 Mile Pumping Station Septage Facility (enterprise fund type). The amount outstanding for this issue at September 30, 2020 was \$1,590,000 which matures in the years 2021-2032.

In August 2012, in conjunction with the transfer of operations of the City of Pontiac water and sewer system to the County, the County's Water and Sewer Trust fund assumed the debt obligations initiated by the City of Pontiac for four Clean Water/Water Quality projects. The total authorized loan amount is \$8,220,720. In addition, in October 2014 the County authorized the issuance of bonds from the Michigan Municipal Bond Authority Revolving Loan fund for City of Pontiac Water Supply System Improvements for \$6,890,000. Further, in October 2015 the County authorized the issuance of two additional bonds from the Michigan Municipal Bond Authority Revolving Loan fund for the City of Pontiac Water Supply System; one for up to \$6,850,000 with \$1,762,500 principal forgiveness, as of September 30, 2020, \$888,867 remains undrawn and one for up to \$720,000, as of September 30, 2020, \$178,012 is undrawn. Additionally, in October 2016, the County authorized the issuance of bonds for the City of Pontiac Water Supply System for \$5,165,000, with \$1,000,000 principal forgiveness, as of September 30, 2020, \$2,289,629 is undrawn. The debt obligation recorded as of September 30, 2020 amounted to \$15,839,912 maturing in the years 2021 through 2035.

County of Oakland

Notes to Basic Financial Statements

September 30, 2020

In February 2018, the County issued \$3,065,000 of refunding bonds for a current refunding of a general obligation limited tax bond issue for the Evergreen-Farmington Sewage Disposal System pursuant to authorization contained in Act 34, Public Acts of Michigan of 2001. The amount outstanding as of September 30, 2020 was \$2,670,000, which matures in the years 2021-2031.

In September 2018 and March 2020, the County issued \$8,300,000 and \$3,910,000, respectively, of general obligation limited tax sewage disposal bonds for the Evergreen-Farmington Sewage Disposal System pursuant to authorization contained in Act 34, Public Acts of Michigan of 2001. The amount outstanding as of September 30, 2020 was \$11,335,000, which matures in the years 2021-2033.

In May 2020, the County issued \$15,125,000 of general obligation limited tax bonds for the Radio Communications project pursuant to authorization contained in Michigan Public Act 31 of 1948 and Act 34 of 2001. The amount outstanding as of September 30, 2020 was \$15,125,000 which matures in the years 2021-2036.

Drain Bonds – Act 40 (Component Unit)

Act 40 provides for the creation of a Drain Board, which has the power to assess state, county, and local levels of government for principal and interest payments. Such assessments are to be funded from General Fund revenue of the respective municipality. The County portion of the assessment is identified as a general obligation. Further, the County is obligated if assessments levied against benefiting municipalities are insufficient to meet principal and interest requirements when due. Such obligations are shown as "with governmental commitment." At September 30, 2020, there were 13 issues outstanding, totaling \$111,240,000, maturing in the years 2021-2040. This represents original debt issued for \$138,890,000 in the years 2003-2020.

Drain Refunding Bonds (Component Unit)

Act 202 of 1943 and Act 34 of 2001 provide for the refunding of bonds based on covenants contained in the acts. The County initiates the refunding of various drain bonds issued under Act 40 on behalf of the drainage district's component unit. Bonds will be repaid from assessments levied against the benefiting municipalities. At September 30, 2020, there were five issues outstanding, totaling \$11,430,000, maturing in the years 2021-2031. This represents debt originally issued in the years 2013-2019 in the amount of \$18,380,000.

Michigan Bond Authority Drain Bonds (Component Unit)

The County authorized the issuance of bonds for \$17,880,000 in October 2000 from the Michigan Municipal Bond Authority Revolving Loan fund for the George W. Kuhn Drainage District. Further, in 2001, the County authorized an additional \$82,200,000 for the George W. Kuhn Drainage District Segment II, with successive authorizations in the years 2005 through 2008 amounting to \$13,246,822. In February 2010, Oakland County, Macomb County, and their underlying municipalities under the authority of Chapter 21 of Public Act 40, Public Acts of Michigan of 1956 were permitted to issue bonds in the amount of \$26,076,000 for the Oakland-Macomb Interceptor Drainage District with successive authorizations for Segments II, III & IV in the years 2012, 2013 & 2015, respectively, amounting to \$99,160,000. In August 2012, in conjunction with the transfer of operations of the City of Pontiac waste-water treatment system to the County, the County's Drainage District assumed the debt obligations initiated by the City of Pontiac for two Clean Water/Water Quality projects. The total authorized loan amount was \$13,322,810. Further, in October 2014, the County authorized an additional \$9,840,000 with \$1,000,000 principal forgiveness for the Pontiac Waste-Water Treatment Drain District. In June 2017, the County authorized the issuance of bonds for Clinton River Water Resource Recovery

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Facility Drainage District for \$31,995,000, with \$2,500,000 principal forgiveness and as of September 30, 2020, \$2,431,163 remains undrawn. At September 30, 2020, there were 14 issues outstanding, totaling \$157,332,769, maturing in the years 2021-2037.

Current Refunding of General Obligation Limited Tax Bonds

In May 2020, the County issued two refunding bonds, \$19,010,000 (Series 2020A) and \$2,735,000 (Series 2020B) for current refundings of six general obligation limited tax bond issues pursuant to authorization contained in Act 34, Public Acts of Michigan of 2001. General obligation limited tax bonds were issued for the payment of future debt service payments of the refunded debt. The debt refunded amounted to \$24,035,000 of Building Authority and Building Authority Refunding Bonds, Series 2010 thru 2012, maturing in the years 2020 through 2040. The refundings were undertaken to reduce the debt service payments over the next 21 years by \$2,197,338 and to obtain an economic (present value) gain of \$1,958,807.

In August 2020, the County issued \$721,000 of refunding bonds for a current refunding of a general obligation limited tax bond issue pursuant to authorization contained in Act 34, Public Acts of Michigan of 2001. General obligation limited tax refunding bonds were issued for the payment of future debt service payment of the refunded debt. The debt refunded amounted to \$700,000 of Highland Township Water Supply System Bonds, Series 2010 maturing in the years 2020 through 2030. The refunding was undertaken to reduce the debt service payment over the next 11 years by \$121,343 and to obtain an economic (present value) gain of \$111,537.

In December 2019, the County issued \$4,510,000 of refunding bonds for a current refunding of general obligation limited tax refunding bond issue on behalf of the Drainage Districts' component unit, pursuant to authorization contained in Act 34, Public Acts of Michigan of 2001. General obligation limited tax refunding drain bonds were issued for the payment of future debt service obligations of the refunded debt. The debt refunded amounted to \$4,460,000 for the Oakland-Macomb Interceptor Drainage District, Series 2010B maturing in the years 2020 through 2030. The refunding was undertaken to reduce the debt service payments over the next 11 years by \$324,369 and obtain an economic (present value) gain to the benefiting municipalities of \$297,566.

Debt Authorized but Unissued

As detailed in the preceding paragraphs, the County has debt that has been authorized through the Michigan Municipal Bond Authority Revolving Loan fund but unissued (undrawn) in the total amount of \$7,754,689.

Changes in Other Long-term Liabilities

Long-term liabilities for compensated absences, pension liability (when applicable), workers compensation, and unreported health costs are reported in and liquidated through the Fringe Benefits internal service fund. Claims and judgements related to insurance activity are reported in the Building Liability Insurance internal service fund.

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Amounts reported for the fiscal year ended September 30, 2020 are as follows:

	Beginning balance	Additions	Reductions	Ending balance	Due within one year
Governmental activities					
Accrued compensated absences	\$ 13,032,780	\$ 4,818,719	\$ (1,303,278)	\$ 16,548,221	\$ 1,654,822
Claims and judgments					
Accrued unreported health costs	5,124,900	2,170,623	(1,708,300)	5,587,223	1,862,407
Accrued workers' compensation	7,625,944	1,085,125	(1,906,581)	6,804,488	1,602,063
Building and liability insurance	6,735,474	2,860,810	(1,775,500)	7,820,784	2,550,000
Net pension liability	2,253,194	20,244,371	-	22,497,565	-
Governmental activity long-term liabilities	<u>\$ 34,772,292</u>	<u>\$ 31,179,648</u>	<u>\$ 31,179,648</u>	<u>\$ 59,258,281</u>	<u>\$ 7,669,292</u>

9. Interfund Balances

Interfund receivables and payables at September 30, 2020 were as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	
General	Water Sewer Act 342	\$ 633
	Nonmajor Governmental	20,861,805
	Internal Service	31,379
	Total	<u>20,893,817</u>
Water Sewer Act 342	Water and Sewer Trust	<u>22,590</u>
Nonmajor governmental	General	15,948,780
	Nonmajor governmental	466,135
	S.O.C.S.D.S.	22,901
	Nonmajor enterprise	7,663
	Internal Service	1,445,093
	Total	<u>17,890,572</u>
Parks and Recreation	General	<u>98,100</u>
Water and Sewer Trust	Water Sewer Act 342	<u>138</u>
Nonmajor enterprise	General	99
	Nonmajor Governmental	7,588
	Total	<u>7,687</u>
Internal service	General	7,023,626
	Nonmajor governmental	1,731
	Parks and Recreation	66,676
	Total	<u>7,092,033</u>
	Total	<u>\$ 46,004,937</u>

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These balances result from the time difference between the dates that services are provided, or transfers are authorized, transactions are recorded in the accounting system, and payments between funds are made. In the General Fund the receivable primarily consists of \$19,418,897 to cover various funds with deficit cash balances at year end. The receivable in the Nonmajor governmental fund primarily consists of \$12,733,248 to cover the Grant Match of the Michigan Small Business Relief Grant. Other inter-fund receivables/payables include charges from the Drain Commissioner Revolving Fund for amounts due from various drains and lake level funds, the Drain Equipment and Information Technology funds for charges for services and/or supplies.

Receivables and payables between funds of the Primary Government and the Component Units at September 30, 2020 were as follows:

Primary Government	Component Unit	
Due from Component Unit	Due to Primary Government	
General	Drainage Districts	\$ 44,876
	Road Commission	284
	Total	<u>45,160</u>
Nonmajor governmental	Drainage Districts	570,328
	Road Commission	55
	Total	<u>570,383</u>
Evergreen Farmington SDS	Drainage Districts	<u>102,489</u>
Internal Service	Drainage Districts	305
	Road Commission	57,049
	Total	<u>57,354</u>
	Total	<u>\$ 775,386</u>
Component Unit	Primary Government	
Due from Primary Government	Due to Component Unit	
Drainage Districts	Internal Service	<u>\$ 95</u>

These amounts are primarily short-term funding provided by the Drain Commissioner Revolving Fund and charges for services and/or supplies by the Drain Equipment Fund to the various Drainage Districts component unit, and administrative charges to the Road Commission component unit.

Advances to/from other funds (including current and long-term portions) at September 30, 2020 were as follows:

Receivable Fund	Payable Fund	
Nonmajor governmental	Nonmajor governmental	<u>\$ 899,163</u>

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Advances distinguish long-term internal borrowings from receivables and payables that arise in connection with routine borrowings and short-term loans (due to/due from other funds). These include the balance of a 15-year advance to the Drain Equipment Fund for purchase of a storage building, and advances from the Long-Term Revolving Fund to two Chapter 4 Drains and two Lake Level projects.

Interfund transfers between the funds within the Primary Government recorded in the accompanying financial statements as operating transfers in/out for the year ended September 30, 2020 were as follows:

Transfers In	Transfers Out	Amount
General	Nonmajor governmental	\$ 566,608
	Delinquent Tax Revolving	<u>5,612,819</u>
	Total	<u>6,179,427</u>
Nonmajor governmental	General	44,598,027
	Water and Sewer Act 342	875
	Nonmajor Governmental	4,341,693
	Delinquent Tax Revolving	4,679,495
	Water and Sewer Trust	<u>98,407</u>
Total	<u>53,718,497</u>	
Parks & Recreation	General	<u>216,100</u>
Nonmajor enterprise	General	2,370,317
	Nonmajor governmental	<u>131,827</u>
	Total	<u>2,502,144</u>
Internal Service	General	10,921,234
	Nonmajor governmental	46,358
	Parks and Recreation	104,577
	Nonmajor enterprise	286,000
	Internal service	<u>112,877</u>
Total	<u>11,471,046</u>	
	Total transfers	<u>\$ 74,087,214</u>

The transfers to and from the various funds are made to account for budgetary authorizations and/or providing funding for operations as needed. Major transfer amounts consist of: the Delinquent Tax Revolving Fund annually makes a transfer to the General Fund for operations and to Building Authority Debt Service funds for debt service obligations amounting to \$5,612,819 and \$4,679,495, respectively in 2020. The General Fund records transfers to various Special Revenue funds for cash deficits at year-end in the amount of \$19,418,897; to fund operations of the Child Care Fund in the amount of \$14,639,432; Building Improvement and other capital projects in the amount of \$5,718,785; various grant fund operations in the amount of \$9,162,362; debt service payments of \$2,230,500 for the Building Authority Debt Fund; \$9,173,682 to the Information Technology Fund for operations.

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10. Fund Equities

At September 30, 2020, a deficit existed in the following funds:

Special Revenue Fund	
Water & Sewer Act 342	\$ 291,120
Capital Projects Funds	
Drain Chapter 4 Construction	641,231

In the Special Revenue fund, the negative unassigned fund balance in the Water & Sewer Act 342 fund is primarily related to the Evergreen Farmington Sewage Disposal System Middlebelt Transport and Tunnel project. This project is reporting a deficit of \$4,540,192 as of September 30, 2020. The project fund is currently in case evaluation for settlement and the deficit reflects an accrued liability of approximately \$4.9 million for potential costs associated with the project. The case evaluation is expected to be completed by the end of calendar year 2020 or shortly thereafter. The project was financed by a single bond issue, a S2 grant, insurance reimbursements and a State Revolving Fund (SRF) loan. There is still almost \$2,000,000 in SRF draws that can be requested for the project, but the timing of the draws will be subsequent to FY 2020 and is dependent on actual project disbursements. Should the project go beyond the available funding resources, from remaining cash and SRF drawing capacity, another bond issue will be sought and apportioned to the benefiting communities in order to complete the project and resolve the deficit.

In the Capital Projects fund, the negative unassigned fund balance in the Drain Chapter 4 Construction Fund reflects costs that are related to the Lower Pettibone Lake Sanitary Chapter 4 Drain Construction project in the amount of \$544,446 and the Bald Eagle Lake Chapter 4 Drain Construction project in the amount of \$86,785.

Lower Pettibone Lake Sanitary Chapter 4 Drain Construction Project - A loan from the Long-Term Revolving Fund was approved by the Oakland County Board of Commissioners via Miscellaneous Resolution #14136 adopted June 11, 2014 to provide up to \$1,200,000 in funding for this project. A 20- year assessment against each of the benefiting properties in the District has been approved to repay the loan with the first payment due December 2014. The construction of the sewer was completed and became operational as of January 2015 and the deficit for this specific project will be eliminated when the long-term assessment roll collection is completed. The long-term receivable is on the balance sheet to track the collection. Collection of the special assessment has reduced the deficit by \$50,472 from the FY 2019 deficit of \$594,918 to the FY 2020 deficit of \$544,446. The Bald Eagle Lake Chapter 4 Drain Construction Project was initiated after concerns from property owners in Brandon Township prompted an investigation of the drainage issues. Repairs were started and it was determined that it would be more cost effective to replace the infrastructure. Also, it was determined that a new drainage district be established to perform necessary updates to the system. The plan to hold a public hearing in FY 2020 to redistrict the drain was delayed due to the COVID pandemic and is now planned to occur in FY 2021. Once the district is updated and the project design is complete, the replacement project will commence. Estimated project costs of \$850,000 will be financed by the sale of bonds or a loan. The loan will be repaid by an assessment roll over a ten-year period. The financing for the project is planned for around May 2021.

County of Oakland
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Nonspendable, restricted, committed, assigned, and unassigned fund balances of the primary government at September 30, 2020 were as follows:

	Nonspendable	Spendable			Unassigned
		Restricted	Committed	Assigned	
Primary Government					
General Fund					
Prepays	\$ 229,996	\$ -	\$ -	\$ -	\$ -
Inventories	261,038	-	-	-	-
Budget Stabilization Reserve	-	-	-	44,500,000	-
Property Tax Forfeiture Activities	-	-	-	35,007,529	-
Protection and Advancement	-	-	-	29,000,000	-
Invest in Oakland Economy	-	-	-	25,000,000	-
Improving Government Service	-	-	-	20,000,000	-
Future Technology Replacement	-	-	-	19,640,845	-
Carryforwards	-	-	-	14,074,942	-
Capital Reserve	-	-	-	13,500,000	-
Headlee Rollback-State Tax Exempt	-	-	-	10,000,000	-
Unfunded Mandates	-	-	-	9,300,047	-
Catastrophic Claims	-	-	-	8,454,500	-
Future operating requirements 2021 and beyond	-	-	-	6,378,495	-
Tri-Party Supplemental	-	-	-	5,319,430	-
HR Comp/Workforce Planning	-	-	-	5,000,000	-
Local Road Improvement Match Program	-	-	-	2,087,943	-
Emergency Salaries	-	-	-	2,000,000	-
Revolving Fund-Local Sustainability Efforts	-	-	-	2,000,000	-
Youth Talent Development	-	-	-	2,000,000	-
Pandemic Response	-	-	-	1,500,000	-
Data Privacy and Security	-	-	-	1,175,000	-
Comm public Safety Partners	-	-	-	1,000,000	-
Public Safety Facility Plan	-	-	-	1,000,000	-
Business Continuity Recovery	-	-	-	1,000,000	-
WRC Long-Term Revolving Fund	-	-	-	1,000,000	-
MI SCAO Interpreter Costs	-	-	-	750,000	-
Department Operations	-	-	-	560,337	-
High School Apprenticeship Program	-	-	-	500,000	-
Human Resources Legal	-	-	-	500,000	-
Priority Enviro Remed Proj	-	-	-	400,000	-
BOC-High School Hydration Stations	-	-	-	300,000	-
Board of Commissioners Projects	-	-	-	292,204	-
Community Partnerships	-	-	-	238,654	-
Quality of Life Initiatives	-	-	-	200,000	-
Buy Local	-	-	-	150,000	-
Health - Preventative Care	-	-	-	141,816	-
Landlord Mitigation Program	-	-	-	105,000	-
BOC-Targeted Health Services	-	-	-	100,000	-
Rx Discount Card Program	-	-	-	40,580	-
Unassigned	-	-	-	-	2,317,556
Total	\$ 491,034	\$ -	\$ -	\$ 264,217,322	\$ 2,317,556

County of Oakland
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	Nonspendable	Spendable			Unassigned
		Restricted	Committed	Assigned	
Primary Government					
Special Revenue Funds					
Grants (Deficit)	\$ -	\$ -	\$ -	\$ -	\$ (4,867,934)
Specific programs	-	16,701,220	-	-	-
Total	\$ -	\$ 16,701,220	\$ -	\$ -	\$ (4,867,934)
Debt Service Funds					
Debt service-general obligations	\$ -	\$ 5,638,628	\$ -	\$ -	\$ -
Capital Projects Funds					
Loan programs	\$ -	\$ -	\$ 4,316,000	\$ -	\$ -
Work projects	-	-	28,499,999	-	(641,231)
Total	\$ -	\$ -	\$ 32,815,999	\$ -	\$ (641,231)

11. Employee Benefits

Primary Government

The County provides various benefits to its employees. Expenditures in 2020 for these benefits totaled the following: medical insurance, \$45,167,057; prescription coverage, \$13,249,830; dental insurance, \$2,893,470; optical insurance, \$243,945; group life insurance, \$1,000,817; disability, \$3,710,673; tuition reimbursement, \$284,562; Social Security, \$19,411,585; workers' compensation, \$800,568; and unemployment claims, \$635,009.

12. Defined Benefit Pension Plan

Plan Description

The Oakland County Public Employees' Retirement System (PERS) is a single-employer defined benefit pension plan, covering all eligible employees. The plan provides retirement, disability, and death benefits to plan members and their beneficiaries. The plan is administered by the Oakland County Retirement and Deferred Compensation Board.

Management of PERS is vested with the Retirement and Deferred Compensation Board, which consists of nine voting members comprised of the following individuals:

- Oakland County Board of Commissioners chairperson or designee.
- BOC Finance Committee chairperson or designee.
- County Treasurer or designee.
- County Executive or designee.
- Three (3) elected employee members.
- One (1) elected retiree member.
- One (1) citizen member appointed by the Board and confirmed by the Oakland County Board of Commissioners.

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Plan Membership

The County PERS covers the majority of full-time employees of the County hired prior to July 1, 1994. The plans' membership consists of the following at September 30, 2019, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	1,991
Terminated plan members entitled to, but not yet receiving benefits	61
Active plan members	161
Total	<u>2,213</u>

The County established a defined contribution plan for County employees, and all new employees and eligible part-time employees hired on or after July 1, 1994 are covered by the defined contribution plan, as the County's PERS is no longer available to new employees.

Benefits

Members of both plans may retire at age 55 (except Sheriff's deputies, who may retire with 25 years of service regardless of age), with 25 years of service, or at age 60 with eight years of service. Members vest after eight years of service.

Eligible employees under the County plan are provided benefits based on 2%, 2.2% for years in excess of 14 years (Sheriff's deputies, 2.2% for the first 14 years of service, and 2.5% for thereafter, command officers 2.5%) of the final average compensation times the number of years of credited service. Maximum County retirement is 75% of final average compensation, defined as the average of the highest five consecutive years during the last 10 years.

Duty disability benefits provided by the County are computed as a regular retirement, with additional service credited until attainment of age 60, less an amount offset by workers' compensation payments, with a maximum payment of 75% of final average compensation. Non-duty disability benefits after 10 years of service are computed as a regular retirement. Death benefits are provided to beneficiaries after 10 years of service, based on years of service.

Funding Policy/Contributions

The County policy is to fund normal costs of the plan by contributions which are based on actuarially determined rates, expressed as percentages of annual covered payroll, and which are sufficient to accumulate assets to pay benefits when due. For fiscal year 2020, there was no annual contribution required, which was determined through actuarial valuations performed at September 30, 2018.

Sheriff's deputies contribute at a rate of 3 percent of their annual pay for the first 14 years of service and 5 percent thereafter. Command officers contribute 5 percent. General County Option A members who have elected improved benefits, contribute 1 percent of their pay after 14 years of service. Contributions received from these employees for the years ended September 30, 2020 and September 30, 2019 amounted to \$165,953 and \$232,357, respectively.

The contribution requirements of plan members and the County are established and may be amended by the Board of Commissioners in accordance with County policies, union contracts, and plan provisions. All administrative costs of the plan are financed directly by Oakland County.

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Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the PERS Board by a majority vote of its members. It is the policy of the PERS Board to pursue an investment strategy that is in compliance with Michigan Public Act 314 of 1965 and manages risks through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following was the Boards adopted asset allocation policy as of October 30, 2018.

<u>Asset Class</u>	<u>Target Allocation</u>
Cash Equivalents	0.0%
Domestic Equity	32.5%
International Equity	12.5%
Fixed Income	30.0%
Real Estate	10.0%
Other Assets	15.0%
Total	<u>100.0%</u>

Rate of Return

For the year ended September 30, 2020, the annual money weighted rate of return on pension plan investments, net of pension plan investment expense, was 4.79 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Position Restricted for Employees' Pension Benefits

Net position restricted for employees' pension benefits include legally required reserves. Net position as of September 30, 2020 consists of the following reserves:

Annuity reserve	\$ 431,667
Pension reserve	118,550,222
Pension accumulated reserve	<u>598,786,761</u>
Total fund balance	<u>\$ 717,768,650</u>

Annuity reserve represents the cumulative contribution for retirees, disabled members, or surviving spouses who have elected monthly annuity benefits. Pension reserve represents the funded pension benefits available for retired lives and is funded by actuarially determined transfers from the pension accumulated reserve. Pension accumulated reserve represents the accumulated reserve for pension payable by the County.

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Since the County does not issue a stand-alone report for its County PERS, following are condensed financial statements for the period as of and including September 30, 2020:

Statement of Net Position

Cash and investments	\$ 718,774,757
Other assets	6,542,689
Total assets	<u>725,317,446</u>
Liabilities	<u>7,548,796</u>
Net position	<u>\$ 717,768,650</u>

Statement of Changes in Net Position

Additions:	
Contributions	\$ 165,953
Investment income	33,216,391
Other revenue	-
Total additions	<u>33,382,344</u>
Deductions:	
Benefit payments	60,628,743
Other expenses	179,361
Total deductions	<u>60,808,104</u>
Change in net position	(27,425,760)
Net position held in trust, beginning of year	<u>745,194,410</u>
Net position held in trust, end of year	<u>\$ 717,768,650</u>

Basis of Accounting

The County's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide contributions. Benefits and refunds are recognized when due and payable, in accordance with the terms of the plan.

Method Used to Value Investments

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at an estimated fair value or amortized cost.

Actuarial Methods and Assumptions

The annual required contribution was determined as part of the actuarial valuation as of September 30, 2018, using the individual entry age cost method. Significant actuarial assumptions used include (a) 7.25 investment rate of return, (b) projected salary increases of 3.25 to 9.25 percent per year and (c) 1.5 percent per year cost of living adjustments. Both (a) and (b) include a wage inflation component of 3.25 percent. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility over a five-year period.

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The individual entry age actuarial cost method is the basis for determining the total pension liability for GASB No. 67 purposes and also the basis used to determine employer contributions for funding purposes.

Net Pension Liability

The County has chosen to use September 30, 2020 as its measurement date for the net pension liability. The September 30, 2020 reported net pension liability was determined using a measure of the total pension liability, less the amount of the pension plan's fiduciary net position. The September 30, 2020 total pension liability was determined by an actuarial valuation performed as of September 30, 2019, which used updated procedures to roll forward the estimated liability to September 30, 2020.

The components of the net pension liability of the County at September 30, 2020 were as follows:

Total pension liability	\$ 740,266,215
Plan fiduciary net position	(717,768,650)
Net Pension Liability (Asset)	<u>\$ 22,497,565</u>
Plan fiduciary net position as a percentage of the total pension liability	96.96%

The net pension liability of \$22,497,565 has been recorded in the Fringe Benefit Fund, an internal service fund that is used to account for the County's employee fringe benefits.

Changes in the net pension liability during the measurement year were as follows:

	<u>Increase/(Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Net Position</u>	<u>Net Pension Liability</u>
Balances at 9/30/2019	\$ 747,447,604	\$ 745,194,410	\$ 2,253,194
Changes for the year:			
Service Cost	1,338,793	-	1,338,793
Interest	52,040,691	-	52,040,691
Difference between expected and actual experience	67,870	-	67,870
Assumption changes	-	-	-
Contributions - employer	-	-	-
Contributions - member	-	165,953	(165,953)
Net investment income	-	33,216,391	(33,216,391)
Benefit payments, including refunds of member contributions	(60,628,743)	(60,628,743)	-
Administrative expenses	-	(179,361)	179,361
Net changes	<u>(7,181,389)</u>	<u>(27,425,760)</u>	<u>20,244,371</u>
Balances at 9/30/2020	<u>\$ 740,266,215</u>	<u>\$ 717,768,650</u>	<u>\$ 22,497,565</u>

County of Oakland
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Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2020, the County reported a pension expense of \$2,992,001. At September 30, 2020 the County reported deferred outflow of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 26,980,166
Total	<u>\$ 26,980,166</u>

Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Net Deferred Outflows of Resources
2021	\$ 4,079,171
2022	10,116,232
2023	9,062,378
2024	3,722,385
Total	<u>\$ 26,980,166</u>

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of September 30, 2019, which used updated procedures to roll forward the estimated liability to September 30, 2020. The valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%
Salary increases	3.25 – 9.25% average, including inflation and step increases
Investment rate of return	7.25% net of pension investment expense, including inflation

Mortality rates were based on the RP-2014 Healthy Annuitant Mortality Table (unadjusted) projected to 2021 using a static projection based on the 2-dimensional MP-2014 improvement scales.

Discount Rate

The discount rate used to measure the total pension liability was 7.25 percent. The single discount rate was based on the expected rate of return on pension plan investments of 7.25 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

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Projected Cash Flows

Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan’s trustees after considering input from the plan’s investment consultant(s). For each major asset class that is included in the pension plans target asset allocation as of September 30, 2019, these best estimates are summarized in the following table.

Asset Class	Long-Term Expected Real Rate of Return
Domestic Equity	7.50%
International Equity	8.50%
Domestic Bonds	2.50%
International Bonds	3.50%
Real Estate	4.50%
Alternative Assets	5.59%

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following table presents the plan’s net pension liability, calculated using a discount rate of 7.25%, as well as what the plan’s net pension liability would be if it were calculated using a discount rate that is one percent lower and one percent higher.

	1% Decrease 6.25%	Current Single Discount Rate 7.25%	1% Increase 8.25%
Net Pension Liability/(Asset)	\$ 91,466,255	\$ 22,497,565	\$ (36,689,011)

The Road Commission for Oakland County Retirement System board of trustees administers the Road Commission for Oakland County Retirement System – a single-employer defined benefit pension plan that provides retirement, disability, and death benefits for all eligible general employees of the Retirement System. Benefit terms have been established by contractual agreements between the Retirement System and the various employee union representation or other actions of the Oakland County Board of Road Commissioners; amendments are subject to the same process. At December 31, 2018, the date of the most recent actuarial valuation, membership consisted of 605 inactive plan members or beneficiaries currently receiving benefits, 57 inactive plan members entitled to but not yet receiving benefits, and 412 active plan members. The Road Commission’s net pension liability as of December 31, 2019 was \$368,882,420. The Road Commission has chosen to use December 31, 2019 as its measurement date for the net pension liability. The September 30, 2020 reported net pension liability was determined using a measure of the total pension liability and the pension net position as of December 31, 2019. The December 31, 2019 total pension liability was determined by an actuarial valuation performed as of December 31,

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2018. For the year ended September 30, 2020, the Road Commission recognized pension expense of \$8,012,013. At September 30, 2020, the Road Commission reported total deferred outflows of resources of \$4,585,119 and deferred inflows of resources of \$6,309,492, leaving a net pension liability at September 30, 2020 of \$36,882,420

13. Defined Contribution Plans

The County maintains a defined contribution plan, Oakland Performance Retirement System (OPRS), which qualifies under Internal Revenue Code Section 401(a). Employees in the County PERS were first afforded the opportunity to transfer to the OPRS through December 31, 1995, retroactive to January 1, 1995. Employees who elected to transfer to the OPRS had their individually actuarially determined earned retirement benefits in the County PERS, determined as of January 1, 1995, plus accrued interest at the rate of 7.5% from January 1, 1995 until the date of election to transfer, transferred into the OPRS. Subsequent to 1995, the County reopened the opportunity for transfer several times, resulting in an additional 1,477 employees transferred from the County PERS to the OPRS.

The OPRS maintains a schedule of vesting, with the participants becoming fully vested upon completion of six years of continuous service. Employees transferring from the County PERS were allowed a permanent selection of employee contributions of 0% or 3% of their salary, with the employer matching the contribution respectively with 6% or 9% for general employees, or 7% or 10% for employees in certain bargaining units. For employees hired on or after July 1, 1994, the employer contributes 5% of the employee's salary. Effective December 1999, employees were offered an opportunity to increase their contribution with a County match of 2% for new hires and 1% for all others. In December 2000, the employee and County match were increased 1%. All employees are able to contribute up to 10% of their salary on a voluntary after-tax basis. All contributions are remitted to a third-party plan administrator.

Total membership in the OPRS as of September 30, 2020 was 3,418, which includes 274 employees who elected to transfer from the PERS in 1995 through 2000 and 3,144 current employees hired since July 1, 1994.

The County's payroll for employees covered by the OPRS for the year ended September 30, 2020 was \$243,424,592 and the County's total payroll was \$275,096,452.41. The required contributions, which matched those actually made, were \$9,670,938 by employees and \$20,229,423, by the County, representing 4% and 8.3% of covered payroll, respectively.

In 2008, the County offered a voluntary defined contribution plan for part-time non-eligible employees. The plan qualifies under the Omnibus Budget Reconciliation Act of 1990 (OBRA) and IRS Section 3121 (b) (&) (F) which allows for a defined contribution plan in lieu of Social Security. With the implementation of this plan, the County contributes 1.3% and the employee contributes 6.2% of their earnings into a defined contribution plan. The employee would be immediately 100% vested in both the employer and employee contributions but cannot access the money invested in the plan until they are separated from County employment. During fiscal year 2020, the County contributed \$185,499 to the plan.

The contribution requirements of plan members and the County are established and may be amended by the Board of Commissioners in accordance with County policies, union contracts, and plan provisions.

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14. Postemployment Benefits

Plan Description

The Oakland County Employees’ Retirement System – Voluntary Employees’ Beneficiary Association Trust (VEBA) is a single-employer defined benefit health plan, covering all eligible employees. The plan provides health care benefits to plan members and their beneficiaries. The plan is administered by the Oakland County Retirement and Deferred Compensation Board through two funding vehicles: the Oakland County VEBA Trust (the Trust) and the Superseding Trust.

Management of VEBA is vested with the Retirement and Deferred Compensation Board, which consists of nine voting members comprised of the following individuals:

- Oakland County Board of Commissioners chairperson or designee.
- BOC Finance Committee chairperson or designee.
- County Treasurer or designee.
- County Executive or designee.
- Three (3) elected employee members.
- One (1) elected retiree member.
- One (1) citizen member appointed by the Board and confirmed by the Oakland County Board of Commissioners.

Plan Membership

The Oakland County VEBA covers the majority of full-time employees of the County hired prior to September 21, 1985 having eight or more years of service, or hired between September 20, 1985 and January 1, 1995 and had 15 years of service (for family coverage) or 8-14 years of service (for retired members only). The plans’ membership consists of the following at September 30, 2019, the date of the latest actuarial valuation:

Retirees and Beneficiaries	2,634
Inactive, Nonretired Members	198
Active Members	<u>1,673</u>
Total	<u>4,505</u>

For employees whose employment ends prior to retirement, the Trust provides benefits to those with 15 to 19 years of service (for members only) or 20 years of service (for family coverage).

Benefits

In 2020, the County provided 2,800 retirees medical insurance and reimbursed 1,770 of them for Medicare premiums under the Trust. In 2020, the County disbursed \$37,777,425 for this purpose.

Postemployment benefits are established and may be amended by the Board of Commissioners in accordance with County policies, union contracts, and plan provisions. The plan covers the following classes of employees: General, Command Officers, and Deputies. The plan in all classes is now closed to new hires. The County has established a “Retirement Health Savings Plan” beginning January 1, 2007. For General members hired on and after 1/1/95 (5/27/95 for Command Officers and Sheriff’s deputies), the portion of health care costs paid by the Trust will be based on years of service at retirement. If a member has less than 15 years of service, there is no County paid retiree health coverage. If a member has 15 years of service at retirement, 60 percent of the health care premium will be paid by the Health Care Trust. The percent increases 4.0 percent per

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year of service over 15 with a 100 percent maximum coverage after 25 years of service. New employees are required to join the County's retiree health saving plan effective 1/1/06 for General Non-Union employees, 3/5/09 for Sheriff Command Officers, 1/1/10 for Sheriff Corrections Deputies, and 2/9/12 for Sheriff Road Patrol Deputies. Employees will receive a cash payment upon retirement from which they can purchase their own health insurance.

Funding Policy/Contributions

In 2013, the County contributed an additional \$236,000,000 in order to fully fund the VEBA. The County contributions are based on a 10 - year open amortization of the unfunded actuarial accrued liabilities (UAL) for the over funded divisions. For fiscal year 2020, there was no annual contribution required, which was determined through actuarial valuations performed at September 30, 2018, given the VEBA was fully funded.

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

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

In the September 30, 2018 actuarial valuation, the individual entry age actuarial cost method was used to calculate the required annual contribution. The actuarial assumptions included a 7.25 percent investment rate of return (net of administrative expenses), which consists of a real rate of return of 5.75 percent per year plus a long-term rate of inflation of 3.25 percent per year and an annual healthcare cost trend rate of 9.00 percent initially, reduced by decrements to an ultimate rate of 3.25 percent after 10 years. Both rates included a 3.25 percent inflation assumption. The actuarial value of assets is equal to the reported market value of assets at the valuation date. The UAAL for the groups was amortized over a 10-year open level dollar method for the over-funded divisions. Active member payroll was assumed to increase 3.25 percent per year for the purpose of determining the level percent contributions.

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Investment Policy

The VEBA plan’s policy in regard to the allocation of invested assets is established and may be amended by the PERS Board by a majority vote of its members. It is the policy of the PERS Board to pursue an investment strategy that is in compliance with the Michigan Public Act 314 of 1965 and manages risks through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following was the Board’s adopted asset allocation policy as of January 11, 2018.

<u>Asset Class</u>	<u>Target Allocation</u>
Cash Equivalents	0.0%
Domestic Equity	32.5%
International Equity	12.5%
Fixed Income	30.0%
Real Estate	10.0%
Other Assets	15.0%
Total	<u>100.0%</u>

Rate of Return

For the year ended September 30, 2020, the annual money weighted rate of return on VEBA plan investments, net of VEBA plan investment expense, was 5.20 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability

The County has chosen to use September 30, 2020 as its measurement date for the net OPEB liability. The September 30, 2020 reported net OPEB liability was determined using a measure of the total OPEB liability, less the amount of the VEBA plan’s fiduciary net position. The September 30, 2020 total OPEB liability was determined by an actuarial valuation performed as of September 30, 2019, which used updated procedures to roll forward the estimated liability to September 30, 2020.

The components of the net pension liability of the County at September 30, 2020 were as follows:

Total OPEB liability	\$ 953,168,072
Plan fiduciary net position	<u>(1,337,506,311)</u>
Net OPEB Liability (Asset)	<u>\$ (384,338,239)</u>

Plan fiduciary net position as a percentage of the total OPEB liability	140.32%
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The net OPEB Liability (asset) has been recorded in the Fringe Benefit Fund, an internal service fund that is used to account for the County’s employee fringe benefits.

County of Oakland
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Changes in the net OPEB liability during the measurement year were as follows:

	Increase/(Decrease)		
	Total OPEB Liability	Plan Net Position	
Balances at 9/30/2019	\$ 925,462,271	\$ 1,307,578,534	(382,116,263)
Changes for the year:			
Service Cost	9,220,055	-	9,220,055
Interest	66,070,507	-	66,070,507
Difference between expected and actual experience	(17,653,479)	-	(17,653,479)
Assumption changes	7,578,642	-	7,578,642
Contributions - employer	-	-	-
Contributions - member	-	279,397	(279,397)
Net investment income	-	63,070,473	(63,070,473)
Benefit payments, including refunds of member contributions	(37,509,924)	(37,789,321)	279,397
Administrative expenses	-	(399,973)	399,973
Other	-	4,767,201	(4,767,201)
Net changes	<u>27,705,801</u>	<u>29,927,777</u>	<u>(2,221,976)</u>
Balances at 9/30/2020	<u>\$ 953,168,072</u>	<u>\$ 1,337,506,311</u>	<u>\$ (384,338,239)</u>

The difference between actual and expected experience is the actuarial gain loss, due to VEBA claims cost growing at a slower rate than anticipated by actuarial assumptions. The change in the assumptions is the change in the medical/Rx trend rates.

OPEB Recovery and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2020, the County recognized a reduction of OPEB expense of (\$66,771,651). At September 30, 2020 the County reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (30,574,783)
Net difference between projected and actual earnings on OPEB plan investments	43,332,138	-
Changes in assumptions related to economic and demographic factors	22,020,660	(647,145)
Total	<u>\$ 65,352,798</u>	<u>\$ (31,221,928)</u>

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Amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending September 30	Net Deferred Outflows and Inflows of Resources
2021	\$ (760,504)
2022	13,511,686
2023	15,274,179
2024	6,105,509
Total	<u>\$ 34,130,870</u>

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of September 30, 2019, which used updated procedures to roll forward the estimated liability to September 30, 2020. The valuations used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%	
Healthcare cost trend rate	8.00%	decreasing to 3.50% in year 10
Salary increases	3.25 – 9.25%	average, including inflation and step increases
Investment rate of return	7.25%	net of pension investment expense, including inflation

Mortality rates were based on the RP-2014 Healthy Annuitant Mortality Table (unadjusted) projected to 2021 using a static projection based on the 2-dimensional MP-2014 improvement scales.

Discount Rate

The discount rate used to measure the total OPEB liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

Projected Cash Flows

Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The long-term expected rate of return of OPEB plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan’s trustees after considering input from the plan’s investment consultant(s).

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For each major asset class that is included in the OPEB plans' target asset allocation as of September 30, 2020, these best estimates are summarized in the following table.

Asset Class	Long-Term Expected Real Rate of Return
Domestic Equity	7.50%
International Equity	8.50%
Domestic Bonds	2.50%
International Bonds	3.50%
Real Estate	4.50%
Alternative Assets	5.59%

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following table presents the plan's net OPEB liability, calculated using a discount rate of 7.25%, as well as what the plan's net OPEB liability would be if it were calculated using a discount rate that is one percent lower and one percent higher.

	1% Decrease 6.25%	Current Single Discount Rate 7.25%	1% Increase 8.25%
Net OPEB Liability/(Asset)	\$ (267,282,364)	\$ (384,338,239)	\$ (482,156,105)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following table presents the net OPEB liability, calculated using the healthcare cost trend rate of 8.00 percent, as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1.0 percentage point lower (7.00 percent, decreasing to 2.50%) or 1.0 percentage point higher (9.00 percent, decreasing to 4.50%) than the current rate.

	1 Percent Decrease (7.00% decreasing to 2.50%)	Current Healthcare Cost Trend Rate (8.00% decreasing to 3.50%)	1 Percent Increase (9.00% decreasing to 4.50%)
Net OPEB Liability/(Asset)	\$ (494,780,900)	\$ (384,338,239)	\$ (251,237,581)

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Since the County does not issue a stand-alone report for its VEBA trust, the following are condensed financial statements for the VEBA Trust as of September 30, 2020:

Statement of Net Position

Cash and investments	\$ 1,338,268,429
Other assets	2,749,016
Total assets	<u>1,341,017,445</u>
Liabilities	<u>3,511,134</u>
Net position	<u>\$ 1,337,506,311</u>

Statement of Changes in Net Position

Additions:	
Contributions	\$ 279,397
Investment income	63,097,219
Other revenue	4,770,018
Total additions	<u>68,146,634</u>
Deductions:	
Benefits	37,777,425
Other expenses	441,432
Total deductions	<u>38,218,857</u>
Change in net position	29,927,777
Net position held in trust, beginning of year	<u>1,307,578,534</u>
Net position held in trust, end of year	<u>\$ 1,337,506,311</u>

The Road Commission contributes to the Road Commission for Oakland County Retiree Health Care Trust (the "Trust"). The Trust provides for future payment of medical benefits for eligible retirees, their spouses and their dependents. The obligation to provide benefits to employees was established by negotiation with various collective bargaining units or other actions of the Oakland County Board of Road Commissioners. At December 31, 2018, the date of the most recent actuarial valuation, membership consisted of 416 inactive plan members or beneficiaries currently receiving benefits and 262 active plan members. For the year ended September 30, 2020, the Road Commission recognized OPEB expense of \$10,163,579, deferred outflows of resources of \$20,515,624, deferred inflows of resources of 12,486,405, and payments for postemployment health benefit premiums of \$7,223,333, leaving a net OPEB liability of \$126,288,932 at September 30, 2020.

15. Deferred Compensation Plan

In fiscal year 1998, both the County and the Road Commission adopted GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. During fiscal year 1999, as required by the statement, the County and the Road Commission each placed all Deferred Compensation Plan assets with a trustee, relinquishing all fiduciary accountability for the assets. Accordingly, the related assets and liabilities of the plan are not reported in the County and Road Commission financial statements.

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16. Risk Management

The County is exposed to various risks of loss related to property, employee injuries, general liability claims, and torts, as well as medical benefits provided to employees. The County has purchased a commercial property policy for its building and contents, electronic data processing equipment, boats and motors, ATV/snowmobiles and automobile catastrophe physical damage coverage. The policy is subject to a maximum per occurrence catastrophic loss limit of \$350,000,000. Policy limits (subject to the maximum \$350,000,000 per occurrence catastrophic loss limit) are: building and contents in the amount of \$654,612,581, electronic data processing equipment in the amount of \$42,181,639, boats and motors in the amount of \$569,000, ATV/snowmobiles in the amount of \$66,000, automobile catastrophe physical damage in the amount of \$2,000,000, flood coverage in the amount of \$50,000,000 (subject to limitations in some flood zones), earthquake coverage in the amount of \$50,000,000, and boiler and machinery coverage in the amount of \$100,000,000. Property insurance for helicopters' hull physical damage in the amount of \$3,139,792, and helicopters' additional equipment physical damage in the amount of \$1,354,800. Liability insurance has been purchased for: airport operations in the amount of \$50,000,000, helicopter operations in the amount of \$100,000,000, automobile fleet operations in the amount of \$5,000,000, fiduciary liability in the amount of \$25,000,000, employee dishonesty/faithful performance in the amount of \$3,000,000, travel accident in the amount of \$100,000 per person/\$500,000 aggregate, N.E.T. law enforcement liability in the amount of \$5,000,000, workers' compensation statutory coverage in excess of \$1,000,000 each occurrence, self-insured retention and employers' liability in the amount of \$1,000,000, Parks Facility Rental liability in the amount of \$1,000,000, Excess Liability with limits of \$15,000,000 over Auto Liability and \$17,000,000 over a \$3,000,000 SIR/deductible; Cyber Liability with limits of \$10,000,000; Liquor Liability insurance in the total amount of \$5,000,000 for Parks & Recreation facilities at Springfield Oaks, and Lyon Oaks; and \$3,000,000 at White Lake Oaks. Water Resource Commission CVT Maintenance Agreement liability coverage in the amount of \$10,000,000. The County is self-insured for all other risks except as noted.

The County and the Road Commission estimate the liability for all of the above-mentioned claims that have been incurred through September 30, 2020, including both those claims that have been reported, as well as those that have not yet been reported, and estimates of both future payments of losses and related claim adjustment expenses. Estimated liabilities for unpaid claims are based on historical claim payments, including related legal and administrative expenses.

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The County records estimates in the Fringe Benefits and the Building and Liability Insurance funds, both Internal Service funds. The Road Commission component unit records these estimates in the governmental fund type, with \$900,000 estimated current portion of general liability claims included in accrued liabilities. Changes in the estimated claims liabilities are as follows:

	September 30	
	2020	2019
Primary Government		
Beginning-of-period liability	\$ 21,222,616	\$ 19,752,031
Estimated claims incurred, claim adjustment expenses and changes in estimates		
Provisions for current-year events	57,409,486	56,203,572
Increase (decrease) in provisions for prior-year events	(1,246,382)	1,183,685
Total incurred claims, claim adjustment expenses and changes in estimates	56,163,104	57,387,257
Claim payments and claim adjustment expenses		
Related to current-year events	(53,834,710)	(53,048,598)
Related to prior-year events	(1,602,217)	(2,868,074)
Total claim payments and claim adjustment expenses	(55,436,927)	(55,916,672)
End-of-period liability	\$ 21,948,793	\$ 21,222,616
Road Commission - Component Unit		
Beginning-of-year liability	\$ 2,374,219	\$ 1,875,135
Estimated claims incurred and changes in estimates	26,338,640	13,660,825
Claim payments	(26,306,918)	(13,161,741)
End-of-year liability	\$ 2,405,941	\$ 2,374,219

17. Leases and Contracts Receivable

The County (primary government) leases certain office facilities and other equipment under non-cancelable operating leases. Total costs for such leases for the County for the year ended September 30, 2020 were \$1,087,756. The future minimum lease payments as of September 30, 2020 are as follows:

Fiscal year	Primary government
2021	\$ 1,005,990
2022	756,510
2023	623,418
2024	618,798
2025	627,663
2026-2030	1,194,486
2031-2035	858,172
Total	\$ 5,685,037

Additionally, the County leases portions of certain buildings to various governmental agencies. The amount received from these leases for the fiscal year ended September 30, 2020 totaled \$115,417, recorded in the Facilities Maintenance & Operations fund, an internal service fund type.

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The County has also “loaned” its AAA bond rating to assist local communities in the ability to finance local projects by pledging full faith and credit on the debt issued through the Oakland County Building Authority. Debt is to be paid from payments from the benefiting community over the life of the debt issues, with the structures being collateral. A contract, or lease, receivable with a corresponding deferred revenue is shown in the Debt Service Fund financial statements of the County. Debt and receivables are reported for Community Mental Health Authority Housing Project in the amount of \$5,500,000 in 2007 (refunded for \$2,875,000 in 2014), Keego Harbor City Hall and DPW Building in the amount of \$1,120,000 in 2010 (refunded for \$835,000 in 2020), City of Oak Park in the amount of \$2,500,000 in 2012 (refunded for \$1,700,000 in 2020), and Community Mental Health Authority Project in the amount of \$14,500,000 in 2012 (refunded for \$6,075,000 in 2020). The future minimum lease payments to be received as of September 30, 2020 are as follows:

Fiscal year	Primary government
2021	\$ 1,289,674
2022	1,313,538
2023	1,295,562
2024	1,314,688
2025	1,065,912
2026 - 2030	4,569,437
2031 - 2035	927,162
2036 - 2040	529,569
	<u>\$ 12,305,542</u>

As of September 30, 2020, the County has a contract receivable of approximately \$53,079,000 reported in the General Fund for law enforcement contracts. The various contracts are for the County’s Sheriff Department to provide law enforcement services from January 1, 2019 to December 31, 2021 for townships, villages and cities within the County. The contract receivable at year-end includes future services to be provided over the length of the contract. On the General Fund statements and full accrual governmental activities statements, approximately \$48,573,000 of the contract receivable was recorded as unearned revenue, as the services were not performed prior to year-end.

18. Commitments and Contingencies

The County, the Drainage Districts, and the Road Commission are involved in legal actions in which plaintiffs seek damages of indeterminable amounts which may exceed insurance coverage where applicable. Litigation is subject to many uncertainties, and the outcome of individual matters cannot be predicted. Accordingly, a reasonable range of liability to the County, the Drainage Districts, or Road Commission pertaining to these matters cannot be determined. Management has taken steps to protect the County and believes any liability resulting from cases in which it is involved will not materially affect its financial position. At 9/30/2020 the County recorded an estimated liability in the amount of \$9.6 million in the County’s general fund for the pending court case, Rafaeli, LLC v Oakland County.

The County, the Drainage Districts, and the Road Commission received funds from various federal and state units to finance specific activities. The final determination of revenues is subject to the acceptance of project costs by the granting agency, usually after a compliance audit. To the extent that costs are disallowed by the granting agency, the County, the Drainage Districts, and Road

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Commission resources would be required to reimburse the grant funds. Management believes that disallowed costs, if any, would be immaterial.

The County has outstanding construction commitments (contracts) under the jurisdiction of the Water Resources Commissioner, and has contracts for Act 342 projects at September 30, 2020 as follows: Evergreen-Farmington S.D.S – Middlebelt Road Tunnel Project with a cost of \$35,338,985 with a remaining balance of \$4,445,063; Southern Oakland County Sewage Disposal System - Dequindre Pump Station Rehabilitation with a cost of \$5,906,296 and a remaining balance of \$1,043,241. There is one outstanding contract under the direction of the Facilities Management Department for Jail MIDC Rooms Renovation with a cost of \$3,655,030 and a remaining balance of \$538,399 as of September 30, 2020.

There are six contracts for Information Technology projects at September 30, 2020 as follows: Imaging System Replacement with a cost of \$2,621,193 with a remaining balance of \$228,200; Network Equipment Replacement with a cost of \$8,867,072 with a remaining balance of \$1,234,650; Oblique Imagery Project with a cost of \$1,310,000 with a remaining balance of \$451,970; and the New Financial Human Capital Management Program with a cost of \$14,015,122 with a remaining balance of \$7,396,531; Identity and Access Management with a cost of \$2,000,001 with a remaining balance of \$964,747, and the P25 Radio Replacement Project with a cost of \$49,849,046 with a remaining balance of \$33,289,172.

The Drainage Districts' component unit has a construction contract for Clinton River Water Resource Recovery Facility – Bio-solids Handling & Septage Receiving Facility Project with a cost of \$33,668,133 with a remaining balance of \$1,727,817; Clinton River Water Resource Recovery Facility Drainage District Administrative Building Renovation with a cost of \$2,603,081 with a balance of \$264,331; a contract for construction, assessment and inspection for the Oakland Macomb Interceptor Drainage District Project with a total cost of \$42,154,947, with a remaining balance of \$7,112,289; a contract for north east sanitary pump station odor/corrosion control for the Oakland Macomb Interceptor Drainage District Project with a total cost of \$4,211,097 with a remaining balance of \$355,091 as of September 30, 2020.

The Road Commission for Oakland County component unit reports construction projects in progress at September 30, 2020 in the amount of \$151 million with remaining commitments of \$43 million. The Road Commission's net share of these costs following estimated revenue from federal aid and contributions from state and local participants totals approximately \$11 million.

County of Oakland
Notes to Basic Financial Statements
September 30, 2020

19. Statement of Net Position – Reconciliation of Internal Balances

The internal balances amount on the Statement of Net Position is reconciled as follows:

Governmental Activities

Governmental Funds	
Due from other funds	\$ 38,806,979
Advances receivable	899,163
Due to other funds	(44,408,635)
Advances payable	(899,163)
Internal Service Funds	
Due from other funds	7,092,033
Due to other funds	(1,476,472)
Governmental activities, internal balances	<u>\$ 13,905</u>
Business-Type Activities	
Proprietary Funds	
Due from other funds	\$ 105,925
Due to other funds	(119,830)
Business-type activities, internal balances	<u>\$ (13,905)</u>

20. Tax Abatements

The County received reduced property tax revenues during the year as a result of Industrial Facility (IFT's), Brownfield Redevelopment Agreements, Personal Property tax (PA 328) and other agreements entered into by cities, villages, townships, and authorities within the County.

The IFT's were entered into based upon the Plant Rehabilitation and Industrial Development District Act, (known as the Industrial Facilities Exemption), PA 198 of 1974, as amended. IFT's provide a tax incentive to manufacturers to enable renovation and expansion of aging facilities, assist in building of new facilities and to promote the establishment of high-tech facilities. Properties qualifying for IFT status are taxed at both 100% and 50% of the millage rate applicable to other real and personal property in the County. The abatements amounted to \$610,837 for the County General Fund and \$35,402 for the County Parks and Recreation Fund for the fiscal year.

Brownfield redevelopment agreements are intended to reimburse taxpayers that remediate environmental contamination on their properties. These agreements were entered into based upon the Brownfield Redevelopment Act, PA 381 of 1996, as amended. Under this act, a municipality may create a brownfield redevelopment authority to develop and implement brownfield projects. Tax increment financing may be used as a tool for property redevelopment. The abatements amounted to \$621,990 for the County General Fund and \$36,035 for the County Parks and Recreation Fund for the year.

The County also receives reduced property tax revenue as a result of the Personal Property Tax (act 328 of 1998, as amended by PA 20 of 1999) granted by cities, villages, and townships with the County. Personal Property Tax exemptions are intended to promote purchase of new equipment. The abatements amounted to \$666,785 for the County General Fund and \$38,630 for the County Parks and Recreation Fund for the year.

County of Oakland
Notes to Basic Financial Statements
September 30, 2020

Finally, various local governments within Oakland County use Payment in Lieu of Taxes (PILOT) Programs that are designed to provide tax abatements primarily for owners of low to moderate income multi-family housing units. Under this program the local governments establish ordinances and enter into agreements that allow the low to moderate multi-family housing unit property owners to make payments at lower amounts than would have been otherwise due in the normal course of property tax collection. The County has estimated the PILOT abatement impact by taking the County's Ad Valorem Tax amount less the actual PILOT payments for the year. The abatements amounted to \$324,388 for the year.

21. Restricted Cash

The County has unspent bond proceeds remaining from the 2020 Building Authority Refunding of \$18,402,216 for a Radio Project; and unspent proceeds of \$217,458 for Evergreen Farmington Sewage and Disposal System. In addition, there is \$64,130,588 unspent bond proceeds from the 2020 General Obligation Debt for the OMI Drainage District.

REQUIRED SUPPLEMENTARY INFORMATION

County of Oakland
Primary Government – Retirement System
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last Seven Fiscal Years – Unaudited

	Fiscal Year						
	2020	2019	2018	2017	2016	2015	2014
Total pension liability							
Service cost	\$ 1,338,793	\$ 1,665,384	\$ 2,128,819	\$ 2,483,176	\$ 2,864,098	\$ 3,705,776	\$ 4,196,269
Interest	52,040,691	52,604,818	53,272,144	53,389,706	53,131,461	50,740,081	50,492,624
Difference between expected and actual experience	67,870	(1,895,454)	(5,905,800)	(607,861)	2,639,268	2,621,256	-
Assumption changes	-	-	-	-	-	29,334,529	-
Benefit payments, including refunds of member contributions	(60,628,743)	(59,356,307)	(57,579,562)	(55,839,217)	(53,925,525)	(52,066,966)	(49,993,923)
Net change in total pension liability (asset)	(7,181,389)	(6,981,559)	(8,084,399)	(574,196)	4,709,302	34,334,676	4,694,970
Total pension liability - beginning of year	<u>747,447,604</u>	<u>754,429,163</u>	<u>762,513,562</u>	<u>763,087,758</u>	<u>758,378,456</u>	<u>724,043,780</u>	<u>719,348,810</u>
Total pension liability - end of year (a)	<u><u>740,266,215</u></u>	<u><u>747,447,604</u></u>	<u><u>754,429,163</u></u>	<u><u>762,513,562</u></u>	<u><u>763,087,758</u></u>	<u><u>758,378,456</u></u>	<u><u>724,043,780</u></u>
Plan fiduciary net position							
Contributions - employer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,554,832	\$ 5,770,835
Contributions - member	165,953	232,357	301,807	372,273	443,238	473,247	560,091
Net investment income	33,216,391	27,485,137	49,559,010	83,094,349	65,710,783	5,099,460	70,247,939
Benefit payments, including refunds of member contributions	(60,628,743)	(59,356,307)	(57,579,562)	(55,839,217)	(53,925,525)	(52,066,966)	(49,993,923)
Administrative expenses	(179,361)	(218,956)	(240,203)	(259,250)	(245,352)	(296,825)	(2,959,649)
Net change in plan fiduciary net position	(27,425,760)	(31,857,769)	(7,958,948)	27,368,155	11,983,144	(42,236,252)	23,625,293
Plan fiduciary net position - beginning of year	<u>745,194,410</u>	<u>777,052,179</u>	<u>785,011,127</u>	<u>757,642,972</u>	<u>745,659,828</u>	<u>787,896,080</u>	<u>764,270,787</u>
Plan fiduciary net position - end of year (b)	<u><u>717,768,650</u></u>	<u><u>745,194,410</u></u>	<u><u>777,052,179</u></u>	<u><u>785,011,127</u></u>	<u><u>757,642,972</u></u>	<u><u>745,659,828</u></u>	<u><u>787,896,080</u></u>
Net pension liability (asset) - end of year (a) - (b)	<u><u>\$ 22,497,565</u></u>	<u><u>\$ 2,253,194</u></u>	<u><u>\$ (22,623,016)</u></u>	<u><u>\$ (22,497,565)</u></u>	<u><u>\$ 5,444,786</u></u>	<u><u>\$ 12,718,628</u></u>	<u><u>\$ (63,852,300)</u></u>
Plan fiduciary net position as a percentage of the total pension liability	96.96%	99.70%	103.00%	102.95%	99.29%	98.32%	108.82%
Covered payroll	\$ 10,576,095	\$ 13,385,938	\$ 16,019,655	\$ 18,631,927	\$ 21,834,812	\$ 24,707,298	\$ 29,901,825
Net pension liability (asset) as a percentage of covered payroll	212.72%	16.83%	(141.22%)	(120.75%)	24.94%	51.48%	(213.54%)

Covered payroll is 2017 valuation payroll (projected to the 2018-2019 year) used to determine employer contributions for the 2018-2019 fiscal year. GASB Statement No. 67 was implemented for FYE September 30, 2014 and does not require retroactive Data implementation. Data will be added as information is available until 10 years of such information is available.

**County of Oakland
Primary Government – Retirement System
Required Supplementary Information
Schedule of Contributions
Last Ten Fiscal Years – Unaudited**

	Fiscal Year									
	2020 *	2019 *	2018 *	2017 *	2016 *	2015	2014	2013	2012 *	2011 *
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,554,832	\$ 5,770,835	\$ 5,400,095	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	-	-	-	-	-	4,554,832	5,770,835	5,400,095	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 10,576,095	\$ 13,385,938	\$ 16,019,655	\$ 18,631,927	\$ 21,834,812	\$ 24,707,298	\$ 29,901,825	\$ 33,706,963	\$ 38,275,780	\$ 42,686,155
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	18.44%	19.30%	16.02%	0.00%	0.00%

Notes to Schedule

Actuarially determined contribution rates are calculated as of September 30, two years prior to the end of the fiscal year in which contributions are reported.

* No actuarial determined contribution

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-Age Normal
Amortization method	Level Dollar
Remaining Amortization Period	10 years, open if over 100% funded
Asset valuation method	5-year smoothed market
Price Inflation	2.75%
Projected salary increases*	3.25% wage inflation
Investment rate of return*	7.25% net of investment and administrative expenses
Cost-of-living adjustments	1.5% non-compounding annually
Retirement Age	Age-based table of rates that are specific to the type of eligibility condition.
Mortality	RP-2014 Healthy Annuitant Mortality Table (unadjusted) projected to 2021 using a static projection based on the 2-dimensional MP-2014 improvement scales.

County of Oakland
Primary Government – Retirement System
Required Supplementary Information
Schedule of Investment Returns
Last Seven Fiscal Years – Unaudited

Annual Money-weighted rate of return, net of investment expense

Fiscal Year	Rate of Return
2014	8.74%
2015	0.35%
2016	9.20%
2017	11.58%
2018	6.43%
2019	3.79%
2020	4.79%

GASB Statement No. 67 was implemented for FYE September 30, 2014 and does not require retroactive Data implementation. Data will be added as information is available until 10 years of such information is available.

**County of Oakland
Primary Government – OPEB Plan
Required Supplementary Information
Schedule of Changes in Net OPEB Liability and Related Ratios
Last Four Fiscal Years - Unaudited**

	Fiscal Year			
	2020	2019	2018	2017
Total OPEB liability				
Service cost	\$ 9,220,055	\$ 8,876,381	\$ 9,742,233	\$ 11,009,857
Interest on the total OPEB liability	66,070,507	63,749,998	70,351,546	67,692,444
Change in benefit terms	-	-	-	-
Difference between expected and actual experience	(17,653,479)	(53,355,110)	(82,048,924)	(6,799,845)
Change in assumptions	7,578,642	50,056,376	(51,205,346)	-
Employer-financed benefit payments	(37,509,924)	(37,474,992)	(37,449,853)	(31,732,905)
Net change in total OPEB liability	27,705,801	31,852,653	(90,610,344)	40,169,551
Total OPEB liability - beginning of year	925,462,271	893,609,618	984,219,962	944,050,411
Total OPEB liability - end of year (a)	953,168,072	925,462,271	893,609,618	984,219,962
Plan fiduciary net position				
Contributions - employer	\$ -	\$ -	\$ -	\$ -
Contributions - member	279,397	290,718	234,284	218,517
OPEB Plan net investment income	63,070,473	46,821,806	84,162,823	134,380,948
Employer-financed benefit payments	(37,509,924)	(37,474,992)	(37,449,853)	(31,732,905)
Member-financed benefit payments	(279,397)	(290,718)	(234,284)	(218,517)
OPEB Plan administrative expenses	(399,973)	(251,109)	(234,935)	(204,215)
Other	4,767,201	2,959,477	3,465,258	3,332,028
Net change in plan fiduciary net position	29,927,777	12,055,182	49,943,293	105,775,856
Plan fiduciary net position - beginning of year	1,307,578,534	1,295,523,352	1,245,580,059	1,139,804,203
Plan fiduciary net position - end of year (b)	1,337,506,311	1,307,578,534	1,295,523,352	1,245,580,059
Net OPEB liability (asset) - end of year (a) - (b)	\$ (384,338,239)	\$ (382,116,263)	\$ (401,913,734)	\$ (261,360,097)
Plan fiduciary net position as a percentage of the total OPEB liability	140.32%	141.29%	144.98%	126.56%
Covered employee payroll	N/A	N/A	N/A	N/A
Net OPEB liability (asset) as a percentage of covered employee payroll	N/A	N/A	N/A	N/A

GASB Statement No. 74 was implemented in FYE September 30, 2017 and does not require retroactive data implementation. Data will be added as information is available until 10 years of such information is available.

**County of Oakland
Primary Government – OPEB Plan
Required Supplementary Information
Schedule of Contributions
Last Ten Fiscal Years - Unaudited**

	Fiscal Year									
	2020 *	2019 *	2018 *	2017 *	2016 *	2015 *	2014 *	2013 *	2012 *	2011 *
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ 800,184	\$ 818,930	\$ 35,236,330	\$ 36,969,985	\$ 37,268,761	\$ 47,592,273
Contributions in relation to the actuarially determined contribution	-	-	-	-	-	-	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ 800,184	\$ 818,930	\$ 35,236,330	\$ 36,969,985	\$ 37,268,761	\$ 47,592,273
Covered-employee payroll	N/A	N/A	N/A	N/A	\$ 141,464,508	\$ 144,715,626	\$ 146,473,723	\$ 154,128,944	\$ 162,819,440	\$ 173,903,452
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes to Schedule

Actuarially determined contribution rates are calculated as of September 30, two years prior to the end of the fiscal year in which contributions are reported.

* The County fully funded the VEBA plan through the issuance of debt. (See notes 8 and 14)

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-Age Normal
Amortization method	Level Dollar, open if over 100% funded
Remaining amortization period	10 years
Asset valuation method	5-year smoothed market
Price Inflation	2.50%
Projected salary increases*	3.25% wage inflation
Investment rate of return*	7.25% net of investment and administrative expenses
Retirement age	Age-based table of rates that are specific to the type of eligibility condition.
Mortality	The RP-2014 Healthy Annuitant Mortality Table (unadjusted) projected to 2021 using a static projection based on the 2 dimensional MP-2014 improvement scales.
Health Care Trend Rates	Medical, Prescription Drug, Medicare Part B: 9.00% trend, gradually decreasing to 3.25% in year 12. Dental and vision: 3.25% trend for all years
Aging factors	Based on 2013 SOA Study "Health Care Costs - From Birth to Death"

**County of Oakland
Primary Government – OPEB Plan
Required Supplementary Information
Schedule of Investment Returns
Last Four Fiscal Years – Unaudited**

Annual Money-weighted rate of return, net of investment expense

Fiscal Year	Rate of Return
2017	12.10%
2018	6.50%
2019	3.72%
2020	5.20%

GASB Statement No. 74 was implemented for FYE September 30, 2017 and does not require retroactive data implementation. Data will be added as information is available until 10 years of such information is available.

**County of Oakland
Budgetary Comparison Schedule
Major Governmental Funds
Year Ended September 30, 2020**

	General Fund			Variance with Final Amended Budget
	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	
Revenues				
Taxes				
Current property taxes	\$ 245,990,837	\$ 245,990,837	\$ 247,077,935	\$ 1,087,098
Delinquent taxes - prior years	98,500	98,500	338,588	240,088
Trailer tax	80,000	80,000	95,667	15,667
Total	<u>246,169,337</u>	<u>246,169,337</u>	<u>247,512,190</u>	<u>1,342,853</u>
Other intergovernmental revenues				
Circuit judges' salaries	914,480	914,480	916,842	2,362
Probate judges' salaries	622,464	622,464	600,861	(21,603)
District judges' salaries	457,240	457,240	502,964	45,724
State court fund - P.A. 189	4,500,000	4,500,000	4,221,071	(278,929)
Local comm stabilization share	2,250,000	2,250,000	3,655,810	1,405,810
Revenue sharing	26,686,846	20,953,645	20,953,995	350
Convention facility/Liquor tax	9,600,000	9,702,758	9,702,758	-
Other	291,850	342,350	209,426	(132,924)
Total	<u>45,322,880</u>	<u>39,742,937</u>	<u>40,763,727</u>	<u>1,020,790</u>
Charges for services				
County Executive	265,690	265,690	317,464	51,774
Management and Budget	3,821,427	3,821,427	3,883,358	61,931
Central Services	322,000	322,000	294,269	(27,731)
Human Resources	-	-	-	-
Human Services	4,776,449	4,776,449	4,115,906	(660,543)
Public Services	1,662,064	1,666,564	1,303,647	(362,917)
Community and Economic Development	392,037	392,037	257,087	(134,950)
Clerk/Register of Deeds	13,990,300	13,990,300	18,403,444	4,413,144
Treasurer	4,776,600	4,776,600	3,592,494	(1,184,106)
Circuit Court	2,147,500	3,262,700	2,957,045	(305,655)
District Court	11,115,154	11,592,154	9,209,118	(2,383,036)
Probate Court	561,600	561,600	488,648	(72,952)
Prosecuting Attorney	815,549	815,549	872,700	57,151
Sheriff	62,559,163	61,152,276	58,497,728	(2,654,548)
Legislative	22,500	22,500	5,240	(17,260)
Water Resources Commissioner	3,305,861	3,305,861	3,482,376	176,515
Non-Departmental	1,168,024	1,168,024	1,297,840	129,816
Total	<u>111,701,918</u>	<u>111,891,731</u>	<u>108,978,364</u>	<u>(2,913,367)</u>
Investment income	1,954,700	2,329,700	6,575,597	4,245,897
Indirect cost recovery	9,050,000	9,243,200	9,372,744	129,544
Federal grants	730,571	105,460,838	105,909,329	448,491
State grants	5,323,355	6,686,433	6,666,072	(20,361)
Contributions	-	278,000	332,047	54,047
Other revenues	434,000	434,000	150,045	(283,955)
Total revenues	<u>420,686,761</u>	<u>522,236,176</u>	<u>526,260,115</u>	<u>4,023,939</u>

(continued)

**County of Oakland
 Budgetary Comparison Schedule (Continued)
 Major Governmental Funds
 Year Ended September 30, 2020**

	General Fund			Variance with Final Amended Budget
	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	
Expenditures				
County Executive				
Administration				
Personnel	\$ 6,883,321	\$ 7,117,308	\$ 6,520,770	\$ 596,538
Operating	597,969	837,219	485,649	351,570
Internal Support	932,346	1,312,016	1,310,575	1,441
Total Administration	<u>8,413,636</u>	<u>9,266,543</u>	<u>8,316,994</u>	<u>949,549</u>
Management and Budget				
Personnel	17,609,764	17,409,764	16,044,853	1,364,911
Operating	819,021	1,053,971	692,834	361,137
Internal Support	2,251,812	2,681,966	2,565,693	116,273
Total Management and Budget	<u>20,680,597</u>	<u>21,145,701</u>	<u>19,303,380</u>	<u>1,842,321</u>
Central Services				
Personnel	1,522,133	1,522,133	1,483,579	38,554
Operating	386,898	386,898	287,099	99,799
Internal Support	800,976	821,391	821,369	22
Total Central Services	<u>2,710,007</u>	<u>2,730,422</u>	<u>2,592,047</u>	<u>138,375</u>
Facilities Management				
Personnel	1,098,315	1,098,315	1,027,403	70,912
Operating	341,714	369,379	259,125	110,254
Internal Support	187,429	188,940	162,594	26,346
Total Facilities Management	<u>1,627,458</u>	<u>1,656,634</u>	<u>1,449,122</u>	<u>207,512</u>
Human Resources				
Personnel	3,066,570	2,990,067	2,757,262	232,805
Operating	708,907	1,188,117	363,608	824,509
Internal Support	616,702	708,759	707,734	1,025
Total Human Resources	<u>4,392,179</u>	<u>4,886,943</u>	<u>3,828,604</u>	<u>1,058,339</u>
Human Services				
Personnel	29,305,194	29,718,502	29,317,320	401,182
Operating	5,153,902	9,865,701	5,239,944	4,625,757
Internal Support	3,672,355	4,669,781	4,659,648	10,133
Total Human Services	<u>38,131,451</u>	<u>44,253,984</u>	<u>39,216,912</u>	<u>5,037,072</u>
Public Services				
Personnel	12,760,675	12,824,335	12,360,959	463,376
Operating	2,162,970	2,180,002	1,669,692	510,310
Internal Support	4,319,204	4,677,053	4,639,489	37,564
Total Public Services	<u>19,242,849</u>	<u>19,681,390</u>	<u>18,670,140</u>	<u>1,011,250</u>

(continued)

**County of Oakland
 Budgetary Comparison Schedule (Continued)
 Major Governmental Funds
 Year Ended September 30, 2020**

	General Fund			Variance with Final Amended Budget
	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	
Expenditures (continued)				
County Executive (continued)				
Community and Economic Development				
Personnel	\$ 5,741,350	\$ 5,688,350	\$ 5,366,803	\$ 321,547
Operating	1,826,220	34,602,149	32,113,271	2,488,878
Internal Support	963,936	1,027,194	1,026,905	289
Total Community and Economic Development	<u>8,531,506</u>	<u>41,317,693</u>	<u>38,506,979</u>	<u>2,810,714</u>
Total County Executive	<u>103,729,683</u>	<u>144,939,310</u>	<u>131,884,178</u>	<u>13,055,132</u>
Clerk/Register of Deeds				
Personnel	8,168,131	8,174,461	6,184,376	1,990,085
Operating	1,632,883	2,725,031	2,719,178	5,853
Internal Support	1,310,921	1,670,050	1,662,740	7,310
Total Clerk/Register of Deeds	<u>11,111,935</u>	<u>12,569,542</u>	<u>10,566,294</u>	<u>2,003,248</u>
Treasurer				
Personnel	3,576,383	3,576,383	3,222,314	354,069
Operating	4,058,770	12,093,770	12,087,336	6,434
Internal Support	925,577	1,384,099	1,268,769	115,330
Total Treasurer	<u>8,560,730</u>	<u>17,054,252</u>	<u>16,578,419</u>	<u>475,833</u>
Justice Administration				
Circuit Court				
Personnel	24,252,679	24,378,162	22,226,881	2,151,281
Operating	4,464,161	4,680,863	2,478,625	2,202,238
Internal Support	4,933,019	5,774,693	5,773,106	1,587
Total Circuit Court	<u>33,649,859</u>	<u>34,833,718</u>	<u>30,478,612</u>	<u>4,355,106</u>
District Court				
Personnel	13,695,705	13,695,705	13,344,885	350,820
Operating	2,246,093	2,306,719	1,904,259	402,460
Internal Support	1,731,967	1,908,638	1,907,546	1,092
Total District Court	<u>17,673,765</u>	<u>17,911,062</u>	<u>17,156,690</u>	<u>754,372</u>
Probate Court				
Personnel	4,921,196	4,921,196	4,642,921	278,275
Operating	1,030,424	1,072,224	941,778	130,446
Internal Support	1,043,317	1,138,674	1,138,091	583
Total Probate Court	<u>6,994,937</u>	<u>7,132,094</u>	<u>6,722,790</u>	<u>409,304</u>
Total Justice Administration	<u>58,318,561</u>	<u>59,876,874</u>	<u>54,358,092</u>	<u>5,518,782</u>

(continued)

**County of Oakland
 Budgetary Comparison Schedule (Continued)
 Major Governmental Funds
 Year Ended September 30, 2020**

	General Fund			Variance with Final Amended Budget
	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	
Expenditures (continued)				
Law Enforcement				
Prosecuting Attorney				
Personnel	\$ 17,927,362	\$ 17,927,362	\$ 17,066,618	\$ 860,744
Operating	560,166	560,166	484,364	75,802
Internal Support	2,187,875	2,268,543	2,262,023	6,520
Total Prosecuting Attorney	<u>20,675,403</u>	<u>20,756,071</u>	<u>19,813,005</u>	<u>943,066</u>
Sheriff				
Personnel	131,584,797	136,630,260	136,628,638	1,622
Operating	12,253,086	13,945,390	12,219,270	1,726,120
Internal Support	19,019,634	19,634,187	18,773,285	860,902
Total Sheriff	<u>162,857,517</u>	<u>170,209,837</u>	<u>167,621,193</u>	<u>2,588,644</u>
Total Law Enforcement	<u>183,532,920</u>	<u>190,965,908</u>	<u>187,434,198</u>	<u>3,531,710</u>
Legislative				
Board of Commissioners				
Personnel	3,272,155	3,272,155	2,935,949	336,206
Operating	972,722	2,115,152	1,108,855	1,006,297
Internal Support	535,130	667,813	667,752	61
Total Legislative	<u>4,780,007</u>	<u>6,055,120</u>	<u>4,712,556</u>	<u>1,342,564</u>
Water Resources Commissioner				
Personnel	229,501	229,501	220,346	9,155
Operating	487,975	488,599	421,474	67,125
Internal Support	7,127,379	7,595,679	7,595,279	400
Total Water Resources Commissioner	<u>7,844,855</u>	<u>8,313,779</u>	<u>8,237,099</u>	<u>76,680</u>
Non-departmental				
Operating	24,659,021	68,332,900	50,817,489	17,515,411
Internal Support	11,265,905	3,337,186	2,454,405	882,781
Total non-departmental	<u>35,924,926</u>	<u>71,670,086</u>	<u>53,271,894</u>	<u>18,398,192</u>
Total expenditures	<u>413,803,617</u>	<u>511,444,871</u>	<u>467,042,730</u>	<u>44,402,141</u>
Excess of revenues (under) over expenditures	<u>6,883,144</u>	<u>10,791,305</u>	<u>59,217,385</u>	<u>48,426,080</u> (continued)

**County of Oakland
 Budgetary Comparison Schedule (Continued)
 Major Governmental Funds
 Year Ended September 30, 2020**

	General Fund			Variance with Final Amended Budget
	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	
Other Financing Sources (Uses)				
Transfers in				
Special Revenue Funds				
Restricted Funds	\$ -	\$ 555,119	\$ 555,118	\$ (1)
Total special revenue funds	<u>-</u>	<u>555,119</u>	<u>555,118</u>	<u>(1)</u>
Capital Project Funds				
Project Work Orders	-	-	11,490	11,490
Total capital project funds	<u>-</u>	<u>-</u>	<u>11,490</u>	<u>11,490</u>
Enterprise Funds				
Delinquent Tax Revolving	5,500,000	5,500,000	5,612,819	112,819
Total enterprise funds	<u>5,500,000</u>	<u>5,500,000</u>	<u>5,612,819</u>	<u>112,819</u>
Total Transfers In	<u>5,500,000</u>	<u>6,055,119</u>	<u>6,179,427</u>	<u>124,308</u>
Transfers out				
Special Revenue Funds				
Mandated Indigent Defense	-	(1,868,991)	(1,868,991)	-
Child Care	(20,768,388)	(20,443,848)	(14,639,432)	5,804,416
Social Welfare Foster Care	(1,000)	(1,000)	-	1,000
Oakland Enhancement	-	-	-	-
Drains-Act 40 Chapters 4 & 18				
Maintenance	(56,165)	(56,165)	(52,941)	3,224
Friend of the Court Grant	(6,073,660)	(6,073,660)	(5,680,447)	393,213
Other Grants		(13,850,000)	(12,856,947)	993,053
Law Enforcement Grants	(1,436,818)	(1,715,864)	(1,559,984)	155,880
Housing & Community Development	(495,018)	(589,161)	-	589,161
Total special revenue funds	<u>(28,831,049)</u>	<u>(44,598,689)</u>	<u>(36,658,742)</u>	<u>7,939,947</u>

(continued)

County of Oakland
Budgetary Comparison Schedule (Continued)
Major Governmental Funds
Year Ended September 30, 2020

	General Fund			Variance with Final Amended Budget
	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	
Other Financing Sources (Uses) (continued)				
Transfers Out (continued)				
Debt Service Funds				
Building Authority Debt Act 31	\$ (2,220,500)	\$ (2,220,500)	\$ (2,220,500)	\$ -
Total debt service funds	<u>(2,220,500)</u>	<u>(2,220,500)</u>	<u>(2,220,500)</u>	<u>-</u>
Capital Projects Funds				
Building Improvement	(5,500,000)	(4,506,948)	(3,000,000)	1,506,948
Project Work Orders	(620,000)	(2,252,562)	(2,067,811)	184,751
Major Dept Support Projects	(41,184)	(650,974)	(650,974)	-
Total capital projects funds	<u>(6,161,184)</u>	<u>(7,410,484)</u>	<u>(5,718,785)</u>	<u>1,691,699</u>
Internal Service Funds				
Facilities, Maint. and Operations	-	(858,658)	(858,658)	-
Information Technology	(3,620,676)	(9,173,682)	(9,173,682)	-
Drain Equipment		(265,206)	(265,206)	-
Motor Pool		(177,355)	(177,355)	-
Telephone Communications		(71,334)	(71,334)	-
Building and Liability Insurance	-	(375,000)	(375,000)	-
Total internal service funds	<u>(3,620,676)</u>	<u>(10,921,235)</u>	<u>(10,921,235)</u>	<u>-</u>
Enterprise Funds				
Parks and Recreation	-	(216,105)	(216,100)	5
Fire Records Management	(507,699)	(507,699)	(489,531)	18,168
CLEMIS	(1,644,186)	(1,644,286)	(1,644,285)	1
Radio Communications	(4,288)	(240,000)	(236,500)	3,500
Total enterprise funds	<u>(2,156,173)</u>	<u>(2,608,090)</u>	<u>(2,586,416)</u>	<u>21,674</u>
Total transfers out	<u>(42,989,582)</u>	<u>(67,758,998)</u>	<u>(58,105,678)</u>	<u>9,653,320</u>
Total other financing sources (uses)	<u>(37,489,582)</u>	<u>(61,703,879)</u>	<u>(51,926,251)</u>	<u>9,777,628</u>
Net change in fund balance	<u>(30,606,438)</u>	<u>(50,912,574)</u>	<u>7,291,134</u>	<u>58,203,708</u>
Fund balance				
October 1, 2019	<u>259,734,778</u>	<u>259,734,778</u>	<u>259,734,778</u>	<u>-</u>
September 30, 2020	<u>\$ 229,128,340</u>	<u>\$ 208,822,204</u>	<u>\$ 267,025,912</u>	<u>\$ 58,203,708</u>

County of Oakland
Notes to Required Supplementary Information
September 30, 2020

Budgetary Comparisons

Budgets and budgetary accounting are on the modified accrual basis of accounting, consistent with generally accepted accounting principles (GAAP). The Oakland County Board of Commissioners has established the legal level of control by control groups as outlined in the County's General Appropriations Act.

The appropriated budget for Oakland County is prepared by fund, function, and department, with control categories established at the department level for Personnel, Operating and Internal Support expenditures. Departments may exceed individual line item appropriations within the aforementioned categories provided the control category is not overspent. Budget amendments providing additional spending authorizations are required to be made by action of the Board of Commissioners upon recommendation of the Oakland County Executive. Encumbrances (e.g., purchase orders and contracts) outstanding at year end are reported as designations of fund balances and do not constitute expenditures or liabilities because the goods or services have not been received as of year-end; the commitments will be re-appropriated and honored during the subsequent year(s). It should be noted that capital outlay expenditures are budgeted and recorded in the operating expenditures category, however they are reported separately in the Governmental Funds section of the Basic Financial Statements.

Funds which receive an appropriation and can therefore be defined as those with an appropriated, annual, legally adopted budget are the General Fund and the following Special Revenue Funds: Child Care and Social Welfare Foster Care. Budgetary comparisons for funds in the "Major" funds category are reported in the Required Supplementary Information section.

The County Board of Commissioners adopts a resolution which authorizes and closes amounts exceeding the original appropriation against the balances in other appropriations and closes the remaining balance to the General Fund's "Unassigned Fund Balance."

**COMBINING AND INDIVIDUAL FUND STATEMENTS
AND SCHEDULES – NON-MAJOR FUNDS
AND INTERNAL SERVICES FUNDS**

County of Oakland
Balance Sheet
Non-Major Governmental Funds – By Fund Type
September 30, 2020

	Special Revenue	Debt Service	Capital Projects	Totals September 30, 2020
Assets				
Pooled cash and investments	\$ 34,733,686	\$ 4,764,676	\$ 30,515,673	\$ 70,014,035
Due from other governmental units	14,908,073	91,633	-	14,999,706
Due from component units	55	-	570,328	570,383
Accrued interest receivable	140,512	24,410	41,190	206,112
Accounts receivable (net of allowance for uncollectibles where applicable)	213,151	647,553	-	860,704
Special assessments receivable	53,648	1,564,000	576,824	2,194,472
Contracts receivable	-	9,350,000	88,800	9,438,800
Due from other funds	15,506,373	95,250	2,288,949	17,890,572
Advances	-	-	899,163	899,163
Other assets	1,964,799	-	-	1,964,799
Total assets	<u>\$ 67,520,297</u>	<u>\$ 16,537,522</u>	<u>\$ 34,980,927</u>	<u>\$ 119,038,746</u>
Liabilities				
Vouchers payable	\$ 3,692,045	\$ 4,888	\$ 178,257	\$ 3,875,190
Accrued payroll	738,676	-	2,345	741,021
Due to other governmental units	3,249	-	-	3,249
Due to other funds	21,262,535	2,396	72,328	21,337,259
Advances	107,826	-	791,337	899,163
Unearned revenue	9,463,446	-	-	9,463,446
Other accrued liabilities	11,816,935	-	1,185,068	13,002,003
Total liabilities	<u>47,084,712</u>	<u>7,284</u>	<u>2,229,335</u>	<u>49,321,331</u>
Deferred Inflows of Resources				
Unavailable revenue - special assessments	53,648	1,564,000	576,824	2,194,472
Unavailable revenue - grants	5,940,479	-	-	5,940,479
Unavailable revenue - contracts receivable	-	9,350,000	-	9,350,000
Unavailable revenue - other	2,608,172	-	-	2,608,172
Total deferred inflows of resources	<u>8,602,299</u>	<u>10,914,000</u>	<u>576,824</u>	<u>20,093,123</u>
Fund Balances				
Spendable:				
Restricted	16,701,220	5,616,238	-	22,317,458
Committed	-	-	32,815,999	32,815,999
Unassigned	(4,867,934)	-	(641,231)	(5,509,165)
Total fund balances	<u>11,833,286</u>	<u>5,616,238</u>	<u>32,174,768</u>	<u>49,624,292</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 67,520,297</u>	<u>\$ 16,537,522</u>	<u>\$ 34,980,927</u>	<u>\$ 119,038,746</u>

County of Oakland
Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds – By Fund Type
Year Ended September 30, 2020

	Special Revenue	Debt Service	Capital Projects	Totals September 30, 2020
Revenues				
Special assessments	\$ 2,167,328	\$ 1,763,096	\$ 300,668	\$ 4,231,092
Federal grants	38,542,844	-	-	38,542,844
State grants	24,388,755	-	-	24,388,755
Other intergovernmental revenue	9,973,070	-	-	9,973,070
Charges for services	12,181,961	1,350	17,531	12,200,842
Contributions	283,315	-	-	283,315
Investment income	389,011	100,042	20,452	509,505
Other	32,598	-	-	32,598
Total revenues	<u>87,958,882</u>	<u>1,864,488</u>	<u>338,651</u>	<u>90,162,021</u>
Expenditures				
Current operations				
County Executive	87,244,380	132,298	-	87,376,678
Clerk/Register of Deeds	2,186,884	-	-	2,186,884
Justice administration	27,166,769	-	-	27,166,769
Law enforcement	7,924,596	-	-	7,924,596
Legislative	-	-	-	-
Water Resource Commissioner	2,415,965	-	-	2,415,965
Non-departmental	112,383	-	-	112,383
Total current operations	<u>127,050,977</u>	<u>132,298</u>	<u>-</u>	<u>127,183,275</u>
Capital outlay	458,147	-	16,230,936	16,689,083
Intergovernmental	-	-	-	-
Debt service				
Principal payments	-	28,850,000	-	28,850,000
Interest and fiscal charges	-	1,605,793	500	1,606,293
Total expenditures	<u>127,509,124</u>	<u>30,588,091</u>	<u>16,231,436</u>	<u>174,328,651</u>
Deficiency of revenues under expenditures	<u>(39,550,242)</u>	<u>(28,723,603)</u>	<u>(15,892,785)</u>	<u>(84,166,630)</u>
Other financing sources (uses)				
Transfers in	36,833,106	6,904,574	9,980,817	53,718,497
Transfers out	(1,778,120)	(3,704)	(3,304,662)	(5,086,486)
Issuance of bonds	2,633	-	468,000	470,633
Issuance of refunding bonds	-	18,775,000	-	18,775,000
Insurance recoveries	-	-	-	-
Premiums on bonds sold	-	2,028,965	-	2,028,965
Total other financing sources (uses)	<u>35,057,619</u>	<u>27,704,835</u>	<u>7,144,155</u>	<u>69,906,609</u>
Net change in fund balances	<u>(4,492,623)</u>	<u>(1,018,768)</u>	<u>(8,748,630)</u>	<u>(14,260,021)</u>
Fund balances				
October 1, 2019	<u>16,325,909</u>	<u>6,635,006</u>	<u>40,923,398</u>	<u>63,884,313</u>
September 30, 2020	<u>\$ 11,833,286</u>	<u>\$ 5,616,238</u>	<u>\$ 32,174,768</u>	<u>\$ 49,624,292</u>

County of Oakland

Non-Major Special Revenue Funds

Special Revenue Funds

These funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes such as special assessment revenue, non-capital grants, and other earmarked revenues not included within other fund categories.

The Mandated Indigent Defense Fund – accounts for funding to assist with the Compliance Plan and Costs Analysis approved by the Michigan Indigent Defense Commission for the provision of Oakland County to provide indigent criminal defense services specified in Standards 1-4. This includes continuing legal education, counsel at first appearance, obtaining experts and investigators for indigent defense.

The Child Care Fund - (formerly the Juvenile Maintenance Fund) is used to account for revenues earmarked for the placement of children to foster care homes and for the detention of children in the Children's Village, as ordered by Probate Court.

The Social Welfare Foster Care Fund - is used to reimburse agencies and individuals for board and care expenditures of foster care children. Partial reimbursement of these expenditures is received from the State of Michigan (column not shown on statements where there is no balance or activity).

The Register of Deeds Automation Fund - is used to account for revenues from additional fees as authorized by the State of Michigan to allow for technology improvements in Clerk/Register of Deeds offices.

The Oakland Enhancement Fund - is used to account for revenues received from various sources for the purpose of coordinating economic development within the County.

The Restricted Funds Fund - is used to account for donations made for various specific purposes or other amounts held for disbursement at a future date. This includes:

- Donations made to, and their disbursements from, Oakland County Children's Village to benefit youths.
- Blind/Handicapped Library Gift accounts for donations made to the Blind/Handicapped Library.
- Oakland County Sheriff's Department Seized Funds is used to account for monies relinquished to the Sheriff's Department as a result of investigation by the department and their disbursement pending trial.
- Prosecutor Citizens Reward program is used to account for monies received from public donations and awarded to citizens for their special assistance on major cases initiated by the Prosecutor's Office.
- Probate Court Trust is used to account for individual donations made to the court and their subsequent disbursement to assist youths.
- Donations for programs such as: the Medical Examiner Library and FSC, Animal Population Control and Education, Arts, Culture, and Film.

The Waste Resource Management Fund - is used to account for administrative costs associated with Brownfield plans.

The Water and Sewer Act 342 Fund - is used to account for the construction, under contractual arrangement, of water and sewer systems under Public Act 342 of 1939. Upon completion of the projects, these systems are turned over to the respective municipalities for operations and maintenance.

The Lake Levels Act 146 Fund - is used to account for funds from special assessments to finance the cost of maintaining lake levels in the County, created under Public Act 146 of 1961.

County of Oakland

Non-Major Special Revenue Funds

The Drains Act 40 Chapters 4 & 18 Maintenance Fund - is used to record expenditures for the operations and maintenance of drainage districts created under Chapters 4 and 18 of Public Act 40 of 1956. Revenue is provided from special assessments against the benefiting properties within the district.

The Lake Improvements Act 345 Fund - is used to account for funds held for lake improvement boards remaining from a phase out begun in 2004, awaiting action by the improvement boards to transfer responsibility to the respective local municipality.

The Friend of the Court Fund - is used to account for costs of the operation of this division of the Circuit Court, responsible for providing services to individuals involved in court actions relating to case initiation, establishment, collections, and enforcement of child support orders as directed by the State of Michigan Child Support Enforcement System. Revenue sources include federal and state funding and charges for services.

The Multi-Organizational Grants Fund - accounts for costs in the following grants:

- Community Corrections, which utilizes State funds to increase utilization of community-based sanctions and services for nonviolent offenders.
- Juvenile Accountability Block Grant, which utilizes federal and County funds to develop programs to promote greater accountability in the juvenile justice system.
- Byrne Formula Justice Assistance Grants (JAG) replaces the Local Law Enforcement Block Grant (LLEBG) programs. JAG provides federal funds to support a broad range of activities to prevent and control crime, and to improve the criminal justice system.

The Workforce Development Grants Fund - accounts for costs involved in providing employment services to individuals who are unemployed, physically or economically disadvantaged, or transitioning from school to employment. Costs include training, education and transportation, funded through state and federal grants.

The Law Enforcement Grants Fund - consists of grants used to record costs of various law enforcement programs utilizing federal, state, and local funds.

The Housing and Community Development Fund - accounts for block grants received from the U.S. Department of Housing and Urban Development for the use of low to moderate income home improvement loans, municipal projects, and homeless-assistance projects, including counseling.

The Human Service Grants Fund - accounts for the cost of various health-related/grant-funded programs.

The Other Grants Fund - consists of grants where the function does not relate specifically to one of the other areas:

- Clerk/Register of Deeds Survey/Re monumentation, which utilizes state funds to locate, verify, replace, or reposition corners within the County, per Public Act 345 of 1990.
- Tornado Siren, which utilizes County and municipal funds in the procurement and installation of tornado siren units used in the tornado warning system.
- Great Lakes Water Authority, a cost reimbursement agreement for due diligence examination of business issues related to the research, creation, and implementation of the Authority.
- Grants for programs such as Domestic Preparedness Equipment, Homeland Security grants, MI Financial Empowerment, Holly Dispatch Consolidation, AAA Safety, DTE Energy Tree Planting, Friend of the Court Access and Visitation, Two Seven Oh, and MEDC Region 10.

County of Oakland Non-Major Special Revenue Funds

- For fiscal year 2020, this fund was used to record inflows and outflows of resources for the CARES Act.

The Judicial Grants Fund - accounts for drug court programs through Oakland County Circuit and 52nd Division District Courts.

The Oakland Brownfield Initiative Fund - is used to account for grant revenues and administration/management costs incurred in assisting the redevelopment of tax-reverted properties through Brownfield Cleanup Revolving Loan Fund programs. The Brownfield Consortium Assessment program consists of Oakland County plus cities to perform environmental investigations on parcels throughout the County with special focus on the cities comprised in this Consortium.

The Concealed Pistol Licensing Fund – created under State of Michigan Public Act 3 of 2015, accounts for the deposit of concealed pistol licensing fees collected by the County Clerk/Register of Deeds, and the allowable expenditures related to the cost of administering this act.

**County of Oakland
Combining Balance Sheet
Non-Major Special Revenue Funds
September 30, 2020**

	Mandated Indigent Defense	Child Care	Register of Deeds Automation	Oakland Enhancement	Restricted Funds	Waste Resource Management
Assets						
Pooled cash and investments	\$ 2,352,479	\$ 438,886	\$ 6,036,076	\$ 27,746	\$ 3,278,977	\$ 3,961,350
Due from other governmental units	-	3,396,884	-	-	-	-
Due from component units	-	-	55	-	-	-
Accrued interest receivable	-	-	32,972	606	10,214	2,891
Accounts receivable (net of allowance for uncollectibles where applicable)	-	54,659	255	22,422	15,569	-
Special assessments receivable	-	-	-	-	-	-
Due from other funds	7,663	4,952	-	-	108,519	-
Prepayments and other assets	-	-	-	-	-	-
Total assets	<u>\$ 2,360,142</u>	<u>\$ 3,895,381</u>	<u>\$ 6,069,358</u>	<u>\$ 50,774</u>	<u>\$ 3,413,279</u>	<u>\$ 3,964,241</u>
Liabilities						
Vouchers payable	\$ 203,166	\$ 185,892	\$ 13,781	\$ -	\$ -	\$ 1,036,603
Accrued payroll	10,523	338,888	4,928	5,096	-	-
Due to other governmental units	-	-	40	-	-	-
Due to other funds	12,662	724,779	-	-	2,537	-
Advances payable	-	-	-	-	-	-
Unearned revenue	2,060,808	-	-	-	-	-
Other accrued liabilities	72,983	26,076	-	-	-	1,889,543
Total liabilities	<u>2,360,142</u>	<u>1,275,635</u>	<u>18,749</u>	<u>5,096</u>	<u>2,537</u>	<u>2,926,146</u>
Deferred Inflows of Resources						
Unavailable revenue - special assessments	-	-	-	-	-	-
Unavailable revenue - grants	-	-	-	-	-	-
Unavailable revenue - other	-	2,608,172	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>2,608,172</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (deficits)						
Restricted	-	11,574	6,050,609	45,678	3,410,742	1,038,095
Unassigned	-	-	-	-	-	-
Total fund balances (deficits)	<u>-</u>	<u>11,574</u>	<u>6,050,609</u>	<u>45,678</u>	<u>3,410,742</u>	<u>1,038,095</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 2,360,142</u>	<u>\$ 3,895,381</u>	<u>\$ 6,069,358</u>	<u>\$ 50,774</u>	<u>\$ 3,413,279</u>	<u>\$ 3,964,241</u>

(continued)

**County of Oakland
Combining Balance Sheet (Continued)
Non-Major Special Revenue Funds
September 30, 2020**

	Water & Sewer Act 342	Lake Levels Act 146	Drains-Act 40 Maintenance Chapters 4 & 18	Lake Improvements Act 345	Friend of the Court
Assets					
Pooled cash and investments	\$ 4,678,481	\$ 334,300	\$ 2,997,749	\$ 52	\$ -
Due from other governmental units	-	28,853	164,184	-	2,519,456
Due from component units	-	-	-	-	-
Accrued interest receivable	28,559	582	36,882	-	-
Accounts receivable (net of allowance for uncollectibles where applicable)	-	-	9,674	-	29,795
Special assessments receivable	-	-	53,648	-	-
Due from other funds	-	1	166	-	2,131,527
Prepayments and other assets	-	-	-	-	1,725
Total assets	<u>\$ 4,707,040</u>	<u>\$ 363,736</u>	<u>\$ 3,262,303</u>	<u>\$ 52</u>	<u>\$ 4,682,503</u>
Liabilities					
Vouchers payable	\$ 107,065	\$ 17,221	\$ 50,045	\$ -	\$ 20,927
Accrued payroll	-	-	-	-	175,692
Due to other governmental units	-	-	270	-	1,170
Due to other funds	-	52,467	186,035	-	4,478,475
Advances payable	-	-	107,826	-	-
Unearned revenue	-	-	-	-	-
Other accrued liabilities	4,891,095	7,912	1,466,020	-	6,239
Total liabilities	<u>4,998,160</u>	<u>77,600</u>	<u>1,810,196</u>	<u>-</u>	<u>4,682,503</u>
Deferred Inflows of Resources					
Unavailable revenue - special assessments	-	-	53,648	-	-
Unavailable revenue - grants	-	-	-	-	2,519,456
Unavailable revenue - other	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>53,648</u>	<u>-</u>	<u>2,519,456</u>
Fund Balances (deficits)					
Restricted	-	286,136	1,398,459	52	-
Unassigned	(291,120)	-	-	-	(2,519,456)
Total fund balances (deficits)	<u>(291,120)</u>	<u>286,136</u>	<u>1,398,459</u>	<u>52</u>	<u>(2,519,456)</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 4,707,040</u>	<u>\$ 363,736</u>	<u>\$ 3,262,303</u>	<u>\$ 52</u>	<u>\$ 4,682,503</u>

(continued)

**County of Oakland
Combining Balance Sheet (Continued)
Non-Major Special Revenue Funds
September 30, 2020**

	Multi- Organizational Grants	Workforce Development Grants	Law Enforcement Grants	Housing and Community Development	Human Service Grants
Assets					
Pooled cash and investments	\$ -	\$ 27,145	\$ -	\$ 5,196,117	\$ 2,694,633
Due from other governmental units	368,133	1,223,183	1,462,763	4,044,618	838,112
Due from component units	-	-	-	-	-
Accrued interest receivable	-	-	-	23,665	-
Accounts receivable (net of allowance for uncollectibles where applicable)	-	-	-	-	80,777
Special assessments receivable	-	-	-	-	-
Due from other funds	-	7,143	362,291	25,671	1,493
Prepayments and other assets	-	1,958,939	4,135	-	-
Total assets	<u>\$ 368,133</u>	<u>\$ 3,216,410</u>	<u>\$ 1,829,189</u>	<u>\$ 9,290,071</u>	<u>\$ 3,615,015</u>
Liabilities					
Vouchers payable	\$ 43,335	\$ 1,179,321	\$ 127,935	\$ 29,684	\$ 153,164
Accrued payroll	18,990	10,269	85,023	24,807	53,346
Due to other governmental units	-	-	-	1,760	-
Due to other funds	299,714	210,262	1,458,847	25,671	689,093
Advances payable	-	-	-	-	-
Unearned revenue	-	-	-	7,372,496	-
Other accrued liabilities	6,094	1,816,558	113,125	1,464,264	13,631
Total liabilities	<u>368,133</u>	<u>3,216,410</u>	<u>1,784,930</u>	<u>8,918,682</u>	<u>909,234</u>
Deferred Inflows of Resources					
Unavailable revenue - special assessments	-	-	-	-	-
Unavailable revenue - grants	-	-	955,259	814,577	845,475
Unavailable revenue - other	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>955,259</u>	<u>814,577</u>	<u>845,475</u>
Fund Balances (deficits)					
Restricted	-	-	-	-	1,860,306
Unassigned	-	-	(911,000)	(443,188)	-
Total fund balances (deficits)	<u>-</u>	<u>-</u>	<u>(911,000)</u>	<u>(443,188)</u>	<u>1,860,306</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 368,133</u>	<u>\$ 3,216,410</u>	<u>\$ 1,829,189</u>	<u>\$ 9,290,071</u>	<u>\$ 3,615,015</u>

(continued)

**County of Oakland
Combining Balance Sheet (Continued)
Non-Major Special Revenue Funds
September 30, 2020**

	Other Grants	Judicial Grants	Oakland Brownfield Initiative	Concealed Pistol Licensing	Totals September 30, 2020
Assets					
Pooled cash and investments	\$ -	\$ -	\$ 706,812	\$ 2,002,883	\$ 34,733,686
Due from other governmental units	678,635	183,252	-	-	14,908,073
Due from component units	-	-	-	-	55
Accrued interest receivable	-	-	-	4,141	140,512
Accounts receivable (net of allowance for uncollectibles where applicable)	-	-	-	-	213,151
Special assessments receivable	-	-	-	-	53,648
Due from other funds	12,856,947	-	-	-	15,506,373
Prepayments and other assets	-	-	-	-	1,964,799
Total assets	<u>\$ 13,535,582</u>	<u>\$ 183,252</u>	<u>\$ 706,812</u>	<u>\$ 2,007,024</u>	<u>\$ 67,520,297</u>
Liabilities					
Vouchers payable	\$ 406,321	\$ 5,128	\$ -	\$ 112,457	\$ 3,692,045
Accrued payroll	3,865	5,448	-	1,801	738,676
Due to other governmental units	-	-	-	9	3,249
Due to other funds	12,961,855	160,138	-	-	21,262,535
Advances payable	-	-	-	-	107,826
Unearned revenue	30,142	-	-	-	9,463,446
Other accrued liabilities	35,655	7,740	-	-	11,816,935
Total liabilities	<u>13,437,838</u>	<u>178,454</u>	<u>-</u>	<u>114,267</u>	<u>47,084,712</u>
Deferred Inflows of Resources					
Unavailable revenue - special assessments	-	-	-	-	53,648
Unavailable revenue - grants	666,935	138,777	-	-	5,940,479
Unavailable revenue - other	-	-	-	-	2,608,172
Total deferred inflows of resources	<u>666,935</u>	<u>138,777</u>	<u>-</u>	<u>-</u>	<u>8,602,299</u>
Fund Balances (deficits)					
Restricted	-	-	706,812	1,892,757	16,701,220
Unassigned	(569,191)	(133,979)	-	-	(4,867,934)
Total fund balances (deficits)	<u>(569,191)</u>	<u>(133,979)</u>	<u>706,812</u>	<u>1,892,757</u>	<u>11,833,286</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 13,535,582</u>	<u>\$ 183,252</u>	<u>\$ 706,812</u>	<u>\$ 2,007,024</u>	<u>\$ 67,520,297</u>

County of Oakland
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Special Revenue Funds
Year Ended September 30, 2020

	Mandated Indigent Defense	Child Care	Register of Deeds Automation	Oakland Enhancement	Restricted Funds	Waste Resource Management
Revenues						
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	-	263,128	-	-	-	-
State grants	3,401,055	11,922,005	-	-	-	-
Other intergovernmental revenue	-	-	-	-	-	-
Charges for services	194,123	5,078,942	1,268,465	447,451	1,004,926	95,421
Contributions	-	-	-	-	83,637	-
Investment income	-	-	116,891	1,615	49,944	34,642
Other	-	3,367	-	-	-	-
Total revenues	<u>3,595,178</u>	<u>17,267,442</u>	<u>1,385,356</u>	<u>449,066</u>	<u>1,138,507</u>	<u>130,063</u>
Expenditures						
Salaries	473,986	13,322,639	225,302	282,158	-	-
Fringe benefits	328,576	7,559,738	133,483	163,423	-	-
Contractual services	3,382,030	7,527,267	993,228	20,560	21,073	37,438
Commodities	9,032	675,903	-	-	-	-
Capital outlay	31,845	9,522	-	-	-	-
Internal services	91,417	2,886,165	281,188	1,359	-	-
Total expenditures	<u>4,316,886</u>	<u>31,981,234</u>	<u>1,633,201</u>	<u>467,500</u>	<u>21,073</u>	<u>37,438</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(721,708)</u>	<u>(14,713,792)</u>	<u>(247,845)</u>	<u>(18,434)</u>	<u>1,117,434</u>	<u>92,625</u>
Other financing sources (uses)						
Transfers in	1,868,991	14,640,302	-	-	237	-
Transfers out	(1,147,283)	-	-	-	(630,837)	-
Issuance of bonds	-	-	-	-	-	-
Total other financing sources (uses)	<u>721,708</u>	<u>14,640,302</u>	<u>-</u>	<u>-</u>	<u>(630,600)</u>	<u>-</u>
Net change in fund balances	-	(73,490)	(247,845)	(18,434)	486,834	92,625
Fund balances (deficit)						
October 1, 2019	-	85,064	6,298,454	64,112	2,923,908	945,470
September 30, 2020	<u>\$ -</u>	<u>\$ 11,574</u>	<u>\$ 6,050,609</u>	<u>\$ 45,678</u>	<u>\$ 3,410,742</u>	<u>\$ 1,038,095</u>

(continued)

County of Oakland
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Special Revenue Funds
Year Ended September 30, 2020

	Water & Sewer Act 342	Lake Levels Act 146	Drains-Act 40 Maintenance Chapters 4 & 18	Lake Improvements Act 345	Friend of the Court
Revenues					
Special assessments	\$ -	\$ 817,861	\$ 1,349,467	\$ -	\$ -
Federal grants	-	-	-	-	-
State grants	-	-	-	-	-
Other intergovernmental revenue	-	-	-	-	8,638,154
Charges for services	-	500	46,990	-	1,240,178
Contributions	-	-	-	-	-
Investment income	94,769	5,479	56,026	-	-
Other	-	43	-	-	-
Total revenues	94,769	823,883	1,452,483	-	9,878,332
Expenditures					
Salaries	-	-	-	-	9,340,131
Fringe benefits	-	-	-	-	5,404,874
Contractual services	724,494	313,379	620,454	-	1,339,380
Commodities	1,172	1,394	9,605	-	83,453
Capital outlay	-	-	-	-	-
Internal services	53,822	291,788	399,858	-	1,910,397
Total expenditures	779,488	606,561	1,029,917	-	18,078,235
Excess (deficiency) of revenues over (under) expenditures	(684,719)	217,322	422,566	-	(8,199,903)
Other financing sources (uses)					
Transfers in	-	-	151,348	-	5,680,447
Transfers out	-	-	-	-	-
Issuance of bonds	2,633	-	-	-	-
Total other financing sources (uses)	2,633	-	151,348	-	5,680,447
Net change in fund balances	(682,086)	217,322	573,914	-	(2,519,456)
Fund balances (deficit)					
October 1, 2019	390,966	68,814	824,545	52	-
September 30, 2020	\$ (291,120)	\$ 286,136	\$ 1,398,459	\$ 52	\$ (2,519,456)

(continued)

County of Oakland
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Special Revenue Funds
Year Ended September 30, 2020

	Multi- Organizational Grants	Workforce Development Grants	Law Enforcement Grants	Housing and Community Development	Human Service Grants
Revenues					
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	275,069	13,161,599	464,822	7,408,968	5,574,043
State grants	1,692,129	1,804,497	1,668,148	7,424	1,697,979
Other intergovernmental revenue	-	-	1,334,916	-	-
Charges for services	-	-	4,480	2,093,461	-
Contributions	-	-	-	-	-
Investment income	-	-	-	-	-
Other	-	-	7,356	21,474	-
Total revenues	<u>1,967,198</u>	<u>14,966,096</u>	<u>3,479,722</u>	<u>9,531,327</u>	<u>7,272,022</u>
Expenditures					
Salaries	967,722	629,508	2,895,034	1,495,187	3,062,356
Fringe benefits	530,109	323,703	1,642,392	811,316	1,713,090
Contractual services	250,297	13,922,365	783,559	7,632,850	2,431,471
Commodities	98,695	1,800	157,309	18,998	442,875
Capital outlay	90,318	-	247,450	-	-
Internal services	30,057	88,720	332,051	157,989	443,543
Total expenditures	<u>1,967,198</u>	<u>14,966,096</u>	<u>6,057,795</u>	<u>10,116,340</u>	<u>8,093,335</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(2,578,073)</u>	<u>(585,013)</u>	<u>(821,313)</u>
Other financing sources (uses)					
Transfers in	-	-	1,634,833	-	-
Transfers out	-	-	-	-	-
Issuance of bonds	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,634,833</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(943,240)</u>	<u>(585,013)</u>	<u>(821,313)</u>
Fund balances (deficit)					
October 1, 2019	<u>-</u>	<u>-</u>	<u>32,240</u>	<u>141,825</u>	<u>2,681,619</u>
September 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (911,000)</u>	<u>\$ (443,188)</u>	<u>\$ 1,860,306</u>

(continued)

County of Oakland
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Special Revenue Funds
Year Ended September 30, 2020

	Other Grants	Judicial Grants	Oakland Brownfield Initiative	Concealed Pistol Licensing	Totals September 30, 2020
Revenues					
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ 2,167,328
Federal grants	11,243,748	-	151,467	-	38,542,844
State grants	1,547,564	647,954	-	-	24,388,755
Other intergovernmental revenue	-	-	-	-	9,973,070
Charges for services	-	-	-	707,024	12,181,961
Contributions	199,678	-	-	-	283,315
Investment income	-	-	-	29,645	389,011
Other	-	358	-	-	32,598
Total revenues	<u>12,990,990</u>	<u>648,312</u>	<u>151,467</u>	<u>736,669</u>	<u>87,958,882</u>
Expenditures					
Salaries	181,294	296,004	-	98,983	33,270,304
Fringe benefits	95,547	179,024	-	71,008	18,956,283
Contractual services	25,636,066	149,583	151,467	2,265	65,939,226
Commodities	326,361	11,826	-	42,003	1,880,426
Capital outlay	79,012	-	-	-	458,147
Internal services	6,895	-	-	29,489	7,004,738
Total expenditures	<u>26,325,175</u>	<u>636,437</u>	<u>151,467</u>	<u>243,748</u>	<u>127,509,124</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,334,185)</u>	<u>11,875</u>	<u>-</u>	<u>492,921</u>	<u>(39,550,242)</u>
Other financing sources (uses)					
Transfers in	12,856,948	-	-	-	36,833,106
Transfers out	-	-	-	-	(1,778,120)
Issuance of bonds	-	-	-	-	2,633
Total other financing sources (uses)	<u>12,856,948</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,057,619</u>
Net change in fund balances	<u>(477,237)</u>	<u>11,875</u>	<u>-</u>	<u>492,921</u>	<u>(4,492,623)</u>
Fund balances (deficit)					
October 1, 2019	<u>(91,954)</u>	<u>(145,854)</u>	<u>706,812</u>	<u>1,399,836</u>	<u>16,325,909</u>
September 30, 2020	<u>\$ (569,191)</u>	<u>\$ (133,979)</u>	<u>\$ 706,812</u>	<u>\$ 1,892,757</u>	<u>\$ 11,833,286</u>

County of Oakland
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and
Actual – Non-Major Special Revenue Funds
Year Ended September 30, 2020

	Child Care		
	Final Amended Budget (Unaudited)	Actual	Variance with Final Amended Budget
Revenues			
Federal grants	\$ 300,000	\$ 263,128	\$ (36,872)
State grants	14,166,359	11,922,005	(2,244,354)
Charges for services	4,994,697	5,078,942	84,245
Other	-	3,367	3,367
Total revenues	<u>19,461,056</u>	<u>17,267,442</u>	<u>(2,193,614)</u>
Expenditures			
Current operations			
County Executive			
Human Services			
Personnel	19,038,887	18,804,428	234,459
Operating	7,820,358	4,378,917	3,441,441
Internal Support	2,875,447	2,875,398	49
Total Human Services	<u>29,734,692</u>	<u>26,058,743</u>	<u>3,675,949</u>
Total County Executive	<u>29,734,692</u>	<u>26,058,743</u>	<u>3,675,949</u>
Justice administration			
Circuit Court			
Personnel	2,078,518	2,077,949	569
Operating	7,694,875	3,833,775	3,861,100
Internal Support	10,846	10,767	79
Total Circuit Court	<u>9,784,239</u>	<u>5,922,491</u>	<u>3,861,748</u>
Total Justice administration	<u>9,784,239</u>	<u>5,922,491</u>	<u>3,861,748</u>
Non-departmental			
Operating	474,277	-	474,277
Total Non-departmental	<u>474,277</u>	<u>-</u>	<u>474,277</u>
Total expenditures	<u>39,993,208</u>	<u>31,981,234</u>	<u>8,011,974</u>
Deficiency of revenues under expenditures	(20,532,152)	(14,713,792)	5,818,360
Other financing sources (uses)			
Transfers in	20,447,088	14,640,302	(5,806,786)
Total other financing sources (uses)	<u>20,447,088</u>	<u>14,640,302</u>	<u>(5,806,786)</u>
Net change in fund balance	(85,064)	(73,490)	11,574
Fund balance			
October 1, 2019	85,064	85,064	-
September 30, 2020	<u>\$ -</u>	<u>\$ 11,574</u>	<u>\$ 11,574</u>

County of Oakland

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Non-Major Special Revenue Funds (Continued)

Year Ended September 30, 2020

	<u>Social Welfare Foster Care</u>		
	Final Amended Budget (Unaudited)	Actual	Variance with Final Amended Budget
Revenues			
State grants	\$ 1,000	\$ -	\$ (1,000)
Total revenues	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Expenditures			
Current operations			
County Executive			
Human Services			
Operating	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Deficiency of revenues under expenditures	<u>(1,000)</u>	<u>-</u>	<u>1,000</u>
Other financing sources			
Transfers in	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance			
October 1, 2019	<u>-</u>	<u>-</u>	<u>-</u>
September 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

County of Oakland

Non-Major Debt Service Funds

Debt Service Funds

These funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

The Building Authority Debt Act 31 Fund – was established to accumulate the resources for the payment of bonded debt issued for the construction of, or improvement to various facilities. The fund also included debt issued as assistance in obtaining favorable lending rates for other units of government within the County.

The Building Authority Debt Refunding Fund - was established to accumulate resources for the payment of bonded debt issued for the refinancing of debt obligations under Public Act 202 of 1943, or Act 34 of 2001 for various Building Authority funds. Also includes refunding debt issued as assistance in obtaining favorable lending rates for other units of government within Oakland County.

The Lake Level Debt Fund - was established to account for the accumulation of resources, mainly special assessments, for the payment of bonded debt issued for the financing of actions necessary to establish lake levels pursuant to Part 307 of Public Act 451 of 1994.

The Water and Sewer Debt Refunding Fund - was established to account for the accumulation of resources, mainly special assessments, for the payment of bonded debt issued for the refinancing of debt obligations for construction of various water and sewer systems.

**County of Oakland
Combining Balance Sheet
Non-Major Debt Service Funds
September 30, 2020**

	Building Authority Debt Act 31	Building Authority Debt Refunding	Lake Level Debt Act 451	Water and Sewer Debt Refunding	Totals September 30, 2020
Assets					
Pooled cash and investments	\$ 4,711,409	\$ 46,240	\$ -	\$ 7,027	\$ 4,764,676
Due from other governmental units	-	91,633	-	-	91,633
Accrued interest receivable	24,410	-	-	-	24,410
Accounts receivable	-	647,553	-	-	647,553
Special assessments receivable	-	-	468,000	1,096,000	1,564,000
Contracts receivable	-	9,350,000	-	-	9,350,000
Due from other funds	95,250	-	-	-	95,250
Total assets	<u>\$ 4,831,069</u>	<u>\$ 10,135,426</u>	<u>\$ 468,000</u>	<u>\$ 1,103,027</u>	<u>\$ 16,537,522</u>
Liabilities					
Vouchers payable	\$ -	\$ -	\$ -	\$ 4,888	\$ 4,888
Due to other funds	-	2,186	-	210	2,396
Total liabilities	<u>-</u>	<u>2,186</u>	<u>-</u>	<u>5,098</u>	<u>7,284</u>
Deferred Inflows of Resources					
Unavailable revenue - special assessments	-	-	468,000	1,096,000	1,564,000
Unavailable revenue - contracts	-	9,350,000	-	-	9,350,000
Total deferred inflows of resources	<u>-</u>	<u>9,350,000</u>	<u>468,000</u>	<u>1,096,000</u>	<u>10,914,000</u>
Fund Balances - restricted for debt service	<u>4,831,069</u>	<u>783,240</u>	<u>-</u>	<u>1,929</u>	<u>5,616,238</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,831,069</u>	<u>\$ 10,135,426</u>	<u>\$ 468,000</u>	<u>\$ 1,103,027</u>	<u>\$ 16,537,522</u>

County of Oakland
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Debt Service Funds
Year Ended September 30, 2020

	Building Authority Debt Act 31	Building Authority Debt Refunding	Lake Level Debt Act 451	Water and Sewer Debt Refunding	Totals September 30, 2020
Revenues					
Special assessments	\$ 161,618	\$ 1,369,228	\$ -	\$ 232,250	\$ 1,763,096
Charges for services	600	750	-	-	1,350
Investment income	98,164	1,687	-	191	100,042
Total revenues	<u>260,382</u>	<u>1,371,665</u>	<u>-</u>	<u>232,441</u>	<u>1,864,488</u>
Expenditures					
Principal payments	13,340,000	15,290,000	-	220,000	28,850,000
Interest	997,458	593,985	-	12,250	1,603,693
Paying agent fees	800	1,050	-	250	2,100
Contractual services	61,904	70,394	-	-	132,298
Total expenditures	<u>14,400,162</u>	<u>15,955,429</u>	<u>-</u>	<u>232,500</u>	<u>30,588,091</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,139,780)</u>	<u>(14,583,764)</u>	<u>-</u>	<u>(59)</u>	<u>(28,723,603)</u>
Other financing sources (uses)					
Transfers in	2,220,500	4,683,199	-	875	6,904,574
Transfers out	(3,694)	(10)	-	-	(3,704)
Issuance of refunding bonds	8,610,000	10,165,000	-	-	18,775,000
Premiums on bonds sold	1,511,585	517,380	-	-	2,028,965
Total other financing sources (uses)	<u>12,338,391</u>	<u>15,365,569</u>	<u>-</u>	<u>875</u>	<u>27,704,835</u>
Net change in fund balances	<u>(1,801,389)</u>	<u>781,805</u>	<u>-</u>	<u>816</u>	<u>(1,018,768)</u>
Fund balances					
October 1, 2019	<u>6,632,458</u>	<u>1,435</u>	<u>-</u>	<u>1,113</u>	<u>6,635,006</u>
September 30, 2020	<u>\$ 4,831,069</u>	<u>\$ 783,240</u>	<u>\$ -</u>	<u>\$ 1,929</u>	<u>\$ 5,616,238</u>

County of Oakland

Non-Major Capital Projects Funds

Capital Projects Funds

These funds account for the purchase or construction of major capital facilities which are not financed by Proprietary funds.

The Building Improvement Fund - was established as a holding account for monies transferred from the County's General Fund for future funding of major County building programs.

The Project Work Orders Fund - was established to account for the costs of various improvement projects for County facilities.

The Facilities Management Infrastructure and IT Projects Fund - was established to account for the costs of various capital improvements of County infrastructure administered by Facilities Management and capital improvement projects for Information Technology.

The Animal Control and Pet Adoption Center Construction Fund - was established to account for the costs of construction of a new facility for the Animal Control division and the related pet adoption center. Construction is financed by the issuance of general obligation bonds.

The Major Departmental Support Projects Fund - was established to account for the costs of departmental support projects with estimated aggregated expenditures over \$5 million, which are funded by current available resources rather than bond issues.

The Lake Levels Act 146 Fund - is to account for the costs of construction or reconstruction of various dam structures for purposes of lake level control and augmentation wells under P.A. 146 of 1961.

The Lake Improvements Act 345 Fund - is used to account for the costs of construction of augmentation wells for purposes of lake level control. Financing is provided by special assessment rolls as permitted under P.A. 345 of 1966.

The Chapter 4 Drain Construction Fund - is used to account for the costs of construction of drains under Chapter 4 of Public Act 40 of 1956 (Drain Code). Revenue is provided from special assessments against the benefiting properties within the district.

The Drain Commissioner Revolving Fund - was established to provide funds for preliminary costs of various drains (including component unit drainage districts), lake level projects, and lake improvements.

The Long-term Revolving Fund - was established to provide preliminary financing for specific capital projects as approved by the Oakland County Board of Commissioners. Funds advanced are recovered through special assessments, or contracts with municipalities, in the individual projects.

**County of Oakland
Combining Balance Sheet
Non-Major Capital Projects Funds
September 30, 2020**

	Building Improvement	Project Work Orders	Facilities Infrastructure & IT Projects	Animal Control and Pet Adoption Center	Major Dept. Support Projects
Assets					
Pooled cash and investments	\$ 8,218,434	\$ 12,156,823	\$ 2,779	\$ 493,251	\$ 6,866,155
Accrued interest receivable	-	-	13,611	26,398	-
Special assessments receivable	-	-	-	-	-
Contracts receivable	-	-	-	-	-
Due from component units	-	-	-	-	-
Due from other funds	-	510,865	-	-	1,444,926
Advances	-	-	-	-	-
Total assets	<u>\$ 8,218,434</u>	<u>\$ 12,667,688</u>	<u>\$ 16,390</u>	<u>\$ 519,649</u>	<u>\$ 8,311,081</u>
Liabilities					
Vouchers payable	\$ -	\$ 134,879	\$ -	\$ -	\$ 43,133
Accrued payroll	-	2,345	-	-	-
Due to other funds	-	-	-	-	-
Advances	-	-	-	-	-
Other accrued liabilities	-	333,786	2,779	-	813,503
Total liabilities	<u>-</u>	<u>471,010</u>	<u>2,779</u>	<u>-</u>	<u>856,636</u>
Deferred Inflows of Resources					
Unavailable revenue - special assessments	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (deficits)					
Committed	8,218,434	12,196,678	13,611	519,649	7,454,445
Unassigned	-	-	-	-	-
Total fund balances (deficits)	<u>8,218,434</u>	<u>12,196,678</u>	<u>13,611</u>	<u>519,649</u>	<u>7,454,445</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 8,218,434</u>	<u>\$ 12,667,688</u>	<u>\$ 16,390</u>	<u>\$ 519,649</u>	<u>\$ 8,311,081</u>

(continued)

**County of Oakland
Combining Balance Sheet (Continued)
Non-Major Capital Project Funds
September 30, 2020**

	Lake Levels Act 146	Lake Improvements Act 345	Drain Chapter 4 Construction	Drain Commissioner Revolving	Long-term Revolving	Totals September 30, 2020
Assets						
Pooled cash and investments	\$ 161,976	\$ 9,622	\$ 182,082	\$ 921,514	\$ 1,503,037	\$ 30,515,673
Accrued interest receivable	-	-	1,181	-	-	41,190
Special assessments receivable	5,201	-	571,623	-	-	576,824
Contracts receivable	-	-	-	-	88,800	88,800
Due from component units	-	-	-	570,328	-	570,328
Due from other funds	-	-	-	333,158	-	2,288,949
Advances	-	-	-	-	899,163	899,163
Total assets	<u>\$ 167,177</u>	<u>\$ 9,622</u>	<u>\$ 754,886</u>	<u>\$ 1,825,000</u>	<u>\$ 2,491,000</u>	<u>\$ 34,980,927</u>
Liabilities						
Vouchers payable	\$ 245	\$ -	\$ -	\$ -	\$ -	\$ 178,257
Accrued payroll	-	-	-	-	-	2,345
Due to other funds	334	-	71,994	-	-	72,328
Advances	38,837	-	752,500	-	-	791,337
Other accrued liabilities	35,000	-	-	-	-	1,185,068
Total liabilities	<u>74,416</u>	<u>-</u>	<u>824,494</u>	<u>-</u>	<u>-</u>	<u>2,229,335</u>
Deferred Inflows of Resources						
Unavailable revenue - special assessments	5,201	-	571,623	-	-	576,824
Total deferred inflows of resources	<u>5,201</u>	<u>-</u>	<u>571,623</u>	<u>-</u>	<u>-</u>	<u>576,824</u>
Fund Balances (deficits)						
Committed	87,560	9,622	-	1,825,000	2,491,000	32,815,999
Unassigned	-	-	(641,231)	-	-	(641,231)
Total fund balances (deficits)	<u>87,560</u>	<u>9,622</u>	<u>(641,231)</u>	<u>1,825,000</u>	<u>2,491,000</u>	<u>32,174,768</u>
Total liabilities, deferred inflows from resources, and fund balances (deficits)	<u>\$ 167,177</u>	<u>\$ 9,622</u>	<u>\$ 754,886</u>	<u>\$ 1,825,000</u>	<u>\$ 2,491,000</u>	<u>\$ 34,980,927</u>

County of Oakland
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Capital Project Funds
Year Ended September 30, 2020

	Building Improvement	Project Work Orders	Facilities Infrastructure & IT Projects	Animal Control and Pet Adoption Center	Major Dept. Support Projects
Revenues					
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-
Investment income	-	-	1,456	11,024	-
Total revenues	<u>-</u>	<u>-</u>	<u>1,456</u>	<u>11,024</u>	<u>-</u>
Expenditures					
Capital outlay	-	6,145,450	43,569	133,085	9,322,815
Total expenditures	<u>-</u>	<u>6,145,450</u>	<u>43,569</u>	<u>133,085</u>	<u>9,322,815</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(6,145,450)</u>	<u>(42,113)</u>	<u>(122,061)</u>	<u>(9,322,815)</u>
Other financing sources (uses)					
Transfers in	3,101,774	6,228,069	-	-	650,974
Transfers out	(3,144,802)	(159,860)	-	-	-
Issuance of bonds	-	-	-	-	-
Total other financing sources (uses)	<u>(43,028)</u>	<u>6,068,209</u>	<u>-</u>	<u>-</u>	<u>650,974</u>
Net change in fund balances	<u>(43,028)</u>	<u>(77,241)</u>	<u>(42,113)</u>	<u>(122,061)</u>	<u>(8,671,841)</u>
Fund balances (deficit)					
October 1, 2019	<u>8,261,462</u>	<u>12,273,919</u>	<u>55,724</u>	<u>641,710</u>	<u>16,126,286</u>
September 30, 2020	<u>\$ 8,218,434</u>	<u>\$ 12,196,678</u>	<u>\$ 13,611</u>	<u>\$ 519,649</u>	<u>\$ 7,454,445</u>

(continued)

County of Oakland
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Capital Project Funds
Year Ended September 30, 2020

	Lake Levels Act 146	Lake Improvements Act 345	Drain Chapter 4 Construction	Drain Commissioner Revolving	Long-term Revolving	Totals September 30, 2020
Revenues						
Special assessments	\$ 257,406	\$ -	\$ 43,262	\$ -	\$ -	\$ 300,668
Charges for services	112	-	17,419	-	-	17,531
Investment income	3,647	-	4,325	-	-	20,452
Total revenues	<u>261,165</u>	<u>-</u>	<u>65,006</u>	<u>-</u>	<u>-</u>	<u>338,651</u>
Expenditures						
Capital outlay	545,889	-	40,628	-	-	16,231,436
Total expenditures	<u>545,889</u>	<u>-</u>	<u>40,628</u>	<u>-</u>	<u>-</u>	<u>16,231,436</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(284,724)</u>	<u>-</u>	<u>24,378</u>	<u>-</u>	<u>-</u>	<u>(15,892,785)</u>
Other financing sources (uses)						
Transfers in	-	-	-	-	-	9,980,817
Transfers out	-	-	-	-	-	(3,304,662)
Issuance of bonds	468,000	-	-	-	-	468,000
Total other financing sources (uses)	<u>468,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,144,155</u>
Net change in fund balances	183,276	-	24,378	-	-	(8,748,630)
Fund balances (deficit)						
October 1, 2019	<u>(95,716)</u>	<u>9,622</u>	<u>(665,609)</u>	<u>1,825,000</u>	<u>2,491,000</u>	<u>40,923,398</u>
September 30, 2020	<u>\$ 87,560</u>	<u>\$ 9,622</u>	<u>\$ (641,231)</u>	<u>\$ 1,825,000</u>	<u>\$ 2,491,000</u>	<u>\$ 32,174,768</u>

County of Oakland

Internal Service Funds

Internal Service Funds

These funds account for the financing of goods or services provided by one County department or agency to other departments or agencies on a cost-reimbursement basis.

The Facilities Maintenance and Operations Fund - accumulates the costs of operating and maintaining the County's buildings, grounds, and utilities. The fund recovers costs by developing rates and billing user departments.

The Information Technology Fund - accounts for the operations of the Department of Information Technology, a service bureau that provides services to other County departments and divisions, local governmental units, private sector and @access Oakland customers. Costs include the program and system support, maintenance, enhancements, and new development for all major systems applications.

The Drain Equipment Fund - accounts for the cost of vehicles and other equipment used for the construction and maintenance of various drains and lake level projects. The fund is reimbursed as the accumulated costs are distributed to specific projects or funds.

The Motor Pool Fund - accumulates the costs of purchasing, servicing, and operating County-owned vehicles. The fund recovers these costs by developing rates and billing user departments.

The Telephone Communications Fund - accumulates the costs of operating the County telephone system. The fund is reimbursed for the accumulated costs by distributing the charges to the specific fund or department.

The Building and Liability Insurance Fund - was established to accumulate monies, which are available to settle claims against the County when no insurance coverage exists and to make insurance premium payments. The fund is reimbursed by the user departments for insurance premiums paid and monies accumulated for self-insurance.

The Fringe Benefits Fund - is used to account for the County's employee fringe benefits. Monies are accumulated in this fund as a result of payroll allocations made on a departmental and/or bargaining unit basis. This fund also accumulates and disburses monies related to workers' compensation and unemployment compensation claims, and performs as the debt service fund for the County's Retiree Healthcare Refunding debt including the reporting of keeping the VEBA Trust at full funding through assets of the Superseding Trust Fund. Due to the nature of the fund serving as the mechanism for employee benefits, the entire Net Pension and Net OPEB liability/(asset) is also recorded in the Fringe Benefit fund.

County of Oakland
Combining Statement of Net Position
Internal Service Funds
September 30, 2020

	Facilities Maintenance and Operations	Information Technology	Drain Equipment	Motor Pool
Assets				
Current assets				
Pooled cash and investments	\$ 9,095,125	\$ 4,302,305	\$ 17,657,498	\$ 5,272,935
Investments, at fair value	-	-	-	-
Due from other governmental units	1,676	24,308	14,177	8,802
Due from component units	7,343	41,188	8,823	-
Accrued interest receivable	62,025	64,043	42,935	20,621
Accounts receivable (net of allowance for uncollectibles where applicable)	77,797	87,589	318,505	242
Due from other funds	858,658	5,426,277	265,445	93,803
Inventories and supplies	267,280	23,774	1,146,972	262,214
Prepayments and other assets	-	6,066,731	-	3,655
Total current assets	<u>10,369,904</u>	<u>16,036,215</u>	<u>19,454,355</u>	<u>5,662,272</u>
Noncurrent assets				
Net OPEB asset	-	-	-	-
Capital assets, at cost				
Land	-	-	130,000	-
Buildings and improvements	525,283	-	2,465,545	424,860
Equipment and vehicles	2,738,441	66,210,054	9,560,359	22,937,668
Infrastructure	3,169,683	-	86,153	-
Construction in progress	-	18,742,867	6,075,673	-
	<u>6,433,407</u>	<u>84,952,921</u>	<u>18,317,730</u>	<u>23,362,528</u>
Less: Accumulated depreciation	<u>5,362,415</u>	<u>61,916,847</u>	<u>7,344,680</u>	<u>17,497,140</u>
Capital assets, net	<u>1,070,992</u>	<u>23,036,074</u>	<u>10,973,050</u>	<u>5,865,388</u>
Total noncurrent assets	<u>1,070,992</u>	<u>23,036,074</u>	<u>10,973,050</u>	<u>5,865,388</u>
Total assets	<u>11,440,896</u>	<u>39,072,289</u>	<u>30,427,405</u>	<u>11,527,660</u>
Deferred Outflows of Resources				
Deferred outflows related to pension	-	-	-	-
Deferred outflows related to OPEB	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(continued)

County of Oakland
Combining Statement of Net Position (Continued)
Internal Service Funds
September 30, 2020

	Telephone Communications	Building and Liability Insurance	Fringe Benefits	Totals September 30, 2020
Assets				
Current assets				
Pooled cash and investments	\$ 2,335,282	\$ 5,627,648	\$ 98,237,100	\$ 142,527,893
Investments, at fair value	-	-	16,501,806	16,501,806
Due from other governmental units	3,043	-	-	52,006
Due from component units	-	-	-	57,354
Accrued interest receivable	24,837	171,137	866,195	1,251,793
Accounts receivable (net of allowance for uncollectibles where applicable)	1,086	348	1,987,147	2,472,714
Due from other funds	72,825	375,025	-	7,092,033
Inventories and supplies	-	-	-	1,700,240
Prepayments and other assets	81,817	1,750,404	1,600,199	9,502,806
Total current assets	<u>2,518,890</u>	<u>7,924,562</u>	<u>119,192,447</u>	<u>181,158,645</u>
Noncurrent assets				
Net OPEB asset	-	-	384,338,239	384,338,239
Capital assets, at cost				
Land	-	-	-	130,000
Buildings and improvements	-	-	-	3,415,688
Equipment and vehicles	4,902,181	-	-	106,348,703
Infrastructure	-	-	-	3,255,836
Construction in progress	-	-	-	24,818,540
	<u>4,902,181</u>	<u>-</u>	<u>-</u>	<u>137,968,767</u>
Less: Accumulated depreciation	<u>4,884,268</u>	<u>-</u>	<u>-</u>	<u>97,005,350</u>
Capital assets, net	<u>17,913</u>	<u>-</u>	<u>-</u>	<u>40,963,417</u>
Total noncurrent assets	<u>17,913</u>	<u>-</u>	<u>384,338,239</u>	<u>425,301,656</u>
Total assets	<u>\$ 2,536,803</u>	<u>\$ 7,924,562</u>	<u>\$ 503,530,686</u>	<u>\$ 606,460,301</u>
Deferred Outflows of Resources				
Deferred outflows related to pension	-	-	26,980,166	26,980,166
Deferred outflows related to OPEB	-	-	65,352,798	65,352,798
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>92,332,964</u>	<u>92,332,964</u>

(continued)

County of Oakland
Combining Statement of Net Position (Continued)
Internal Service Funds
September 30, 2020

	Facilities Maintenance and Operations	Information Technology	Drain Equipment	Motor Pool
Liabilities				
Current liabilities				
Vouchers payable	\$ 756,811	\$ 1,919,422	\$ 121,576	\$ 12,605
Accrued payroll	162,266	187,129	396,857	16,258
Due to other governmental units	-	-	-	-
Due to component units	-	-	95	-
Due to other funds	-	1,458,155	18,317	-
Unearned revenue	1,303	4,562	-	-
Current portion of bonds payable	-	-	-	-
Current portion of compensated absences	-	-	-	-
Current portion of claims and judgments	-	-	-	-
Other accrued liabilities	333,108	798,144	472,342	10,393
Total current liabilities	<u>1,253,488</u>	<u>4,367,412</u>	<u>1,009,187</u>	<u>39,256</u>
Noncurrent liabilities				
Bonds payable	-	-	-	-
Net pension liability	-	-	-	-
Accrued compensated absences	-	-	-	-
Claims and judgments	-	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>1,253,488</u>	<u>4,367,412</u>	<u>1,009,187</u>	<u>39,256</u>
Deferred Inflows of Resources				
Deferred inflows related to OPEB	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position				
Net investment in capital assets	1,070,992	23,036,074	10,973,050	5,865,388
Restricted for OPEB	-	-	-	-
Unrestricted	9,116,416	11,668,803	18,445,168	5,623,016
Total net position	<u>\$ 10,187,408</u>	<u>\$ 34,704,877</u>	<u>\$ 29,418,218</u>	<u>\$ 11,488,404</u>

(continued)

County of Oakland
Combining Statement of Net Position (Continued)
Internal Service Funds
September 30, 2020

	Telephone Communications	Building and Liability Insurance	Fringe Benefits	Totals September 30, 2020
Liabilities				
Current liabilities				
Vouchers payable	\$ 21,092	\$ 35,106	\$ 5,974,467	\$ 8,841,079
Accrued payroll	4,456	8,253	27,408	802,627
Due to other governmental units	-	-	562,494	562,494
Due to component units	-	-	-	95
Due to other funds	-	-	-	1,476,472
Unearned revenue	-	-	-	5,865
Current portion of bonds payable	-	-	26,605,000	26,605,000
Current portion of compensated absences	-	-	1,654,822	1,654,822
Current portion of claims and judgments	-	2,550,000	5,200,768	7,750,768
Other accrued liabilities	47,904	4,999	4,800,626	6,467,516
Total current liabilities	<u>73,452</u>	<u>2,598,358</u>	<u>44,825,585</u>	<u>54,166,738</u>
Noncurrent liabilities				
Bonds payable	-	-	182,485,000	182,485,000
Net pension liability	-	-	22,497,565	22,497,565
Accrued compensated absences	-	-	14,893,399	14,893,399
Claims and judgments	-	5,270,784	8,927,241	14,198,025
Total noncurrent liabilities	<u>-</u>	<u>5,270,784</u>	<u>228,803,205</u>	<u>234,073,989</u>
Total liabilities	<u>73,452</u>	<u>7,869,142</u>	<u>273,628,790</u>	<u>288,240,727</u>
Deferred Inflows of Resources				
Deferred inflows related to OPEB	-	-	31,221,928	31,221,928
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>31,221,928</u>	<u>31,221,928</u>
Net Position				
Net investment in capital assets	17,913	-	-	40,963,417
Restricted for OPEB	-	-	16,744,693	16,744,693
Unrestricted	2,445,438	55,420	274,268,239	321,622,500
Total net position	<u>\$ 2,463,351</u>	<u>\$ 55,420</u>	<u>\$ 291,012,932</u>	<u>\$ 379,330,610</u>

County of Oakland
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
Year Ended September 30, 2020

	Facilities Maintenance and Operations	Information Technology	Drain Equipment	Motor Pool
Operating revenues				
Charges for services	\$ 26,608,683	\$ 34,312,357	\$ 46,935,392	\$ 7,897,834
Other	16	19,980	9,597	4,915
Total operating revenues	<u>26,608,699</u>	<u>34,332,337</u>	<u>46,944,989</u>	<u>7,902,749</u>
Operating expenses				
Salaries	9,742,826	11,161,489	22,516,083	918,658
Fringe benefits	5,733,409	5,600,079	12,739,955	490,877
Fringe benefits - pension	-	-	-	-
Fringe benefits - OPEB	-	-	-	-
Contractual services	8,991,928	19,980,881	1,507,458	1,581,782
Commodities	1,925,897	652,463	1,009,786	2,370,993
Depreciation	211,872	2,616,487	523,391	2,897,575
Internal services	1,250,643	1,263,462	5,132,203	203,158
Total operating expenses	<u>27,856,575</u>	<u>41,274,861</u>	<u>43,428,876</u>	<u>8,463,043</u>
Operating income (loss)	<u>(1,247,876)</u>	<u>(6,942,524)</u>	<u>3,516,113</u>	<u>(560,294)</u>
Nonoperating revenues (expenses)				
Investment income	178,587	606	271,458	91,835
Interest expense	-	-	(330)	-
Insurance recoveries	44,361	-	-	-
Gain on sale of property and equipment	-	(7,594)	-	440,024
Net nonoperating revenues (expenses)	<u>222,948</u>	<u>(6,988)</u>	<u>271,128</u>	<u>531,859</u>
Income (loss) before transfers and contributions	<u>(1,024,928)</u>	<u>(6,949,512)</u>	<u>3,787,241</u>	<u>(28,435)</u>
Capital contributions	-	15,241,478	-	-
Transfers in	905,015	9,459,682	265,206	394,809
Transfers out	-	-	(112,877)	-
Change in net position	<u>(119,913)</u>	<u>17,751,648</u>	<u>3,939,570</u>	<u>366,374</u>
Net position				
October 1, 2019	10,307,321	16,953,229	25,478,648	11,122,030
September 30, 2020	<u>\$ 10,187,408</u>	<u>\$ 34,704,877</u>	<u>\$ 29,418,218</u>	<u>\$ 11,488,404</u>

(continued)

County of Oakland
Combining Statement of Revenues, Expenses and Changes in Net Position (Continued)
Internal Service Funds
Year Ended September 30, 2020

	Telephone Communications	Building and Liability Insurance	Fringe Benefits	Totals September 30, 2020
Operating revenues				
Charges for services	\$ 3,206,271	\$ 4,384,059	\$ 158,612,027	\$ 281,956,623
Other	293	-	3,132	37,933
Total operating revenues	<u>3,206,564</u>	<u>4,384,059</u>	<u>158,615,159</u>	<u>281,994,556</u>
Operating expenses				
Salaries	258,685	560,654	1,658,475	46,816,870
Fringe benefits	142,143	252,999	878,274	25,837,736
Fringe benefits - pension	-	-	2,992,001	2,992,001
Fringe benefits - OPEB	-	-	(66,771,651)	(66,771,651)
Contractual services	2,194,132	5,601,167	119,812,153	159,669,501
Commodities	178,805	86,425	27,129	6,251,498
Depreciation	12,644	-	-	6,261,969
Internal services	540,685	127,082	539,596	9,056,829
Total operating expenses	<u>3,327,094</u>	<u>6,628,327</u>	<u>59,135,977</u>	<u>190,114,753</u>
Operating income (loss)	<u>(120,530)</u>	<u>(2,244,268)</u>	<u>99,479,182</u>	<u>91,879,803</u>
Nonoperating revenues (expenses)				
Investment income	42,869	113,625	3,449,190	4,148,170
Interest expense	-	-	(8,342,648)	(8,342,978)
Insurance recoveries	-	-	-	44,361
Gain on sale of property and equipment	-	-	-	432,430
Net nonoperating revenues (expenses)	<u>42,869</u>	<u>113,625</u>	<u>(4,893,458)</u>	<u>(3,718,017)</u>
Income (loss) before transfers and contributions	<u>(77,661)</u>	<u>(2,130,643)</u>	<u>94,585,724</u>	<u>88,161,786</u>
Capital contributions	-	-	-	15,241,478
Transfers in	71,334	375,000	-	11,471,046
Transfers out	-	-	-	(112,877)
Change in net position	<u>(6,327)</u>	<u>(1,755,643)</u>	<u>94,585,724</u>	<u>114,761,433</u>
Net position				
October 1, 2019	2,469,678	1,811,063	196,427,208	264,569,177
September 30, 2020	<u>\$ 2,463,351</u>	<u>\$ 55,420</u>	<u>\$ 291,012,932</u>	<u>\$ 379,330,610</u>

County of Oakland
Combining Statement of Cash Flows
Internal Service Funds
Year Ended September 30, 2020

	Facilities Maintenance and Operations	Information Technology	Drain Equipment	Motor Pool
Cash flows from operating activities				
Cash received from users	\$ 25,801,269	\$ 31,368,883	\$ 46,977,143	\$ 7,829,178
Cash paid to suppliers	(17,916,052)	(27,735,164)	(20,997,850)	(4,664,912)
Cash paid to employees	(9,580,560)	(10,974,360)	(22,119,226)	(902,400)
Net cash provided by (used in) operating activities	<u>(1,695,343)</u>	<u>(7,340,641)</u>	<u>3,860,067</u>	<u>2,261,866</u>
Cash flows from noncapital financing activities				
Transfers from other funds	905,015	9,459,682	265,206	-
Transfers to other funds	-	-	(112,877)	-
Principal paid on debt	-	-	-	-
Interest paid on debt	-	-	-	-
Net cash provided by (used in) noncapital financing activities	<u>905,015</u>	<u>9,459,682</u>	<u>152,329</u>	<u>-</u>
Cash flows from capital and related financing activities				
Transfers from other funds	-	-	-	394,809
Insurance recoveries	44,361	-	-	-
Proceeds from sale of capital assets	-	21	-	479,651
Acquisition of capital assets	(300,379)	(240,268)	(1,311,881)	(2,833,454)
Amount paid on advances	-	-	(25,766)	-
Interest paid on advances	-	-	(330)	-
Net cash provided by (used in) capital and related financing activities	<u>(256,018)</u>	<u>(240,247)</u>	<u>(1,337,977)</u>	<u>(1,958,994)</u>
Cash flows from investing activities				
Purchase of investments	-	-	-	-
Proceeds on sale of investments	-	-	-	-
Interest on investments	197,812	-	292,173	97,844
Net cash provided by investing activities	<u>197,812</u>	<u>-</u>	<u>292,173</u>	<u>97,844</u>
Net increase (decrease) in cash and cash equivalents	<u>(848,534)</u>	<u>1,878,794</u>	<u>2,966,592</u>	<u>400,716</u>
Pooled cash and investments				
October 1, 2019	9,943,659	2,423,511	14,690,906	4,872,219
September 30, 2020	<u>\$ 9,095,125</u>	<u>\$ 4,302,305</u>	<u>\$ 17,657,498</u>	<u>\$ 5,272,935</u>

(continued)

County of Oakland
Combining Statement of Cash Flows (Continued)
Internal Service Funds
Year Ended September 30, 2020

	Telephone Communications	Building and Liability Insurance	Fringe Benefits	Totals September 30, 2020
Cash flows from operating activities				
Cash received from users	\$ 3,130,379	\$ 4,008,686	\$ 156,630,987	\$ 275,746,525
Cash paid to suppliers	(3,105,963)	(5,219,156)	(117,137,735)	(196,776,832)
Cash paid to employees	(254,229)	(552,401)	(1,631,067)	(46,014,243)
Net cash provided by (used in) operating activities	<u>(229,813)</u>	<u>(1,762,871)</u>	<u>37,862,185</u>	<u>32,955,450</u>
Cash flows from noncapital financing activities				
Transfers from other funds	71,334	375,000	-	11,076,237
Transfers to other funds	-	-	-	(112,877)
Principal paid on debt	-	-	(25,660,000)	(25,660,000)
Interest paid on debt	-	-	(8,342,648)	(8,342,648)
Net cash provided by (used in) noncapital financing activities	<u>71,334</u>	<u>375,000</u>	<u>(34,002,648)</u>	<u>(23,039,288)</u>
Cash flows from capital and related financing activities				
Transfers from other funds	-	-	-	394,809
Insurance recoveries	-	-	-	44,361
Proceeds from sale of capital assets	-	-	-	479,672
Acquisition of capital assets	-	-	-	(4,685,982)
Amount paid on advances	-	-	-	(25,766)
Interest paid on advances	-	-	-	(330)
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,793,236)</u>
Cash flows from investing activities				
Purchase of investments	-	-	(4,122,778)	(4,122,778)
Proceeds on sale of investments	-	-	2,487,614	2,487,614
Interest on investments	46,537	124,391	3,607,175	4,365,932
Net cash provided by investing activities	<u>46,537</u>	<u>124,391</u>	<u>1,972,011</u>	<u>2,730,768</u>
Net increase (decrease) in cash and cash equivalents	<u>(111,942)</u>	<u>(1,263,480)</u>	<u>5,831,548</u>	<u>8,853,694</u>
Pooled cash and investments				
October 1, 2019	2,447,224	6,891,128	92,405,552	133,674,199
September 30, 2020	<u>\$ 2,335,282</u>	<u>\$ 5,627,648</u>	<u>\$ 98,237,100</u>	<u>\$ 142,527,893</u>

(continued)

County of Oakland
Combining Statement of Cash Flows (Continued)
Internal Service Funds
Year Ended September 30, 2020

	Facilities Maintenance and Operations	Information Technology	Drain Equipment	Motor Pool
Operating income (loss)	\$ (1,247,876)	\$ (6,942,524)	\$ 3,516,113	\$ (560,294)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation expense	211,872	2,616,487	523,391	2,897,575
(Increase) decrease in due from other governmental units	(1,035)	(9,828)	(13,595)	8,594
(Increase) decrease in due from component units	(7,343)	(25,891)	5,787	-
(Increase) decrease in accounts receivable	43,749	(35,481)	(118,953)	(242)
(Increase) decrease in due from other funds	(844,104)	(2,892,004)	158,915	(81,923)
(Increase) decrease in inventories and supplies	(49,675)	(3,361)	(272,137)	2,715
(Increase) decrease in prepayments and other assets	9,256	(2,226,069)	9,167	277
(Increase) decrease in net OPEB asset	-	-	-	-
(Increase) decrease in deferred outflows related to pension	-	-	-	-
(Increase) decrease in deferred outflows related to OPEB	-	-	-	-
Increase (decrease) in vouchers payable	103,247	663,095	(216,766)	(26,162)
Increase (decrease) in accrued payroll	162,266	187,129	396,857	16,258
Increase (decrease) in due to other governmental units	-	(162)	-	-
Increase (decrease) in due to other funds	-	1,410,771	(145,938)	-
Increase (decrease) in unearned revenue	1,303	(250)	-	-
Increase (decrease) in current portion of compensated absences	-	-	-	-
Increase (decrease) in current portion of claims and judgments	-	-	-	-
Increase (decrease) increase in other accrued liabilities	(77,003)	(82,553)	17,226	5,068
Increase (decrease) increase in net pension liability	-	-	-	-
Increase (decrease) in accrued compensated absences	-	-	-	-
Increase (decrease) in claims and judgments	-	-	-	-
Increase (decrease) in deferred inflows related to OPEB	-	-	-	-
Net cash provided by (used in) operating activities	<u>\$ (1,695,343)</u>	<u>\$ (7,340,641)</u>	<u>\$ 3,860,067</u>	<u>\$ 2,261,866</u>

(continued)

County of Oakland
Combining Statement of Cash Flows (Continued)
Internal Service Funds
Year Ended September 30, 2020

	Telephone Communications	Building and Liability Insurance	Fringe Benefits	Totals September 30, 2020
Operating (loss) income	\$ (120,530)	\$ (2,244,268)	\$ 99,479,182	\$ 91,879,803
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation expense	12,644	-	-	6,261,969
(Increase) decrease in due from other governmental units	(2,701)	-	1,760	(16,805)
(Increase) decrease in due from component units	-	-	-	(27,447)
(Increase) decrease in accounts receivable	(659)	(348)	(1,986,952)	(2,098,886)
(Increase) decrease in due from other funds	(72,825)	(375,025)	1,020	(4,105,946)
(Increase) decrease in inventories and supplies	-	-	-	(322,458)
(Increase) decrease in prepayments and other assets	37,799	(141,453)	(284,129)	(2,595,152)
(Increase) decrease in net OPEB asset	-	-	(2,221,976)	(2,221,976)
(Increase) decrease in deferred outflows related to pension	-	-	(17,252,370)	(17,252,370)
(Increase) decrease in deferred outflows related to OPEB	-	-	(13,212,199)	(13,212,199)
Increase (decrease) in vouchers payable	(81,535)	(15,964)	107,334	533,249
Increase (decrease) in accrued payroll	4,456	8,253	27,408	802,627
Increase (decrease) in due to other governmental units	-	-	361,512	361,350
Increase (decrease) in due to other funds	-	-	-	1,264,833
Increase (decrease) in unearned revenue	-	-	-	1,053
Increase (decrease) in current portion of compensated absences	-	-	351,544	351,544
Increase (decrease) in current portion of claims and judgments	-	774,500	(150,411)	624,089
Increase (decrease) in other accrued liabilities	(6,462)	(79,376)	778,392	555,292
Increase (decrease) in net pension liability	-	-	20,244,371	20,244,371
Increase (decrease) in accrued compensated absences	-	-	3,163,897	3,163,897
Increase (decrease) in claims and judgments	-	310,810	(208,722)	102,088
Increase (decrease) in deferred inflows related to OPEB	-	-	(51,337,476)	(51,337,476)
Net cash provided by (used in) operating activities	<u>\$ (229,813)</u>	<u>\$ (1,762,871)</u>	<u>\$ 37,862,185</u>	<u>\$ 32,955,450</u>

(continued)

County of Oakland
Combining Statement of Cash Flows (Continued)
Internal Service Funds
Year Ended September 30, 2020

Noncash transactions:

Non-cash and non-capital related financing activities included recording a pension expense of \$2,992,001 and a reduction of OPEB expense of (\$66,771,651) in the Fringe Benefits fund.

Non-cash and capital related financing activities included contribution of capital assets in the amount of \$15,241,478 and write-off of capital assets in the amount of \$7,615 (\$184,807 less accumulated depreciation of \$177,192) in the Information Technology fund.

**County of Oakland
Combining Schedule of Net Position
Fringe Benefits Internal Service Fund
September 30, 2020**

	Fringe Benefits	Superseding Trust	Totals September 30, 2020
Assets			
Current assets:			
Pooled cash and investments	\$ 97,988,493	248,607	98,237,100
Investments, at fair value	-	16,501,806	16,501,806
Accrued interest receivable	863,237	2,958	866,195
Accounts receivable (net of allowance for uncollectibles where applicable)	1,987,147	-	1,987,147
Prepayments and other assets	1,600,199	-	1,600,199
Total current assets	<u>102,439,076</u>	<u>16,753,371</u>	<u>119,192,447</u>
Noncurrent assets:			
Net OPEB asset	384,338,239	-	384,338,239
Total noncurrent assets	<u>384,338,239</u>	<u>-</u>	<u>384,338,239</u>
Total assets	<u>486,777,315</u>	<u>16,753,371</u>	<u>503,530,686</u>
Deferred Outflows of Resources			
Deferred outflows related to pension	26,980,166	-	26,980,166
Deferred outflows related to OPEB	65,352,798	-	65,352,798
Total deferred inflows of resources	<u>\$ 92,332,964</u>	<u>-</u>	<u>92,332,964</u>
Liabilities			
Current liabilities:			
Vouchers payable	\$ 5,971,866	2,601	5,974,467
Accrued payroll	27,408	-	27,408
Due to other governmental units	562,494	-	562,494
Current portion of bonds payable	26,605,000	-	26,605,000
Current portion of compensated absences	1,654,822	-	1,654,822
Current portion of claims and judgments	5,200,768	-	5,200,768
Other accrued liabilities	4,794,549	6,077	4,800,626
Total current liabilities	<u>44,816,907</u>	<u>8,678</u>	<u>44,825,585</u>
Noncurrent liabilities:			
Bonds payable	182,485,000	-	182,485,000
Net pension liability	22,497,565	-	22,497,565
Accrued compensated absences	14,893,399	-	14,893,399
Claims and judgments	8,927,241	-	8,927,241
Total noncurrent liabilities	<u>228,803,205</u>	<u>-</u>	<u>228,803,205</u>
Total liabilities	<u>273,620,112</u>	<u>8,678</u>	<u>273,628,790</u>
Deferred Inflows of Resources			
Deferred inflows related to OPEB	31,221,928	-	31,221,928
Total deferred inflows of resources	<u>31,221,928</u>	<u>-</u>	<u>31,221,928</u>
Net Position			
Restricted for programs	-	16,744,693	16,744,693
Unrestricted	274,268,239	-	274,268,239
Total net position	<u>\$ 274,268,239</u>	<u>16,744,693</u>	<u>291,012,932</u>

County of Oakland
Combining Schedule of Changes in Net Position
Fringe Benefits Internal Service Fund
Year Ended September 30, 2020

	Fringe Benefits	Superseding Trust	Totals September 30, 2020
Operating revenues			
Charges for services	\$ 158,612,027	-	158,612,027
Other	3,132	-	3,132
Total operating revenues	<u>158,615,159</u>	<u>-</u>	<u>158,615,159</u>
Operating expenses			
Salaries	1,658,475	-	1,658,475
Fringe benefits	878,274	-	878,274
Fringe benefits-pension	2,992,001	-	2,992,001
Fringe benefits-OPEB	(66,771,651)	-	(66,771,651)
Contractual services	119,790,579	21,574	119,812,153
Commodities	27,129	-	27,129
Internal services	539,596	-	539,596
Total operating expenses	<u>59,114,403</u>	<u>21,574</u>	<u>59,135,977</u>
Operating income (loss)	<u>99,500,756</u>	<u>(21,574)</u>	<u>99,479,182</u>
Nonoperating revenues (expenses)			
Investment income	1,668,518	1,780,672	3,449,190
Interest expense	(8,342,648)	-	(8,342,648)
Net nonoperating revenues (expenses)	<u>(6,674,130)</u>	<u>1,780,672</u>	<u>(4,893,458)</u>
Change in net position	92,826,626	1,759,098	94,585,724
Net position			
October 1, 2019	181,441,613	14,985,595	196,427,208
September 30, 2020	<u>\$ 274,268,239</u>	<u>16,744,693</u>	<u>291,012,932</u>

County of Oakland

Non-Major Enterprise Funds

Enterprise Funds

These funds account for operations and services provided for County residents and are financed primarily through user charges.

The Delinquent Personal Property Tax Administration Fund - is used to account for the collection of delinquent personal property taxes and their subsequent disbursement to various municipalities, school districts, and other governmental units. Cost-related activities involving the collection of taxes are also recorded in this fund. Per State of Michigan statutes, money collected in excess of costs shall be intermittently transferred to the County General Fund.

The Fire Records Management Fund - was established to accumulate revenues and costs associated with providing a centralized Fire Records Management System (FRMS). The system will aid in uniform reporting and data sharing for participating local fire departments.

The CLEMIS (Courts and Law Enforcement Management Information System) Fund - was established to accumulate revenues and costs associated with providing law enforcement units with immediate access to criminal and vehicle information throughout the United States and Canada. This includes the costs of purchasing, servicing, and operating mobile data terminals and base stations.

The Radio Communications Fund - accumulates the costs of purchasing, servicing and operating the County radio system. The fund recovers costs by developing rates and billing users, and also receives revenue from the 911 surcharge.

The Huron-Rouge S.D.S. (Sewage Disposal System) Fund - was established to record the operations and maintenance of the system, which is used to move sewage to Wayne County for treatment. Costs are recovered by developing rates and billing the municipalities being serviced.

**County of Oakland
Combining Statement of Net Position
Non-Major Enterprise Funds
September 30, 2020**

	Delinquent Personal Property Tax Administration	Fire Records Management	CLEMIS	Radio Communications	Huron- Rouge S.D.S.	Totals September 30, 2020
Assets						
Current assets						
Pooled cash and investments	\$ 849,466	\$ 535,184	\$ 9,809,052	\$ 19,304,925	\$ 16,049,433	\$ 46,548,060
Due from other governmental units	-	76,088	1,028,441	20,182	1,616,288	2,740,999
Accrued interest receivable	59,946	4,685	65,251	232,702	57,425	420,009
Accounts receivable (net of allowances for uncollectibles where applicable)	-	4,224	183,191	789,035	-	976,450
Due from other funds	-	-	7,687	-	-	7,687
Inventories and supplies	-	-	-	164,859	-	164,859
Prepayments and other assets	-	-	759,304	1,051,506	-	1,810,810
Total current assets	<u>909,412</u>	<u>620,181</u>	<u>11,852,926</u>	<u>21,563,209</u>	<u>17,723,146</u>	<u>52,668,874</u>
Noncurrent assets						
Restricted cash	-	-	-	18,402,216	-	18,402,216
Capital assets, at cost						
Land	-	-	-	-	19,749	19,749
Buildings and improvements	-	-	-	12,944,791	348,504	13,293,295
Equipment and vehicles	-	1,739,525	24,100,004	28,909,186	-	54,748,715
Infrastructure	-	-	-	8,585,770	3,274,693	11,860,463
Construction in progress	-	60,022	1,489,894	16,579,483	2,817,081	20,946,480
	-	1,799,547	25,589,898	67,019,230	6,460,027	100,868,702
Less: Accumulated depreciation	-	715,116	21,428,126	48,592,262	3,182,609	73,918,113
Capital assets, net	-	1,084,431	4,161,772	18,426,968	3,277,418	26,950,589
Total assets	<u>909,412</u>	<u>1,704,612</u>	<u>16,014,698</u>	<u>58,392,393</u>	<u>21,000,564</u>	<u>98,021,679</u>
Liabilities						
Current liabilities						
Vouchers payable	4,619	648	352,346	247,691	636,674	1,241,978
Accrued payroll	2,112	4,984	37,244	11,356	-	55,696
Due to other governmental units	-	-	508,237	5,339	-	513,576
Due to other funds	-	-	7,663	-	-	7,663
Unearned revenue	-	1,256	385,186	-	-	386,442
Current portion of bonds payable	-	-	-	985,000	-	985,000
Accrued interest payable	-	-	-	253,262	-	253,262
Other accrued liabilities	2,120	26,921	698,304	34,749	536,199	1,298,293
Total current liabilities	<u>8,851</u>	<u>33,809</u>	<u>1,988,980</u>	<u>1,537,397</u>	<u>1,172,873</u>	<u>4,741,910</u>
Noncurrent liabilities						
Bonds payable	-	-	-	14,140,000	-	14,140,000
Unamortized premiums on bonds	-	-	-	3,277,216	-	3,277,216
Total liabilities	<u>8,851</u>	<u>33,809</u>	<u>1,988,980</u>	<u>18,954,613</u>	<u>1,172,873</u>	<u>22,159,126</u>
Net Position						
Net investment in capital assets	-	1,084,431	4,161,772	18,426,968	3,277,418	26,950,589
Restricted for programs	-	-	-	-	15,023,176	15,023,176
Unrestricted	900,561	586,372	9,863,946	21,010,812	1,527,097	33,888,788
Total net position	<u>\$ 900,561</u>	<u>\$ 1,670,803</u>	<u>\$ 14,025,718</u>	<u>\$ 39,437,780</u>	<u>\$ 19,827,691</u>	<u>\$ 75,862,553</u>

County of Oakland
Combining Statement of Revenues, Expenses, and Changes in Net Position
Non-Major Enterprise Funds
Year Ended September 30, 2020

	Delinquent Personal Property Tax Administration	Fire Records Management	CLEMIS	Radio Communications	Huron- Rouge S.D.S.	Totals September 30, 2020
Operating revenues						
Charges for services	\$ 410,143	\$ 292,490	\$ 7,029,907	\$ 9,743,376	\$ 9,135,522	\$ 26,611,438
Other	-	-	250	352	-	602
Total operating revenues	<u>410,143</u>	<u>292,490</u>	<u>7,030,157</u>	<u>9,743,728</u>	<u>9,135,522</u>	<u>26,612,040</u>
Operating expenses						
Salaries	165,614	295,663	2,079,673	747,651	-	3,288,601
Fringe benefits	85,056	158,426	1,051,235	378,583	-	1,673,300
Contractual services	120,777	38,571	5,101,463	2,363,526	8,422,003	16,046,340
Commodities	3,639	-	629,115	375,482	715	1,008,951
Depreciation	-	180,778	1,240,549	2,645,059	72,465	4,138,851
Internal services	21,375	76,207	637,358	1,519,145	118,352	2,372,437
Total operating expenses	<u>396,461</u>	<u>749,645</u>	<u>10,739,393</u>	<u>8,029,446</u>	<u>8,613,535</u>	<u>28,528,480</u>
Operating income (loss)	<u>13,682</u>	<u>(457,155)</u>	<u>(3,709,236)</u>	<u>1,714,282</u>	<u>521,987</u>	<u>(1,916,440)</u>
Nonoperating revenues (expenses)						
Investment income	14,564	7,349	187,788	508,404	158,745	876,850
Interest expense	-	-	-	(159,627)	-	(159,627)
Gain (loss) on sale of property and equipment	-	-	125	-	-	125
Total nonoperating revenues (expenses)	<u>14,564</u>	<u>7,349</u>	<u>187,913</u>	<u>348,777</u>	<u>158,745</u>	<u>717,348</u>
Income (loss) before contributions and transfers	<u>28,246</u>	<u>(449,806)</u>	<u>(3,521,323)</u>	<u>2,063,059</u>	<u>680,732</u>	<u>(1,199,092)</u>
Capital contributions	-	-	2,114,445	-	10,000,000	12,114,445
Transfers in	-	489,532	1,776,112	236,500	-	2,502,144
Transfers out	-	-	-	(286,000)	-	(286,000)
Change in net position	<u>28,246</u>	<u>39,726</u>	<u>369,234</u>	<u>2,013,559</u>	<u>10,680,732</u>	<u>13,131,497</u>
Net position						
October 1, 2019	872,315	1,631,077	13,656,484	37,424,221	9,146,959	62,731,056
September 30, 2020	<u>\$ 900,561</u>	<u>\$ 1,670,803</u>	<u>\$ 14,025,718</u>	<u>\$ 39,437,780</u>	<u>\$ 19,827,691</u>	<u>\$ 75,862,553</u>

**County of Oakland
Combining Statement of Cash Flows
Non-Major Enterprise Funds
Year Ended September 30, 2020**

	Delinquent Personal Property Tax Administration	Fire Records Management	CLEMIS	Radio Communications	Huron- Rouge S.D.S.	Totals September 30, 2020
Cash flows from operating activities						
Cash received from users	\$ 410,143	\$ 302,317	\$ 6,934,793	\$ 9,788,114	\$ 8,383,557	\$ 25,818,924
Cash paid to suppliers	(234,529)	(261,808)	(6,868,720)	(4,322,799)	(8,795,915)	(20,483,771)
Cash paid to employees	(163,502)	(290,679)	(2,042,429)	(736,295)	-	(3,232,905)
Net cash provided by (used in) operating activities	<u>12,112</u>	<u>(250,170)</u>	<u>(1,976,356)</u>	<u>4,729,020</u>	<u>(412,358)</u>	<u>2,102,248</u>
Cash flows from noncapital financing activities						
Transfers from other funds	-	489,532	1,776,112	236,500	-	2,502,144
Transfers to other funds	-	-	-	(286,000)	-	(286,000)
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>489,532</u>	<u>1,776,112</u>	<u>(49,500)</u>	<u>-</u>	<u>2,216,144</u>
Cash flows from capital and related financing activities						
Contributions for capital acquisitions	-	-	-	-	10,000,000	10,000,000
Proceeds from sale of bonds	-	-	-	18,495,851	-	18,495,851
Proceeds from sale of capital assets	-	-	125	-	-	125
Acquisition of capital assets	-	(126,890)	(979,452)	(12,540,746)	(1,566,504)	(15,213,592)
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>(126,890)</u>	<u>(979,327)</u>	<u>5,955,105</u>	<u>8,433,496</u>	<u>13,282,384</u>
Cash flows from investing activities						
Interest on investments	15,686	7,760	205,382	533,229	160,891	922,948
Net cash provided by investing activities	<u>15,686</u>	<u>7,760</u>	<u>205,382</u>	<u>533,229</u>	<u>160,891</u>	<u>922,948</u>
Net increase (decrease) in cash and cash equivalents	27,798	120,232	(974,189)	11,167,854	8,182,029	18,523,724
Pooled cash and investments						
October 1, 2019	821,668	414,952	10,783,241	26,539,287	7,867,404	46,426,552
September 30, 2020	<u>\$ 849,466</u>	<u>\$ 535,184</u>	<u>\$ 9,809,052</u>	<u>\$ 37,707,141</u>	<u>\$ 16,049,433</u>	<u>\$ 64,950,276</u>
Classification of cash and cash equivalents						
Pooled cash and investments	\$ 849,466	\$ 535,184	\$ 9,809,052	\$ 19,304,925	\$ 16,049,433	\$ 46,548,060
Restricted cash	-	-	-	18,402,216	-	18,402,216
Total Cash and cash equivalents	<u>\$ 849,466</u>	<u>\$ 535,184</u>	<u>\$ 9,809,052</u>	<u>\$ 37,707,141</u>	<u>\$ 16,049,433</u>	<u>\$ 64,950,276</u>

(continued)

County of Oakland
Combining Statement of Cash Flows (Continued)
Non-Major Enterprise Funds
Year Ended September 30, 2020

	Delinquent Personal Property Tax Administration	Fire Records Management	CLEMIS	Radio Communications	Huron- Rouge S.D.S.	Totals September 30, 2020
Operating income (loss)	\$ 13,682	\$ (457,155)	\$ (3,709,236)	\$ 1,714,282	\$ 521,987	\$ (1,916,440)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities						
Depreciation expense	-	180,778	1,240,549	2,645,059	72,465	4,138,851
(Increase) decrease in due from other governmental units	-	8,435	(106,273)	7,657	(752,365)	(842,546)
(Increase) decrease in accounts receivable	-	136	(25,750)	36,729	400	11,515
(Increase) decrease in due from other funds	-	-	1,930	-	-	1,930
(Increase) decrease in inventories and supplies	-	131	-	23,774	-	23,905
(Increase) decrease in prepayments and other assets	-	-	5,983	143,747	-	149,730
Increase (decrease) in vouchers payable	(1,838)	(2,388)	30,124	153,352	(694,905)	(515,655)
Increase (decrease) in accrued payroll	2,112	4,984	37,244	11,356	-	55,696
Increase (decrease) in due to other governmental units	-	-	164,157	-	-	164,157
Increase (decrease) in due to other funds	-	-	(176,758)	(5,181)	(221)	(182,160)
Increase (decrease) in unearned revenue	-	1,256	34,729	-	-	35,985
Increase (decrease) in other accrued liabilities	(1,844)	13,653	526,945	(1,755)	440,281	977,280
Net cash provided by (used in) operating activities	<u>\$ 12,112</u>	<u>\$ (250,170)</u>	<u>\$ (1,976,356)</u>	<u>\$ 4,729,020</u>	<u>\$ (412,358)</u>	<u>\$ 2,102,248</u>

Noncash Transactions:

Noncash and capital related financing activities included contribution of capital assets in the amount of \$2,114,445 in the CLEMIS fund, and amortization of premiums in the amount of \$93,635 in the Radio Communications fund.

County of Oakland
Pension (and Other Postemployment Benefits) Trust Funds
September 30, 2020

Pension Trust Funds

Employee Pension Trust funds accept payments made by the County, invests fund resources, and calculates and pays pensions and retirees healthcare to beneficiaries.

The Oakland County Employees' Retirement Fund - is used to account for the financial operations of the Oakland County Employees' Retirement System. The system is administered by a nine-member board of trustees, while the County acts as the custodian of the system.

The OPEB (Other Postemployment Benefits) Trust Plan is funded through:

The VEBA (Voluntary Employees' Beneficiary Association) Trust Fund - was established as a trust under Internal Revenue Code Section 501(c)(9) to account for funding on an actuarial basis including contributions by Oakland County, and subsequent disbursement for postemployment medical benefits.

County of Oakland
Combining Statement of Net Position
Pension (and Other Postemployment Benefits) Trust Funds
September 30, 2020

	Oakland County Employees' Retirement	VEBA Trust	Totals September 30, 2020
Assets			
Pooled cash and investments	\$ 411,054	\$ 2,997,199	\$ 3,408,253
Cash and cash equivalents	10,317,139	25,175,039	35,492,178
	<u>10,728,193</u>	<u>28,172,238</u>	<u>38,900,431</u>
Investments, at fair value:			
Common stock	151,456,097	275,489,578	426,945,675
Preferred Stock	454,955	831,235	1,286,190
Government agencies	21,472,919	50,956,457	72,429,376
Corporate bonds	76,754,103	147,989,144	224,743,247
Municipal bonds	190,598	721,906	912,504
Hedge funds	48,301,387	54,052,544	102,353,931
Partnerships	49,234,130	87,490,165	136,724,295
Asset-backed fixed income	5,782,927	13,428,989	19,211,916
Government bonds	36,315,671	68,873,448	105,189,119
Government mortgage-backed securities	20,943,449	43,634,277	64,577,726
Government issued commercial mortgage backed	28,779	17,225	46,004
Non-Government backed CMOs	492,330	638,708	1,131,038
Commercial mortgage-backed securities	7,136,574	12,698,051	19,834,625
Bank loans	1,543,004	2,041,314	3,584,318
Exchange traded funds	336,828	635,613	972,441
International common stock	199,893,656	414,211,430	614,105,086
Index linked government bonds	7,788,241	16,316,013	24,104,254
Real estate	70,883,017	117,161,101	188,044,118
Other fixed income	8,570,313	2,054,641	10,624,954
Other	467,586	854,352	1,321,938
Total investments	<u>708,046,564</u>	<u>1,310,096,191</u>	<u>2,018,142,755</u>
Receivables - interest and dividends	1,692,127	2,519,825	4,211,952
Receivables - other	4,847,305	195,499	5,042,804
Prepaid expenses	3,257	33,692	36,949
Total assets	<u>725,317,446</u>	<u>1,341,017,445</u>	<u>2,066,334,891</u>
Liabilities			
Vouchers payable	258,364	1,554,716	1,813,080
Other accrued liabilities	7,290,432	1,956,418	9,246,850
Total liabilities	<u>7,548,796</u>	<u>3,511,134</u>	<u>11,059,930</u>
Net position			
Restricted for employees' pension and other postemployment healthcare benefits	<u>\$ 717,768,650</u>	<u>\$ 1,337,506,311</u>	<u>\$ 2,055,274,961</u>

**County of Oakland
Combining Statement of Changes in Net Position
Pension (and Other Postemployment Benefits) Trust Funds
Year Ended September 30, 2020**

	Oakland County Employees' Retirement	VEBA Trust	Totals September 30, 2020
Additions			
Contributions			
Plan members	\$ 165,953	\$ 279,397	\$ 445,350
Investment income			
Interest and dividends	9,821,555	17,755,166	27,576,721
Net increase in fair value of investments	25,336,661	48,518,700	73,855,361
Total investment income	35,158,216	66,273,866	101,432,082
Less investment expense	1,641,188	3,176,647	4,817,835
Net investment income	33,517,028	63,097,219	96,614,247
Other revenue	-	4,770,018	4,770,018
Total additions	33,682,981	68,146,634	101,829,615
Deductions			
Benefits	60,628,743	37,777,425	98,406,168
Administrative expenses	479,998	441,432	921,430
Total deductions	61,108,741	38,218,857	99,327,598
Net increase (decrease)	(27,425,760)	29,927,777	2,502,017
Net position restricted for employees' pension and other postemployment healthcare benefits			
October 1, 2019	745,194,410	1,307,578,534	2,052,772,944
September 30, 2020	\$ 717,768,650	\$ 1,337,506,311	\$ 2,055,274,961

County of Oakland Investment Trust Funds

Investment Trust Funds

Investment Trust funds account for resources of external units of government which are pooled in an investment portfolio for the benefit of the participants.

The Local Governmental Investment Pool Fund - was established as a trust with cities, townships and villages of Oakland County whereby the County Treasurer, under contractual arrangement, pools resources of the participants. Interest earnings net of fees accrue to the benefit of the participants in the pool.

**County of Oakland
Statement of Net Position
Investment Trust Funds
September 30, 2020**

	Local Government Investment Pool
Assets	
Pooled cash and investments	\$ 797,411,720
Receivables - interest and dividends	<u>1,695,569</u>
 Total assets	 <u>\$ 799,107,289</u>
 Net position	
Held in trust for investment pool participants	 <u>\$ 799,107,289</u>

County of Oakland
Statement of Changes in Net Position
Investment Trust Funds
Year Ended September 30, 2020

	Local Government Investment Pool
Additions	
Contributions from pool participants	\$ 1,189,992,875
Investment income	10,947,419
Total additions	<u>1,200,940,294</u>
Deductions	
Distribution to pool participants	<u>844,832,222</u>
Net increase (decrease)	356,108,072
Net position held in trust for pool participants	
October 1, 2019	<u>442,999,217</u>
September 30, 2020	<u>\$ 799,107,289</u>

County of Oakland

Agency Funds

Agency Funds

These funds account for assets held by the County in a custodial capacity. Disbursements from these funds are contingent upon agreement or applicable legislative enactment for each particular fund. Agency funds are generally clearance devices for monies collected for others, held briefly, and then disbursed to authorized recipients.

The District Court Investments Fund - is used to account for excess monies in the four District Court Trust Accounts, turned over to the Oakland County Treasurer for investing. Interest earned is recorded in the County's General Fund to help offset bank service fee costs.

The Undistributed Taxes Fund - is a conglomerate of various current year tax funds that receive tax monies and disburse them to municipalities, school districts, and other governmental units.

The Register of Deeds Trust Fund - is used to account for redemption monies received from the sale of real estate by the Sheriff's Department and their subsequent disbursement.

The Sheriff's NET (Narcotics Enforcement Team) Forfeiture Fund - is used to account for money seized, or the sale of confiscated property at auction, under authorization of Michigan state law. The money is held until the court case has been resolved, and at least yearly any forfeited monies are distributed to local, state or federal police agencies that participate in the NET program.

The Circuit Court Trust Fund - is used to account for monies received and disbursed by the Clerk's Office per Circuit Court order.

The Escheats Trust Fund - is used to account for monies that have not been claimed. This includes payroll, retirement and other checks issued by the County, and monies from the Legatee Trust and Special Trust funds. All monies go to the State of Michigan after a prescribed length of time.

The Legatee Trust Fund - is used to account for estate assets that remain unclaimed. After five years, these monies are transferred to the Oakland County Escheats Trust Fund.

The Special Trust Fund - is used to account for monies deposited with the County Treasurer that are released at a later date. Juvenile Court bonds, Transient Merchant License bonds, and overbids on Sheriff land sales are included.

The Contractor's Retainage Fund - is used to account for a portion of those monies due to a particular contractor who is involved with an Oakland County project. Disbursement, including interest earnings, is made to the contractor upon completion of the project.

The Public Library Trust Fund - is used to account for monies received by District and Circuit Courts for court fines and disbursed to public libraries, based on a percentage of the current census.

The District Court Trust Account - is used to account for appearance bonds and other trust monies in the four divisions of the County's District Court system.

The Jail Inmate Trust Account - is used to hold monies collected from and for inmates of the Oakland County Jail. Checks are written to cover bond payments, commissary purchases of other personal needs, and to return account balances upon inmate release or transfer to another facility. Individual accounts are tracked in the Jail Management System (JAMS).

**County of Oakland
Combining Statement of Net Position
Agency Funds
September 30, 2020**

	District Court Investments	Undistributed Taxes	Register of Deeds Trust	Sheriff NET Forfeiture	Circuit Court Trust	Escheats Trust	Legatee Trust
Assets							
Pooled cash and investments	\$ 110,000	\$ 257,511,247	\$ 157,455	\$ 775,294	\$ 4,642,624	\$ 82,452	\$ 756,534
Cash and cash equivalents	-	-	-	-	-	-	-
Accrued interest receivable	1,387	-	-	24,174	108,967	-	-
Total assets	<u>\$ 111,387</u>	<u>\$ 257,511,247</u>	<u>\$ 157,455</u>	<u>\$ 799,468</u>	<u>\$ 4,751,591</u>	<u>\$ 82,452</u>	<u>\$ 756,534</u>
Liabilities							
Vouchers payable	\$ -	\$ -	\$ -	\$ -	\$ 75,121	\$ -	\$ -
Due to other governmental units	-	257,511,247	-	-	-	82,452	-
Other accrued liabilities	111,387	-	157,455	799,468	4,676,470	-	756,534
Total liabilities	<u>\$ 111,387</u>	<u>\$ 257,511,247</u>	<u>\$ 157,455</u>	<u>\$ 799,468</u>	<u>\$ 4,751,591</u>	<u>\$ 82,452</u>	<u>\$ 756,534</u>

(continued)

**County of Oakland
Combining Statement of Net Position (Continued)
Agency Funds
September 30, 2020**

	Special Trust	Contractor's Retainage	Public Library Trust	District Court Trust Accounts	Jail Inmate Trust Account	Totals September 30, 2020
Assets						
Pooled cash and investments	\$ 3,457,779	\$ 3,400,165	\$ 613,862	\$ -	\$ -	\$ 271,507,412
Cash and cash equivalents	-	-	-	290,172	285,577	575,749
Accrued interest receivable	34,755	40,598	11,082	-	-	220,963
Total assets	<u>\$ 3,492,534</u>	<u>\$ 3,440,763</u>	<u>\$ 624,944</u>	<u>\$ 290,172</u>	<u>\$ 285,577</u>	<u>\$ 272,304,124</u>
Liabilities						
Vouchers payable	\$ -	\$ -	\$ -	\$ -	\$ -	75,121
Due to other governmental units	-	-	-	-	-	257,593,699
Other accrued liabilities	3,492,534	3,440,763	624,944	290,172	285,577	14,635,304
Total liabilities	<u>\$ 3,492,534</u>	<u>\$ 3,440,763</u>	<u>\$ 624,944</u>	<u>\$ 290,172</u>	<u>\$ 285,577</u>	<u>\$ 272,304,124</u>

County of Oakland
Combining Statement of Changes in Assets and Liabilities
Agency Funds
Year Ended September 30, 2020

	Balance October 1, 2019	Additions	Deductions	Balance September 30, 2020
District Court Investments				
Assets				
Pooled cash and investments	\$ 150,000	\$ 3,095	\$ 43,095	\$ 110,000
Accrued interest receivable	1,564	409	586	1,387
Total	<u>\$ 151,564</u>	<u>\$ 3,504</u>	<u>\$ 43,681</u>	<u>\$ 111,387</u>
Liabilities				
Vouchers payable	\$ -	\$ 40,000	\$ 40,000	\$ -
Other accrued liabilities	151,564	3,430	43,607	111,387
Total	<u>\$ 151,564</u>	<u>\$ 43,430</u>	<u>\$ 83,607</u>	<u>\$ 111,387</u>
Undistributed Taxes				
Assets				
Pooled cash and investments	\$ 240,560,544	\$ 1,002,490,286	\$ 985,539,583	\$ 257,511,247
Liabilities				
Vouchers payable	\$ -	\$ 637,148,314	\$ 637,148,314	\$ -
Due to other governmental units	240,560,544	225,527,934	208,577,231	257,511,247
Total	<u>\$ 240,560,544</u>	<u>\$ 862,676,248</u>	<u>\$ 845,725,545</u>	<u>\$ 257,511,247</u>
Register of Deeds Trust				
Assets				
Pooled cash and investments	\$ 129,174	\$ 3,275,525	\$ 3,247,244	\$ 157,455
Liabilities				
Vouchers payable	\$ -	\$ 3,247,244	\$ 3,247,244	\$ -
Other accrued liabilities	129,174	3,612,544	3,584,263	157,455
Total	<u>\$ 129,174</u>	<u>\$ 6,859,788</u>	<u>\$ 6,831,507</u>	<u>\$ 157,455</u>
Sheriff NET Forfeiture				
Assets				
Pooled cash and investments	\$ 1,033,014	\$ 952,787	\$ 1,210,507	\$ 775,294
Accrued interest receivable	25,627	1,168	2,621	24,174
Total	<u>\$ 1,058,641</u>	<u>\$ 953,955</u>	<u>\$ 1,213,128</u>	<u>\$ 799,468</u>
Liabilities				
Vouchers payable	\$ -	\$ 918,864	\$ 918,864	\$ -
Other accrued liabilities	1,058,641	869,979	1,129,152	799,468
Total	<u>\$ 1,058,641</u>	<u>\$ 1,788,843</u>	<u>\$ 2,048,016</u>	<u>\$ 799,468</u>

(continued)

County of Oakland
Combining Statement of Changes in Assets and Liabilities (Continued)
Agency Funds
Year Ended September 30, 2020

	Balance October 1, 2019	Additions	Deductions	Balance September 30, 2020
Circuit Court Trust				
Assets				
Pooled cash and investments	\$ 2,832,490	\$ 5,387,124	\$ 3,576,990	\$ 4,642,624
Accrued interest receivable	112,869	10,654	14,556	108,967
Total	<u>\$ 2,945,359</u>	<u>\$ 5,397,778</u>	<u>\$ 3,591,546</u>	<u>\$ 4,751,591</u>
Liabilities				
Vouchers payable	\$ -	\$ 3,476,793	\$ 3,401,672	\$ 75,121
Other accrued liabilities	2,945,359	5,392,796	3,661,685	4,676,470
Total	<u>\$ 2,945,359</u>	<u>\$ 8,869,589</u>	<u>\$ 7,063,357</u>	<u>\$ 4,751,591</u>
Escheats Trust				
Assets				
Pooled cash and investments	\$ 128,965	\$ 29,599	\$ 76,111	\$ 82,453
Liabilities				
Vouchers payable	\$ -	\$ 54,571	\$ 54,571	\$ -
Due to other governmental units	128,965	29,599	76,111	82,453
Total	<u>\$ 128,965</u>	<u>\$ 84,170</u>	<u>\$ 130,682</u>	<u>\$ 82,453</u>
Legatee Trust				
Assets				
Pooled cash and investments	\$ 1,160,503	\$ 124,348	\$ 528,317	\$ 756,534
Accrued interest receivable	-	4,249	4,249	-
Total	<u>\$ 1,160,503</u>	<u>\$ 128,597</u>	<u>\$ 532,566</u>	<u>\$ 756,534</u>
Liabilities				
Vouchers payable	\$ -	\$ 496,906	\$ 496,906	\$ -
Other accrued liabilities	1,160,503	126,833	530,802	756,534
Total	<u>\$ 1,160,503</u>	<u>\$ 623,739</u>	<u>\$ 1,027,708</u>	<u>\$ 756,534</u>
Special Trust				
Assets				
Pooled cash and investments	\$ 3,019,623	\$ 2,554,469	\$ 2,116,313	\$ 3,457,779
Accrued interest receivable	39,404	10,507	15,156	34,755
Total	<u>\$ 3,059,027</u>	<u>\$ 2,564,976</u>	<u>\$ 2,131,469</u>	<u>\$ 3,492,534</u>
Liabilities				
Vouchers payable	\$ -	\$ 1,132,006	\$ 1,132,006	\$ -
Other accrued liabilities	3,059,027	2,522,483	2,088,976	3,492,534
Total	<u>\$ 3,059,027</u>	<u>\$ 3,654,489</u>	<u>\$ 3,220,982</u>	<u>\$ 3,492,534</u>

(continued)

County of Oakland
Combining Statement of Changes in Assets and Liabilities (Continued)
Agency Funds
Year Ended September 30, 2020

	Balance October 1, 2019	Additions	Deductions	Balance September 30, 2020
Contractor's Retainage				
Assets				
Pooled cash and investments	\$ 3,445,900	\$ 1,451,386	\$ 1,497,121	\$ 3,400,165
Accrued interest receivable	45,636	9,865	14,903	40,598
Total	<u>\$ 3,491,536</u>	<u>\$ 1,461,251</u>	<u>\$ 1,512,024</u>	<u>\$ 3,440,763</u>
Liabilities				
Vouchers payable	\$ -	\$ 500,571	\$ 500,571	\$ -
Other accrued liabilities	3,491,536	1,461,251	1,512,024	3,440,763
Total	<u>\$ 3,491,536</u>	<u>\$ 1,961,822</u>	<u>\$ 2,012,595</u>	<u>\$ 3,440,763</u>
Public Library Trust				
Assets				
Pooled cash and investments	\$ 749,096	\$ 2,018,263	\$ 2,153,497	\$ 613,862
Accrued interest receivable	11,916	4,028	4,862	11,082
Total	<u>\$ 761,012</u>	<u>\$ 2,022,291</u>	<u>\$ 2,158,359</u>	<u>\$ 624,944</u>
Liabilities				
Vouchers payable	\$ -	\$ 2,070,688	\$ 2,070,688	\$ -
Other accrued liabilities	761,012	1,970,128	2,106,196	624,944
Total	<u>\$ 761,012</u>	<u>\$ 4,040,816</u>	<u>\$ 4,176,884</u>	<u>\$ 624,944</u>
District Court Trust Accounts				
Assets				
Cash and cash equivalents	\$ 437,927	\$ 1,845,442	\$ 1,993,197	\$ 290,172
Liabilities				
Other accrued liabilities	\$ 437,927	\$ 1,845,442	\$ 1,993,197	\$ 290,172
Jail Inmate Trust Account				
Assets				
Cash and cash equivalents	\$ 370,845	\$ 2,090,038	\$ 2,175,306	\$ 285,577
Liabilities				
Other accrued liabilities	\$ 370,845	\$ 2,090,038	\$ 2,175,306	\$ 285,577

(continued)

County of Oakland
Combining Statement of Changes in Assets and Liabilities (Continued)
Agency Funds
Year Ended September 30, 2020

	Balance October 1, 2019	Additions	Deductions	Balance September 30, 2020
Total All Agency Funds				
Assets				
Pooled cash and investments	\$ 253,209,309	\$ 1,018,286,882	\$ 999,988,778	\$ 271,507,413
Cash and cash equivalents	808,772	3,935,480	4,168,503	575,749
Accrued interest receivable	237,016	40,880	56,933	220,963
Total	<u>\$ 254,255,097</u>	<u>\$ 1,022,263,242</u>	<u>\$ 1,004,214,214</u>	<u>\$ 272,304,125</u>
Liabilities				
Vouchers payable	\$ -	\$ 649,045,957	\$ 648,970,836	\$ 75,121
Due to other governmental units	240,689,509	225,557,533	208,653,342	257,593,700
Other accrued liabilities	13,565,588	19,934,924	18,865,208	14,635,304
Total	<u>\$ 254,255,097</u>	<u>\$ 894,538,414</u>	<u>\$ 876,489,386</u>	<u>\$ 272,304,125</u>

County of Oakland

Governmental Funds – Component Unit – Drainage Districts

Drainage Districts

This component unit consists of many individual districts created pursuant to Michigan Public Act 40 of 1956, Chapters 20 and 21 for the purpose of alleviating drainage problems. Separate funds and fund types are established to account for the resources and cost associated with the construction, maintenance, and financing of the individual drainage districts.

**County of Oakland
Combining Balance Sheet
Governmental Funds – Component Unit – Drainage Districts
September 30, 2020**

	Drainage Districts			Totals September 30, 2020
	Special Revenue	Debt Service	Capital Projects	
Assets				
Pooled cash and investments	\$ 36,037,164	\$ 3,634,394	\$ 20,749,975	\$ 60,421,533
Receivables (net of allowance for uncollectibles where applicable)				
Accounts receivable	508,502	345,000	-	853,502
Special assessments receivable	20,862	225,796,822	-	225,817,684
Due from other governmental units	4,834,398	7,141	-	4,841,539
Due from primary government	95	-	-	95
Accrued interest receivable	204,432	32,450	49,337	286,219
Due from other funds	-	245,138	-	245,138
Other assets	244,502	500	147,558	392,560
Restricted cash	-	-	64,130,588	64,130,588
Total assets	<u>41,849,955</u>	<u>230,061,445</u>	<u>85,077,458</u>	<u>356,988,858</u>
Liabilities				
Vouchers payable	\$ 6,074,544	\$ 3,196,757	\$ 358,164	\$ 9,629,465
Due to other governmental units	1,053,870	40,566	-	1,094,436
Due to primary government	628,424	-	89,574	717,998
Due to other funds	-	245,138	-	245,138
Unearned revenue	121,913	67,318,888	18,996,523	86,437,324
Other accrued liabilities	7,676,136	4,820	3,491	7,684,447
Total liabilities	<u>15,554,887</u>	<u>70,806,169</u>	<u>19,447,752</u>	<u>105,808,808</u>
Deferred Inflow of Resources				
Unavailable revenue - special assessments	20,862	158,477,934	-	158,498,796
Fund Balances				
Restricted	26,274,206	777,342	64,130,588	91,182,136
Committed	-	-	1,499,118	1,499,118
Total fund balances	<u>26,274,206</u>	<u>777,342</u>	<u>65,629,706</u>	<u>92,681,254</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 41,849,955</u>	<u>\$ 230,061,445</u>	<u>\$ 85,077,458</u>	<u>\$ 356,988,858</u>

County of Oakland
Reconciliation of the Balance Sheet – Governmental Funds to the
Statement of Net Position
Component Unit – Drainage Districts
September 30, 2020

Total fund balances of governmental funds		\$ 92,681,254
Amounts reported for governmental activities in the Statement of Net Position are different because		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Land and other nondepreciable assets	\$ 161,288,300	
Buildings, net of \$14,521,354 depreciation	55,348,695	
Equipment, net of \$315,518 depreciation	760,196	
Infrastructure, net of \$135,119,176 depreciation	<u>455,655,233</u>	
		673,052,424
Long-term receivables such as special assessments are expected to be collected over several years and are deferred in the governmental funds and are not available to pay for current year expenditures		158,498,796
Long-term bonded debt is not due and payable in the current period and therefore is not reported in the funds. Unamortized premiums, loss on refundings, and interest payable are not reported in the funds. However, these amounts are included in the Statement of Net Position. This is the net effect of these balances on the statement.		
Bonds and notes payable		(280,522,769)
Unamortized bond premiums		<u>(7,640,486)</u>
Net position of governmental activities		<u>\$ 636,069,219</u>

County of Oakland
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds – Component Unit – Drainage Districts
Year Ended September 30, 2020

	Drainage Districts			Totals September 30, 2020
	Special Revenue	Debt Service	Capital Projects	
Revenues				
Special assessments	\$20,240,119	\$28,078,854	\$ -	\$ 48,318,973
State grants	122,924	-	-	122,924
Charges for services	80,319,365	4,589	-	80,323,954
Investment income	554,560	50,367	497,909	1,102,836
Other	1,683,055	-	30	1,683,085
Total revenues	<u>102,920,023</u>	<u>28,133,810</u>	<u>497,939</u>	<u>131,551,772</u>
Expenditures				
Salaries	438	-	62	500
Contractual services	98,807,863	47,256	7,945,148	106,800,267
Commodities	1,237,502	-	13,511	1,251,013
Principal payments	-	26,448,200	-	26,448,200
Interest	-	6,153,218	-	6,153,218
Paying agent fees	-	4,325	-	4,325
Intergovernmental	227	75,778	-	76,005
Internal services	5,640,058	-	507,107	6,147,165
Total expenditures	<u>105,686,088</u>	<u>32,728,777</u>	<u>8,465,828</u>	<u>146,880,693</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,766,065)</u>	<u>(4,594,967)</u>	<u>(7,967,889)</u>	<u>(15,328,921)</u>
Other financing sources (uses)				
Transfers in	1,500,000	-	3,754	1,503,754
Transfers out	(1,503,754)	-	-	(1,503,754)
Insurance recovery	731,924	-	-	731,924
Issuance of bonds	5,205,000	-	59,961,696	65,166,696
Issuance of refunding bonds	-	4,510,000	-	4,510,000
Federal grant interest recovery	-	22,961	-	22,961
Premiums on bonds sold	-	-	7,672,725	7,672,725
Total other financing sources (uses)	<u>5,933,170</u>	<u>4,532,961</u>	<u>67,638,175</u>	<u>78,104,306</u>
Net change in fund balances	<u>3,167,105</u>	<u>(62,006)</u>	<u>59,670,286</u>	<u>62,775,385</u>
Fund balances				
October 1, 2019	<u>23,107,101</u>	<u>839,348</u>	<u>5,959,420</u>	<u>29,905,869</u>
September 30, 2020	<u>\$26,274,206</u>	<u>\$ 777,342</u>	<u>\$65,629,706</u>	<u>\$ 92,681,254</u>

County of Oakland
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
Balances – Governmental Funds to the Statement of Activities
Component Unit – Drainage Districts
Year Ended September 30, 2020

Net change in fund balance - total governmental funds		\$ 62,775,385
Governmental funds report capital outlay as an expenditure. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Construction in progress	\$ 14,995,373	
Equipment	168,467	
Infrastructure	4,728,601	
Depreciation expense	<u>(9,875,669)</u>	
		10,016,772
Revenue from special assessments reported in the Statement of Activities in previous years that provided current financial resources in the governmental funds		(26,448,200)
Current year special assessments will be reported in the Statement of Activities because they did not provide current year financial resources in the governmental funds		8,387,493
Premiums on the sale of bonds provide current financial resources in governmental funds, but increases long-term liabilities in the Statement of Net Position. Amortization of premiums reduces long-term liabilities in the Statement of Net Position.		
Current year premiums on bonds	(7,672,725)	
Amortization of current year bond premiums	<u>32,239</u>	
		(7,640,486)
Bond proceeds provide current financial resources to governmental funds by issuing debt which increases long-term bonded debt in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term bonded debt in the Statement of Net Position. This is the amount that proceeds exceed repayments		
Bond proceeds	(69,676,696)	
Repayment of debt	<u>26,448,200</u>	
		<u>(43,228,496)</u>
Change in net position of governmental activities		<u>\$ 3,862,468</u>

III. STATISTICAL SECTION – UNAUDITED

County of Oakland
Statistical Section

Statistical Section

This part of the County's Comprehensive Annual Financial Report presents detailed information to assist in understanding what the information in the financial statements, note disclosures, and required supplementary information says about the overall financial condition of Oakland County.

Financial Trends - These schedules contain trend information to help the reader understand how the County's financial position and performance have changed over time. The schedules are:

- Net Position by Component - Last Ten Fiscal Years
- Changes in Net Position - Last Ten Fiscal Years
- Fund Balances, Governmental Funds - Last Ten Fiscal Years
- Changes in Fund Balances, Governmental Funds - Last Ten Fiscal Years

Revenue Capacity - These schedules contain information to help the reader assess the factors affecting the County's ability to generate its main income source - property taxes. The schedules are:

- Assessed, Equalized and Taxable Value of Property - Last Ten Fiscal Years
- Direct and Overlapping Property Tax Rates - Last Ten Years
- Principal Taxpayers - Current Year and Nine Years Ago
- County Operating Property Tax Levies and Collections - Last Ten Fiscal Years

Debt Capacity - These schedules present information to help the reader assess the affordability of the County's current level of outstanding debt and the ability to issue additional debt in the future. The schedules are:

- Ratio of General Bonded Debt Outstanding - Last Ten Fiscal Years
- Net County Direct and Overlapping Debt - Current Year
- Legal Debt Margin - Last Ten Years

Demographic and Economic Information - These schedules present various demographic and economic indicators to help the reader understand the environment within the County that affects the County's financial activities. The schedules are:

- Demographic and Economic Statistics (Population and Personal Income) - Last Ten Years
- Principal Employers - Current Year and Nine Years Ago

Operating Information - These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs. The schedules are:

- County Employees by Function/Program - Last Ten Fiscal Years
- Operating Indicators by Function/Program - Last Ten Fiscal Years
- Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
- Building Authority Data - Detail on Debt Issues

**County of Oakland
Net Position by Component – Unaudited Table 1
Last Ten Fiscal Years**

	Fiscal Year									
	2020	2019	2018	2017	2016 (1)	2015	2014	2013	2012	2011
Governmental activities:										
Net invested in capital assets	\$ 199,348,222	\$ 183,757,890	\$ 181,610,977	\$ 168,617,536	\$ 147,744,764	\$ 156,456,894	\$ 145,910,667	\$ 137,512,571	\$ 148,709,168	\$ 150,330,717
Restricted	52,511,443	51,872,513	43,329,877	40,952,520	35,931,987	39,591,712	53,896,914	72,467,130	92,918,321	98,366,070
Unrestricted	<u>625,617,223</u>	<u>522,810,577</u>	<u>432,498,567</u>	<u>336,663,951</u>	<u>304,822,163</u>	<u>228,425,269</u>	<u>180,545,856</u>	<u>191,318,485</u>	<u>157,152,392</u>	<u>149,221,428</u>
Total governmental activities net position	<u>\$ 877,476,888</u>	<u>\$ 758,440,980</u>	<u>\$ 657,439,421</u>	<u>\$ 546,234,007</u>	<u>\$ 488,498,914</u>	<u>\$ 424,473,875</u>	<u>\$ 380,353,437</u>	<u>\$ 401,298,186</u>	<u>\$ 398,779,881</u>	<u>\$ 397,918,215</u>
Business-type activities:										
Net invested in capital assets	\$ 327,109,356	\$ 304,042,430	\$ 293,504,939	\$ 298,608,145	\$ 299,224,229	\$ 284,732,715	\$ 268,982,184	\$ 264,682,840	\$ 289,004,302	\$ 247,997,936
Restricted	122,316,499	111,130,441	97,172,136	96,499,021	98,337,169	89,643,864	78,286,471	73,813,076	77,418,640	77,825,011
Unrestricted	<u>356,849,937</u>	<u>363,905,686</u>	<u>365,217,051</u>	<u>351,717,949</u>	<u>345,130,207</u>	<u>333,831,563</u>	<u>354,280,212</u>	<u>367,673,527</u>	<u>337,479,877</u>	<u>324,574,011</u>
Total business-type activities net position	<u>\$ 806,275,792</u>	<u>\$ 779,078,557</u>	<u>\$ 755,894,126</u>	<u>\$ 746,825,115</u>	<u>\$ 742,691,605</u>	<u>\$ 708,208,142</u>	<u>\$ 701,548,867</u>	<u>\$ 706,169,443</u>	<u>\$ 703,902,819</u>	<u>\$ 650,396,958</u>
Primary government:										
Net invested in capital assets	\$ 526,457,578	\$ 487,800,320	\$ 475,115,916	\$ 467,225,681	\$ 446,968,993	\$ 441,189,609	\$ 414,892,851	\$ 402,195,411	\$ 437,713,470	\$ 398,328,653
Restricted	174,827,942	163,002,954	140,502,013	137,451,541	134,269,156	129,235,576	132,183,385	146,280,206	170,336,961	176,161,081
Unrestricted	<u>982,467,160</u>	<u>886,716,263</u>	<u>797,715,618</u>	<u>688,381,900</u>	<u>649,952,370</u>	<u>562,256,832</u>	<u>534,826,068</u>	<u>558,992,012</u>	<u>494,632,269</u>	<u>473,795,439</u>
Total primary government net position	<u>\$ 1,683,752,680</u>	<u>\$ 1,537,519,537</u>	<u>\$ 1,413,333,547</u>	<u>\$ 1,293,059,122</u>	<u>\$ 1,231,190,519</u>	<u>\$ 1,132,682,017</u>	<u>\$ 1,081,902,304</u>	<u>\$ 1,107,467,629</u>	<u>\$ 1,102,682,700</u>	<u>\$ 1,048,285,173</u>

(1) Implementation of GASB Statement No. 75 resulted in restatement of Net Position as of September 30, 2016.

County of Oakland

Changes in Net Position – Unaudited Table 2

Last Ten Fiscal Years

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses										
Governmental activities:										
General government, administrative	\$ 45,235,354	\$ 35,091,684	\$ 35,548,340	\$ 7,210,199	\$ 36,922,795	\$ 69,539,633	\$ 23,850,091	\$ 24,802,464	\$ 24,883,201	\$ 36,769,153
Public safety	181,218,780	175,918,304	169,208,509	198,159,722	186,368,098	186,050,353	201,580,810	195,275,037	203,647,570	169,055,162
Justice administration	83,420,779	82,205,431	78,025,038	91,193,006	88,190,032	86,238,778	93,496,165	90,873,460	91,355,151	82,995,986
Citizen services	166,218,189	75,939,004	73,510,309	80,436,567	77,513,361	83,738,255	87,214,484	82,502,384	83,141,703	78,697,492
Public works	12,162,537	26,120,398	27,336,927	44,539,179	53,585,849	38,300,439	42,267,177	29,008,606	29,173,892	23,972,731
Recreation and leisure	958,837	1,097,813	1,294,311	1,368,297	1,346,384	1,322,395	1,448,875	1,551,035	1,747,878	1,393,680
Commerce and community development	38,828,613	40,338,245	40,532,530	42,558,106	42,667,769	44,364,348	48,411,360	48,895,303	53,775,460	61,663,939
Unallocated depreciation	3,287,405	3,791,283	3,557,676	3,825,781	3,527,266	3,164,143	2,083,460	1,911,473	1,912,755	1,976,521
Interest on debt	3,089,502	3,295,856	3,609,194	3,568,860	3,222,007	3,273,505	3,244,225	2,626,856	4,041,393	13,447,625
Total governmental activities expenses	<u>534,419,996</u>	<u>443,798,018</u>	<u>432,622,834</u>	<u>472,859,717</u>	<u>493,343,561</u>	<u>515,991,849</u>	<u>503,596,647</u>	<u>477,446,618</u>	<u>493,679,003</u>	<u>469,972,289</u>
Business-type activities:										
Airports	7,101,012	6,557,528	6,316,381	6,587,495	6,630,136	7,023,922	6,910,625	6,653,186	9,016,461	5,957,174
Community safety support	19,678,111	18,374,698	18,114,764	19,648,350	20,772,663	21,312,944	21,277,821	17,084,677	17,370,233	16,303,359
Community tax financing	838,789	1,126,127	1,423,477	970,801	988,159	1,230,707	1,278,589	1,399,607	1,615,467	1,746,776
Community water and sewer	90,362,472	89,291,813	100,192,304	85,734,595	82,330,145	81,572,797	77,684,287	77,371,824	53,137,399	48,504,467
Recreation and leisure	23,046,773	26,267,157	26,891,978	25,050,628	23,460,676	23,741,356	22,860,691	21,181,725	20,108,609	20,061,315
Sewage disposal systems	149,057,323	138,973,982	138,558,969	138,073,377	132,107,791	129,927,356	128,252,681	126,797,005	121,129,202	111,655,907
Total business-type activities expenses	<u>290,084,480</u>	<u>280,591,305</u>	<u>291,497,873</u>	<u>276,065,246</u>	<u>266,289,570</u>	<u>264,809,082</u>	<u>258,264,694</u>	<u>250,488,024</u>	<u>222,377,371</u>	<u>204,228,998</u>
Total primary government expenses	<u>\$ 824,504,476</u>	<u>\$ 724,389,323</u>	<u>\$ 724,120,707</u>	<u>\$ 748,924,963</u>	<u>\$ 759,633,131</u>	<u>\$ 780,800,931</u>	<u>\$ 761,861,341</u>	<u>\$ 727,934,642</u>	<u>\$ 716,056,374</u>	<u>\$ 674,201,287</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government, administrative	\$ 20,723,525	\$ 23,675,763	\$ 27,513,139	\$ 28,420,204	\$ 23,078,190	\$ 24,225,570	\$ 25,879,090	\$ 28,230,087	\$ 24,431,514	\$ 27,107,546
Public safety	69,317,706	71,255,942	69,089,611	65,792,333	64,274,890	64,625,234	63,007,666	60,741,916	60,028,240	50,912,265
Justice administration	25,999,629	31,330,523	31,538,861	31,447,605	32,064,235	31,830,801	31,711,482	31,730,104	31,950,808	31,017,405
Citizen services	7,678,391	11,072,215	9,710,756	9,315,993	9,488,715	8,414,435	7,310,429	6,448,453	5,829,293	6,682,817
Public works	16,194,572	16,102,696	16,873,895	30,265,391	34,566,771	12,855,569	19,090,066	22,030,824	16,293,669	3,988,963
Recreation and leisure	3,968	11,085	14,527	16,046	15,468	14,686	39,934	38,154	79,342	91,273
Commerce and community development	21,372,375	21,319,207	20,968,785	21,023,719	18,361,879	17,646,879	17,158,997	18,967,967	14,240,342	12,231,135
Operating grants and contributions:										
General government, administrative	772,768	675,071	722,999	614,012	600,500	4,448,510	786,094	812,900	1,972,545	1,019,348
Public safety	18,573,921	20,709,746	21,820,828	18,934,764	18,302,689	17,630,677	17,770,136	23,147,123	28,147,900	21,723,458
Justice administration	5,784,960	2,559,438	571,023	854,996	680,004	741,357	508,391	456,013	662,382	675,133
Citizen services	140,807,013	18,311,577	16,820,290	15,028,275	15,731,575	14,728,273	23,545,171	21,776,402	20,364,604	21,940,379
Public works	-	-	1,000	400,203	1,069,022	362,098	261,174	930,304	2,635,398	836,666
Recreation and leisure	-	-	-	7,004	8,000	-	14,965	72,414	254,812	7,700
Commerce and community development	18,118,102	20,338,952	20,652,246	19,855,509	20,163,033	22,065,499	23,443,405	24,638,978	30,484,781	41,374,879
Capital grants and contributions:										
General government, administrative	-	-	23,273	161,669	-	-	-	-	-	-
Public safety	47,165	71,241	45,046	-	282,049	163,231	193,234	965,065	618,415	1,869,849
Justice administration	1,176,908	119,100	-	-	39,190	-	-	-	-	-
Citizen services	512,800	13,054	-	-	-	-	-	-	-	-
Public works	-	-	2,187,532	2,158,419	1,207,474	5,761,319	3,557,413	-	1,961,591	1,992,056
Total governmental activities program revenues	<u>347,083,803</u>	<u>237,565,610</u>	<u>238,553,811</u>	<u>244,296,142</u>	<u>239,933,684</u>	<u>225,514,138</u>	<u>234,277,647</u>	<u>240,986,704</u>	<u>239,955,636</u>	<u>223,470,872</u>

(Continued)

**County of Oakland
Changes in Net Position – Unaudited Table 2 (Continued)
Last Ten Fiscal Years**

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Program Revenues (Continued)										
Business-type activities:										
Charges for services:										
Airports	\$ 4,622,299	\$ 4,972,876	\$ 4,711,066	\$ 4,671,073	\$ 4,624,215	\$ 4,421,496	\$ 4,294,902	\$ 4,381,999	\$ 4,502,884	\$ 4,510,925
Community safety support	17,066,500	15,168,426	14,601,037	13,775,015	14,293,818	12,833,963	13,085,553	11,417,222	13,242,926	12,266,838
Community tax financing	12,293,716	11,712,916	12,723,395	13,613,000	15,872,925	16,657,070	18,306,142	21,845,093	21,965,251	27,731,753
Community water and sewer	104,098,318	95,637,473	98,234,422	95,595,194	92,591,784	80,058,849	80,597,277	80,223,019	59,090,782	50,721,103
Recreation and leisure	6,365,194	10,375,407	10,424,470	10,022,384	9,981,419	9,978,385	8,525,094	8,430,978	8,751,064	8,029,370
Sewage disposal systems	148,678,133	145,549,376	142,048,906	138,190,001	133,611,778	137,441,935	126,670,775	121,781,246	118,951,504	110,808,669
Operating grants and contributions:										
Airports	297,432	87,823	92,761	96,254	-	287,991	-	-	-	-
Community water and sewer	32,458	575,779	50,227	339,060	1,398,631	807,591	48,319	-	13,301,375	-
Recreation and leisure	274,351	159,458	660,093	80,928	77,079	69,032	92,689	96,241	25,385	31,579
Sewage disposal systems	535,493	772,439	1,212,675	1,197,809	727,072	518,864	-	21,783	-	300,000
Capital grants and contributions:										
Airports	22,106	7,713,316	-	995,851	915,522	485,207	1,252,591	778,548	17,054,233	3,510,611
Community safety support	2,114,445	-	-	-	77,563	761,013	2,255,765	2,189,506	786,768	6,710,663
Community water and sewer	-	-	772,916	227,084	1,057,973	1,294,332	1,206,737	-	-	-
Recreation and leisure	2,923	53,810	68,469	82,700	-	308,000	-	288,141	38,796	1,506,000
Sewage disposal systems	10,773,357	834,483	8,809,512	14,654,105	27,520,966	8,219,302	93,399	1,476,762	103,635	136,314
Total business-type activities program revenues	<u>307,176,725</u>	<u>293,613,582</u>	<u>294,409,949</u>	<u>293,540,458</u>	<u>302,750,745</u>	<u>274,143,030</u>	<u>256,429,243</u>	<u>252,930,538</u>	<u>257,814,603</u>	<u>226,263,825</u>
Total primary government program revenues	<u>\$ 654,260,528</u>	<u>\$ 531,179,192</u>	<u>\$ 532,963,760</u>	<u>\$ 537,836,600</u>	<u>\$ 542,684,429</u>	<u>\$ 499,657,168</u>	<u>\$ 490,706,890</u>	<u>\$ 493,917,242</u>	<u>\$ 497,770,239</u>	<u>\$ 449,734,697</u>
Net (Expenses)/Revenues										
Governmental activities	\$ (187,336,193)	\$ (206,232,408)	\$ (194,069,023)	\$ (228,563,575)	\$ (253,409,877)	\$ (290,477,711)	\$ (269,319,000)	\$ (236,459,914)	\$ (253,723,367)	\$ (246,501,417)
Business-type activities	17,092,245	13,022,277	2,912,076	17,475,212	36,461,175	9,333,948	(1,835,451)	2,442,514	35,437,232	22,034,827
Total primary government net expenses	<u>\$ (170,243,948)</u>	<u>\$ (193,210,131)</u>	<u>\$ (191,156,947)</u>	<u>\$ (211,088,363)</u>	<u>\$ (216,948,702)</u>	<u>\$ (281,143,763)</u>	<u>\$ (271,154,451)</u>	<u>\$ (234,017,400)</u>	<u>\$ (218,286,135)</u>	<u>\$ (224,466,590)</u>
General Revenue and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 247,883,604	\$ 238,804,207	\$ 227,384,489	\$ 221,228,539	\$ 210,219,877	\$ 204,218,641	\$ 206,256,326	\$ 199,808,014	\$ 200,634,390	\$ 208,006,331
State-shared revenue (unrestricted)	38,533,633	44,691,290	45,299,918	44,185,407	42,849,430	39,238,141	14,066,100	12,789,988	11,128,237	8,976,908
Unrestricted investment earnings	11,238,804	12,661,175	5,743,583	3,417,064	3,894,824	3,589,453	4,917,507	2,553,617	2,955,907	4,865,609
Gain on sale of capital assets	432,430	472,207	478,887	407,829	435,178	135,786	205,284	270,885	213,451	331,629
Other revenues	220,576	1,503,877	1,543,368	1,808,840	3,765,977	5,623,075	3,397,021	3,752,043	6,513,306	3,514,883
Transfers in (out)	8,063,054	9,101,211	12,156,434	15,250,989	17,841,687	17,940,753	19,532,013	19,803,672	33,139,742	34,901,063
Total governmental activities	<u>306,372,101</u>	<u>307,233,967</u>	<u>292,606,679</u>	<u>286,298,668</u>	<u>279,006,973</u>	<u>270,745,849</u>	<u>248,374,251</u>	<u>238,978,219</u>	<u>254,585,033</u>	<u>260,596,423</u>

(Continued)

**County of Oakland
Changes in Net Position – Unaudited Table 2 (Continued)
Last Ten Fiscal Years**

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Revenues and Other Changes in Net Position (Continued)										
Business-type activities:										
Property taxes	\$ 13,735,450	\$ 13,197,395	\$ 12,707,412	\$ 12,393,806	\$ 12,246,824	\$ 11,832,814	\$ 11,567,251	\$ 11,398,103	\$ 11,664,549	\$ 12,696,436
State-shared revenue (unrestricted)	301,929	296,449	323,212	271,123	-	-	-	-	-	-
Unrestricted investment earnings	7,475,187	10,939,806	5,282,745	4,440,196	3,617,151	2,914,365	5,179,637	1,758,041	2,050,923	3,015,229
Special items	(3,344,522)	(5,170,285)	-	(15,195,838)	-	-	-	6,471,638	37,492,899	-
Transfers in (out)	(8,063,054)	(9,101,211)	(12,156,434)	(15,250,989)	(17,841,687)	(17,940,753)	(19,532,013)	(19,803,672)	(33,139,742)	(34,901,063)
Total business-type activities	<u>10,104,990</u>	<u>10,162,154</u>	<u>6,156,935</u>	<u>(13,341,702)</u>	<u>(1,977,712)</u>	<u>(3,193,574)</u>	<u>(2,785,125)</u>	<u>(175,890)</u>	<u>18,068,629</u>	<u>(19,189,398)</u>
Total primary government	<u>\$ 316,477,091</u>	<u>\$ 317,396,121</u>	<u>\$ 298,763,614</u>	<u>\$ 272,956,966</u>	<u>\$ 277,029,261</u>	<u>\$ 267,552,275</u>	<u>\$ 245,589,126</u>	<u>\$ 238,802,329</u>	<u>\$ 272,653,662</u>	<u>\$ 241,407,025</u>
Change in Net Position										
Governmental activities	\$ 119,035,908	\$ 101,001,559	\$ 98,537,656	\$ 57,735,093	\$ 25,597,096	\$ (19,731,862)	\$ (20,944,749)	\$ 2,518,305	\$ 861,666	\$ 14,095,006
Business-type activities	<u>27,197,235</u>	<u>23,184,431</u>	<u>9,069,011</u>	<u>4,133,510</u>	<u>34,483,463</u>	<u>6,140,374</u>	<u>(4,620,576)</u>	<u>2,266,624</u>	<u>53,505,861</u>	<u>2,845,429</u>
Total primary government	<u>\$ 146,233,143</u>	<u>\$ 124,185,990</u>	<u>\$ 107,606,667</u>	<u>\$ 61,868,603</u>	<u>\$ 60,080,559</u>	<u>\$ (13,591,488)</u>	<u>\$ (25,565,325)</u>	<u>\$ 4,784,929</u>	<u>\$ 54,367,527</u>	<u>\$ 16,940,435</u>

County of Oakland
Fund Balances, Governmental Funds – Unaudited Table 3
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Fund:										
Nonspendable	\$ 491,034	\$ 246,786	\$ 306,104	\$ 353,124	\$ 534,766	\$ 490,499	\$ 221,975	\$ 258,647	\$ 1,100,141	\$ 292,698
Restricted	-	9,795,577	12,860,936	10,401,084	5,884,980	15,190,786	28,453,511	20,201,133	11,555,148	5,287,071
Assigned	264,217,322	248,479,921	230,412,909	251,021,647	245,859,255	242,777,177	222,979,095	221,222,041	209,683,648	194,082,115
Unassigned	2,317,556	1,212,494	1,464,988	3,004,232	2,962,467	1,745,931	2,329,993	1,091,218	1,090,503	1,500,000
Total General Fund	\$ 267,025,912	\$ 259,734,778	\$ 245,044,937	\$ 264,780,087	\$ 255,241,468	\$ 260,204,393	\$ 253,984,574	\$ 242,773,039	\$ 223,429,440	\$ 201,161,884
All Other Governmental Funds:										
Nonspendable	-	-	\$ -	\$ 1,150,421	\$ 1,102,916	\$ 1,176,207	\$ 991,206	\$ 441,135	\$ 547,459	\$ 445,125
Restricted	22,239,848	23,218,412	24,737,155	26,218,607	25,721,135	19,294,296	25,443,403	51,418,485	81,363,173	97,920,945
Committed	32,815,999	41,684,723	44,273,743	33,562,352	51,423,615	27,813,859	39,973,683	46,332,071	18,432,389	16,530,640
Assigned	-	-	-	-	-	-	-	-	7,732	17,254
Unassigned	(5,509,165)	(999,133)	(3,492,780)	(3,294,277)	(3,010,629)	(4,080,095)	(2,708,371)	(606,542)	(462,247)	(366,963)
Total all other governmental funds	\$ 49,546,682	\$ 63,904,002	\$ 65,518,118	\$ 57,637,103	\$ 75,237,037	\$ 44,204,267	\$ 63,699,921	\$ 97,585,149	\$ 99,888,506	\$ 114,547,001

**County of Oakland
Changes in Fund Balances, Governmental Funds – Unaudited Table 4
Last Ten Fiscal Years
(Modified accrual basis of accounting)**

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues										
Property taxes	\$ 247,512,190	\$ 239,485,107	\$ 228,013,169	\$ 216,562,738	\$ 214,229,960	\$ 206,368,131	\$ 207,034,582	\$ 200,842,221	\$ 200,943,790	\$ 209,290,437
Special assessments	8,656,068	8,931,750	8,128,190	10,020,057	5,384,564	19,429,154	5,712,490	24,639,181	8,873,964	7,915,855
Federal grants	144,452,173	30,791,227	31,027,408	28,522,404	29,637,348	32,135,507	37,110,198	43,875,848	58,364,646	61,433,127
State grants	31,054,827	32,438,244	28,546,713	26,808,928	26,846,548	27,853,475	28,778,014	28,716,151	27,523,160	28,874,320
Other intergovernmental revenue	50,736,797	61,536,812	59,860,852	58,545,962	56,868,569	53,124,504	26,659,052	26,724,815	25,341,493	22,790,048
Charges for services	121,181,006	132,380,869	131,851,162	131,191,772	123,644,292	120,992,621	117,882,404	121,147,370	112,904,076	99,927,910
Contributions	615,362	116,386	127,213	149,441	221,578	276,151	373,184	207,200	718,965	443,866
Investment income	7,090,634	8,400,757	2,803,018	2,230,403	2,772,483	2,580,784	3,604,765	1,862,818	2,223,477	3,824,350
Indirect cost recovery	9,372,744	9,027,123	9,145,652	8,216,061	7,846,289	7,946,958	8,415,107	7,610,932	8,275,669	8,770,800
Other	182,643	1,187,006	872,212	1,395,893	930,308	1,019,667	2,498,909	3,637,920	6,364,199	1,067,822
Total revenues	620,854,444	524,295,281	500,375,589	483,643,659	468,381,939	471,726,952	438,068,705	459,264,456	451,533,439	444,338,535
Expenditures										
County Executive	219,190,171	160,675,873	162,066,148	154,409,494	150,905,047	152,940,829	177,990,015	177,867,738	174,957,912	181,369,381
Clerk/Registrar of Deeds	11,778,970	10,287,033	10,661,568	10,884,241	10,844,437	10,688,410	11,478,209	11,504,787	12,078,679	10,643,080
Treasurer	16,578,419	7,566,638	7,643,131	8,103,102	8,286,497	8,897,706	8,715,059	8,371,074	8,322,889	8,003,249
Justice administration	81,524,860	83,938,183	80,614,403	77,509,465	75,811,521	75,627,179	76,112,761	74,360,297	78,443,609	78,704,797
Law enforcement	194,939,665	183,331,101	180,920,178	172,460,663	164,741,810	159,354,251	159,070,684	154,364,056	160,228,557	146,921,316
Legislative	4,712,556	4,531,874	4,944,629	4,172,103	3,960,835	3,864,960	3,955,467	4,073,210	4,478,413	4,223,183
Water resource commissioner	10,675,269	11,005,656	14,866,155	24,420,433	35,142,209	14,748,645	15,737,892	12,362,273	10,755,550	9,088,423
Non-departmental	50,330,260	23,187,856	21,825,031	21,568,122	21,079,507	29,905,627	18,528,670	18,778,041	17,164,651	16,674,594
Capital outlay	18,153,107	16,532,348	24,264,758	28,082,057	13,469,248	16,394,718	1,668,488	3,154,872	8,124,757	13,125,733
Intergovernmental	3,054,017	220,675	1,834	12,500	4,508	13,592	24,718	107,184	14,363	3,035
Debt service:										
Principal payments	32,590,000	10,880,000	11,225,000	10,685,000	8,610,000	19,730,000	11,215,000	24,095,000	22,275,000	8,535,000
Interest and fiscal charges	2,993,819	3,337,262	3,649,126	3,626,631	3,070,416	3,301,677	3,406,901	4,096,185	4,176,896	4,917,688
Total expenditures	646,521,113	515,494,499	522,681,961	515,933,811	495,926,035	495,467,594	487,903,864	493,134,717	501,021,276	482,209,479
Excess of revenues over (under) expenditures	(25,666,669)	8,800,782	(22,306,372)	(32,290,152)	(27,544,096)	(23,740,642)	(49,835,159)	(33,870,261)	(49,487,837)	(37,870,944)

(Continued)

County of Oakland
Changes in Fund Balances, Governmental Funds – Unaudited Table 4 (Continued)
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Other Financing Sources (Uses)										
Transfers in	\$ 59,897,924	\$ 57,258,755	\$ 82,037,565	\$ 60,850,931	\$ 75,470,868	\$ 67,778,233	\$ 88,060,822	\$ 79,499,398	\$ 93,460,173	\$ 91,581,408
Transfers out	(63,193,039)	(53,244,682)	(75,031,735)	(52,137,819)	(62,329,852)	(59,866,546)	(75,126,053)	(64,468,826)	(59,410,852)	(58,902,434)
Insurance recoveries	-	130,000	857,096	765,010	-	222,022	183,718	-	-	-
Payment to bond escrow agent	-	-	-	-	-	-	-	(348,800,000)	-	(29,840,000)
Issuance of bonds	470,633	130,870	2,589,311	14,732,205	40,475,488	2,331,098	10,126,377	33,825,000	9,300,000	1,200,000
Issuance of refunding bonds	19,496,000	-	-	-	-	-	2,875,000	350,000,000	13,620,000	28,485,000
Premiums on bonds sold	2,028,965	-	-	18,510	20,870	-	206,732	1,702,443	203,846	1,488,907
Discount on bonds sold	-	-	-	-	(23,433)	-	(12,642)	-	(76,269)	(17,993)
Total other financing sources (uses)	18,700,483	4,274,943	10,452,237	24,228,837	53,613,941	10,464,807	26,313,954	51,758,015	57,096,898	33,994,888
Net change in fund balances	\$ (6,966,186)	\$ 13,075,725	\$ (11,854,135)	\$ (8,061,315)	\$ 26,069,845	\$ (13,275,835)	\$ (23,521,205)	\$ 17,887,754	\$ 7,609,061	\$ (3,876,056)
Debt service as a percentage of noncapital expenditures (1)	5.54%	2.79%	2.93%	2.89%	2.40%	4.72%	3.05%	5.73%	5.30%	2.82%

(1) Noncapital expenditures are total governmental expenditures less capital expenditures (Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances).

**County of Oakland
Assessed, Equalized, and Taxable Value of Property – Unaudited Table 5
Last Ten Years**

Fiscal Year	Real Property (1)							
	Residential Property		Commercial Property		Industrial Property		Other Property (2)	
	Assessed and Equalized Value	Taxable Value	Assessed and Equalized Value	Taxable Value	Assessed and Equalized Value	Taxable Value	Assessed and Equalized Value	Taxable Value
2011	\$ 35,954,354,243	\$ 35,166,132,285	\$ 10,795,035,520	\$ 10,054,370,362	\$ 1,928,636,700	\$ 1,842,489,880	\$ 88,804,690	\$ 50,723,170
2012	35,547,089,465	34,593,300,582	9,790,228,900	9,237,144,077	1,713,799,360	1,651,432,130	80,814,920	48,663,123
2013	36,689,706,285	35,101,766,037	9,272,424,780	8,747,850,059	1,607,003,900	1,555,458,630	70,288,210	44,390,050
2014	40,589,040,038	36,222,002,217	9,183,062,325	8,592,084,460	1,596,788,260	1,543,801,500	64,213,910	40,619,450
2015	45,768,414,870	37,726,099,014	9,416,529,950	8,668,179,912	1,670,792,580	1,575,950,217	67,583,600	42,908,710
2016	49,933,653,218	38,997,799,934	9,867,734,909	8,731,176,989	1,806,943,546	1,606,675,259	67,420,325	42,597,045
2017	53,043,295,649	40,609,322,089	10,486,445,800	8,957,063,497	1,954,501,320	1,661,231,821	70,329,430	44,178,330
2018	54,971,706,209	42,722,004,594	11,275,983,448	9,373,464,567	2,141,831,950	1,751,303,050	72,013,280	46,014,710
2019	58,567,480,435	45,025,561,832	12,230,078,570	9,874,861,799	2,308,382,440	1,824,916,636	78,480,550	49,363,690
2020	62,000,752,770	47,186,788,266	13,049,878,820	10,260,143,342	2,458,558,940	1,895,811,378	83,078,430	51,861,930

Fiscal Year	Personal Property		Total Property		Total Direct Tax Rate (3)
	Assessed and Equalized Value	Taxable Value	Assessed and Equalized Value	Taxable Value	
2011	\$ 3,686,629,190	\$ 3,684,824,560	\$ 52,453,460,343	\$ 50,798,540,257	4.4315
2012	3,707,092,321	3,705,414,081	50,839,024,966	49,235,953,993	4.4315
2013	3,790,500,640	3,785,645,530	51,429,923,815	49,235,110,306	4.4315
2014	3,651,502,760	3,650,142,460	55,084,607,293	50,048,650,087	4.4315
2015	3,882,782,774	3,882,203,584	60,806,103,774	51,895,341,437	4.3315
2016	3,409,099,116	3,407,953,246	65,084,851,114	52,786,202,473	4.2810
2017	3,453,780,010	3,451,947,290	69,008,352,209	54,723,743,027	4.2792
2018	3,409,823,960	3,409,219,510	71,871,358,847	57,302,006,431	4.2768
2019	3,531,580,300	3,531,464,890	76,716,002,295	60,306,168,847	4.2749
2020	3,603,125,954	3,603,140,154	81,195,394,914	62,997,745,070	4.2529

Notes:

- (1) The County assesses property annually. Assessed value is approximately 50% of actual cash value (estimated market value). Values are equalized by adding or deducting from the assessed value of each class of property in all assessing jurisdictions in order to bring each unit to a common level of valuation. Taxable value is a result of a ballot proposal passed by the electorate in the state of Michigan in 1994. Taxable value increases are limited to (following adjustments for additions or losses) the rate of inflation or 5%, whichever is less. The taxable value limit does not apply to a property in the year following a transfer of ownership (sale).
- (2) Includes Agricultural and Developmental property
- (3) Per \$1,000 of taxable value. Includes County Operating and Oakland County Parks and Recreation.

Source: Oakland County Department of Management & Budget, Equalization Division

**County of Oakland
Direct and Overlapping Property Tax Rates – Unaudited Table 6
Last Ten Years
(Rates per \$1,000 of taxable value)**

	Year Taxes Are Payable									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
County direct rates										
County operating	4.0200	4.0400	4.0400	4.0400	4.0400	4.0900	4.1900	4.1900	4.1900	4.1900
Parks and Recreation	0.2329	0.2349	0.2368	0.2392	0.2410	0.2415	0.2415	0.2415	0.2415	0.2415
Total rate	4.2529	4.2749	4.2768	4.2792	4.2810	4.3315	4.4315	4.4315	4.4315	4.4315
Overlapping rates										
Huron-Clinton Metro Authority (a)	0.2117	0.2129	0.2140	0.2146	0.2146	0.2146	0.2146	0.2146	0.2146	0.2146
Intermediate school districts (5)										
Median rate	3.7457	3.2539	3.2813	3.3079	3.3398	3.3633	3.3690	3.3690	3.3690	3.3690
Low range	2.8573	2.8744	2.8798	2.8915	2.9115	2.9295	2.9295	2.9295	2.9295	2.9295
High range	5.4643	5.4643	5.4643	5.4643	5.4643	3.5341	3.5341	3.5341	3.5341	3.5341
Community colleges (3)										
Median rate	2.2877	2.2700	1.7662	1.7766	1.7880	1.7967	1.7967	1.7967	1.7967	1.7967
Low range	1.5184	1.5303	1.5431	1.5555	1.5707	1.5819	1.5844	1.5844	1.5844	1.5844
High range	2.7605	2.8019	2.8047	2.8096	2.8096	2.8596	2.8596	2.8596	2.8596	2.8596
Cities (31)										
Median rate	18.0833	18.4133	17.1311	17.2076	16.8995	17.5854	17.5856	16.7929	16.0541	16.1905
Low range	8.3189	8.3212	8.3229	7.8270	7.8332	7.8600	7.8600	7.3600	8.8200	9.7060
High range	37.4707	38.3265	39.0343	39.2861	39.1859	39.2669	38.1191	37.4634	30.4298	29.1461
Villages (11)										
Median rate	14.5747	15.0275	15.1381	15.3816	15.4412	15.6106	15.9168	15.2286	14.4597	14.6508
Low range	9.6658	9.9927	10.0000	9.9863	7.8250	8.8020	9.5000	8.8900	8.8900	8.5900
High range	19.5172	18.7295	19.3535	18.4043	18.4744	18.4701	18.5025	17.9756	20.0210	18.3610
Townships (21)										
Median rate	7.9030	7.9721	8.0064	8.0907	8.1787	7.6106	7.9168	7.2786	7.2685	6.7444
Low range	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
High range	14.0669	14.0745	14.6784	14.6799	14.6987	14.6712	15.1064	13.8002	13.8002	13.8002
School districts (35) (b)										
Homestead:										
Median rate	14.1670	14.1984	14.9991	15.0000	15.3000	15.4086	14.3880	13.9513	13.9513	13.7550
Low range	9.2700	9.2700	9.2700	8.8700	8.8700	6.0000	9.8700	9.8700	9.0500	8.2500
High range	24.6808	24.5077	26.6868	26.1868	26.2618	26.2068	26.8868	26.8868	26.4868	26.4868
Non-Homestead:										
Median rate	30.1038	30.2779	30.9693	30.2450	31.0000	31.0000	31.0000	31.0000	30.7000	30.5400
Low range	26.6500	25.6103	25.6165	25.6665	25.6739	24.0000	25.6974	26.4420	26.4420	26.1800
High range	41.8741	41.9463	40.9516	40.5603	40.8512	41.0000	37.4500	35.3610	34.8500	34.8500
DDAs (10)										
Median rate	1.7853	1.8411	1.8525	1.7142	1.8046	1.8787	1.8978	1.8978	1.8978	1.8008
Low range	1.2958	1.2958	1.3072	1.3326	1.3549	1.3794	1.3794	1.3794	1.3794	1.3794
High range	1.9510	1.9510	1.9685	1.9514	1.9514	1.9732	1.9734	1.9734	1.9734	1.9734
Public Transportation Authority (c)	0.9927	1.0000	0.9863	0.9941	0.9998	1.0000	1.0000	0.5900	0.5900	0.5900
Zoological Authority	0.0973	0.0982	0.0980	0.0990	0.0998	0.1000	0.1000	0.1000	0.1000	0.1000
Art Institute Authority (d)	0.1929	0.1945	0.1961	0.1981	0.1996	0.2000	0.2000	0.2000	0.2000	-

Notes

The County's maximum allowable operating millage levy for 2020 was 4.0468.

- (a) Tax rate is recommended by this parks authority, and is approved by the Oakland County Board of Commissioners. The rate is included in the "County Combined Rate" on tax statements, but is not recorded as revenue on the County's financial statements.
- (b) Includes State of Michigan levy of 6.0000 mills for State Education Tax.
- (c) Special voted tax, levied in 18 cities, 3 villages, and 3 townships only. Included in CVT rates above.
- (d) Art Institute Authority added FY 2012

Source: Oakland County Department of Management & Budget, Equalization Division yearly "Apportionment of Local Tax Rates" document.

**County of Oakland
Principal Taxpayers – Unaudited Table 7
Current Year and Nine Years Ago**

Taxpayer	Fiscal Year 2020			Fiscal Year 2011		
	Taxable Valuation*	Rank	Percentage County Taxable Valuation	Taxable Valuation*	Rank	Percentage County Taxable Valuation
Detroit Edison Company/DTE	\$ 697,564,750	1	1.11%	\$ 469,175,850	1	0.92%
Consumers Energy	465,579,380	2	0.74%	231,068,350	4	0.45%
FCA Auburn Hills Owner LLC (formerly Chrysler)	167,647,670	3	0.27%	283,153,120	2	0.56%
International Transmission (ITC)	147,148,960	4	0.23%	104,660,090	7	0.21%
Taubman/Great Lakes/12 Oaks Mall	136,241,530	5	0.22%	132,464,880	5	0.26%
Enbridge Energy	118,763,470	6	0.19%	-	-	-
SighCidermill Village	105,263,050	7	0.17%	-	-	-
General Motors	104,608,350	8	0.17%	266,707,770	3	0.53%
Edward Rose/Occidental Dev	100,122,000	9	0.16%	-	-	-
Comcast	86,235,120	10	0.16%	82,965,900	9	0.16%
SL Town Etal (Bre Southfield, Town Centre)	78,392,250	11	0.14%	77,899,530	11	0.15%
Meijer/Goodwill Co	73,711,370	12	0.12%	63,308,850	12	0.12%
Redico	72,875,760	13	0.12%	-	-	0.00%
Ramco Lion Venture	69,420,860	14	0.11%	97,080,140	8	0.19%
Oakland Management	68,818,010	15	0.11%	-	-	0.00%
Redwood-ERC Novi LLC	67,953,120	16	0.11%	47,633,490	15	0.09%
Somerset Collection LTD PTN (Frankel/Forbes/Cohn)	58,558,600	17	0.09%	130,576,260	6	0.26%
Kroger	55,873,450	18	0.09%	34,016,750	19	0.07%
Hartman & Tyner	47,635,280	19	0.08%	-	-	-
VHS Huron Valley-Sinai Hospital	43,929,190	20	0.07%	-	-	-
Total	\$ 2,766,342,170		4.43%	\$ 2,020,710,980		3.97%

* Note: The Taxable Values have been compiled from a number of sources/reports and may include estimated figures.

Source: Oakland County Department of Management & Budget, Equalization Division

County of Oakland
County Operating Property Tax Levies and Collections – Unaudited Table 8
Last Ten Fiscal Years

Fiscal Year	Tax Levy (1)	Collected within the Fiscal Year of the Levy (2)		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	\$ 206,524,166	\$ 187,107,837	90.60 %	\$ 19,414,859	\$ 206,522,696	100.00 %
2012	200,442,426	179,242,176	89.42 %	21,196,981	200,439,157	100.00 %
2013	201,089,193	179,700,449	89.36 %	21,383,113	201,083,562	100.00 %
2014	204,966,211	181,910,042	88.75 %	22,974,723	204,884,765	99.96 %
2015	207,429,739	186,742,691	90.03 %	20,588,841	207,331,532	99.95 %
2016	208,735,308	186,750,930	89.47 %	21,872,087	208,623,017	99.95 %
2017	216,149,261	196,045,294	90.70 %	19,835,189	215,880,483	99.88 %
2018	226,289,005	201,249,308	88.93 %	24,195,451	225,444,759	99.63 %
2019	237,559,852	215,492,770	90.71 %	19,706,957	235,199,727	99.01 %
2020	246,908,469	223,110,366	90.36 %	-	223,110,366	90.36 %

Source: Oakland County Treasurer

- (1) Tax levy is subject to change due to the fact that settlement at the County level has not yet taken place for the current fiscal year.
- (2) Tax levy is dated July 1, collections for the current fiscal year reflect only a three month period.

County of Oakland
Ratio of General Bonded Debt Outstanding – Unaudited Table 9
Last Ten Fiscal Years

Year	Governmental Activities Debt (1)				Business-Type Activities Bonds	Total Primary Government	Percentage of Personal Income (b)	Per Capita (b)
	General Obligation Bonds	Percentage of Taxable Property Values (a)	Per Capita (b)	Special Assessment Bonds (c)				
2011	\$ 538,995,000	1.06 %	\$ 444.48	\$ 48,375,727	\$ 4,060,000	\$ 591,430,727	9.02 %	\$ 487.72
2012	515,605,000	1.05 %	421.38	52,865,727	19,589,279	588,060,006	8.32 %	480.60
2013	428,985,000	0.87 %	347.22	46,625,727	34,705,962	510,316,689	7.16 %	413.06
2014	402,340,000	0.80 %	323.72	53,557,104	33,818,351	489,715,455	6.46 %	394.03
2015	375,630,000	0.72 %	301.81	41,458,202	21,260,612	438,348,814	5.44 %	352.20
2016	363,425,000	0.69 %	290.50	63,328,690	26,807,354	453,561,044	5.47 %	362.55
2017	334,205,000	0.61 %	266.08	73,575,895	28,257,164	436,038,059	5.05 %	347.16
2018	303,945,000	0.53 %	241.86	71,330,206	35,699,261	410,974,467	4.58 %	327.03
2019	272,620,000	0.45 %	216.78	67,156,076	34,837,915	374,613,991	4.07 %	297.88
2020	239,730,000	0.38 %	190.63	61,762,709	51,209,912	352,702,621	3.83 %	280.46

Notes:

- (1) The County does not hold any funds restricted for the repayment of debt principal.
- (a) Taxable values can be found in Table 5.
- (b) Population and personal income data can be found in Table 12.
- (c) See Notes to Basic Financial Statements, Note 8 - Debt. Special Assessment debt is shown with governmental commitment.

Source: Oakland County Department of Management & Budget, Fiscal Services Division

County of Oakland
Net County Direct and Overlapping Debt – Unaudited Table 10
September 30, 2020

	Net Amount Outstanding
Direct debt	
Building Authority bonds	\$ 40,510,000
Water & sewer special assessment debt	51,424,709
Lake Levels special assessment debt	468,000
Retirees Health Care bonds	209,090,000
Total direct debt	<u>301,492,709</u>
Overlapping debt	
Cities	832,429,638
Townships	401,376,574
Villages	31,306,862
School districts	2,891,021,017
Intermediate school districts	42,309,468
Community colleges	4,076,268
Libraries	2,796,560
Net overlapping debt	<u>4,205,316,387</u>
Net direct and overlapping debt	<u><u>\$ 4,506,809,096</u></u>

Overlapping Debt:

Property in the County is currently taxed for a proportionate share of outstanding debt obligations of overlapping governmental entities including school districts, cities, villages and townships within the County. The table above shows the County's outstanding tax supported overlapping debt as of FY end.

Source: Oakland County Treasurer and Municipal Advisory Council of Michigan

County of Oakland
Legal Debt Margin – Unaudited Table 11
Last Ten Years

Year	State Equalized Valuation	Debt Limit 10% of SEV	Amount of Debt Applicable to Limit	Legal Debt Margin	Debt Applicable to Limit as a Percentage of Debt Limit
2011	\$ 52,453,460,343	\$ 5,245,346,034	\$ 798,634,635	\$ 4,446,711,399	15.23%
2012	50,839,024,966	5,083,902,496	823,206,612	4,260,695,884	16.19%
2013	51,429,923,815	5,142,992,382	1,168,123,578	3,974,868,804	22.71%
2014	55,084,607,293	5,508,460,729	737,931,143	4,770,529,586	13.40%
2015	60,806,103,774	6,080,610,377	727,915,288	5,352,695,089	11.97%
2016	65,084,851,114	6,508,485,111	743,347,532	5,765,137,579	11.42%
2017	69,008,352,209	6,900,835,221	711,202,791	6,189,632,430	10.31%
2018	71,871,358,847	7,187,135,885	674,306,686	6,512,829,199	9.38%
2019	76,716,002,295	7,671,600,230	611,908,264	7,059,691,966	7.98%
2020	81,195,394,914	8,119,539,491	633,225,390	7,486,314,101	7.80%

Sources:

Equalized Valuations = Oakland County Department of Management & Budget, Equalization Division

Debt = See Notes to Financial Statements, Notes No. 4 & 8

County of Oakland
Demographic and Economic Statistics – Unaudited Table 12
Last Ten Years

Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate
2011	1,212,643	\$ 65,557,083	\$ 54,061	7.90 %
2012	1,223,598	70,716,825	57,794	7.70 %
2013	1,235,468	71,318,194	57,726	6.60 %
2014	1,242,853	75,826,473	61,010	5.00 %
2015	1,244,602	80,606,246	64,765	3.70 %
2016	1,251,027	82,949,297	66,305	3.60 %
2017	1,256,016	86,345,403	68,745	3.40 %
2018	1,256,694	89,660,752	71,347	3.20 %
2019	1,257,584	92,144,604	73,271	2.90 %
2020	1,257,584 (a)	92,144,604 (a)	73,271 (a)	6.80 %

(a) Current data not available at the time of publication.

Sources:

Population and Personal Income = Michigan Bureau of Economic Analysis

Unemployment Rate = Michigan Department of Technology, Management & Budget

**County of Oakland
Principal Employers – Unaudited Table 13
Current Year and Nine Years Ago**

Employer	Fiscal Year 2020			Fiscal Year 2011		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Beaumont Health System	17,071	1	2.89%	11,235	1	2.12%
FCA US LLC (formerly Chrysler)	13,156	2	2.22%	8,194	2	1.55%
General Motors Corporation	7,604	3	1.29%	7,729	3	1.46%
United Wholesale Mortgage	6,241	4	1.05%	n/a	n/a	n/a
Ascension Michigan (formerly St John Providence Hospital)	5,699	5	0.96%	4,484	5	0.85%
Henry Ford Health System	5,454	6	0.92%	3,425	9	0.65%
U.S. Postal Service	4,880	7	0.82%	3,431	8	0.65%
Oakland County Government	3,583	8	0.61%	3,243	10	0.61%
Magna International of America Inc.	2,389	9	0.40%	n/a	n/a	n/a
Trinity Health (formerly St. Joseph Mercy)	2,357	10	0.40%	5,378	4	1.02%
Blue Cross Blue Shield of Michigan	n/a	n/a	n/a	3,515	7	0.66%
Botsford Health Care	n/a	n/a	n/a	3,525	6	0.67%
	<u>68,434</u>		<u>11.57%</u>	<u>54,159</u>		<u>10.24%</u>

Source

Oakland County Department of Planning & Economic Development

County of Oakland

County Employees by Function/Program – Unaudited Table 14

Last Ten Fiscal Years

Functions/Programs	Employees as of September 30 (1)									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General government										
County Executive Administration	64	63	62	62	60	60	60	47	47	47
Management & Budget	197	188	188	188	188	188	189	204	203	205
Central Services	64	62	61	61	61	60	59	59	58	66
Human Resources	58	56	50	49	48	48	46	46	47	49
Board of Commissioners	36	33	31	30	30	30	30	34	34	34
Clerk/Register of Deeds	112	112	112	112	112	112	112	112	116	118
County Treasurer	46	46	46	46	46	47	47	46	46	44
Public Safety										
Sheriff	1,257	1,239	1,205	1,200	1,169	1,117	1,107	1,088	1,119	1,024
Community Corrections	72	61	60	60	59	59	59	60	58	59
Animal Control	57	34	37	37	38	37	36	36	33	26
Justice Administration										
Circuit Court	433	420	420	417	415	412	410	410	409	431
District Court	217	191	189	189	190	188	186	188	185	184
Probate Court	54	53	53	53	52	51	49	49	49	54
Prosecuting Attorney	176	169	169	169	169	170	171	170	172	175
Medical Examiner	26	26	26	26	26	26	26	26	26	26
Citizens Services										
Administration	2	2	2	2	2	2	2	2	2	2
Health	375	351	347	357	365	366	369	370	373	378
Homeland Security	11	11	11	11	11	11	12	12	16	13
Children's Village	224	214	211	206	203	201	192	192	189	185
Veterans' Services	16	16	16	16	16	16	16	16	16	16
MSU Extension-Oakland County	14	13	13	13	13	13	15	15	15	15
Public Works										
Water Resources Commissioner	385	382	378	376	370	314	266	263	263	264
Facilities Management	189	189	199	197	194	190	189	187	188	189
Information Technology	177	173	173	173	166	160	159	161	161	164
Recreation and Leisure										
Library Board	5	6	6	6	6	7	7	7	10	10
Parks and Recreation	511	497	484	440	441	425	421	378	379	376
Commerce and Community Development										
Administration	17	15	14	14	14	12	12	12	12	12
Planning and Economic Development Services	46	48	49	48	48	49	48	46	46	47
Community and Home Improvement	22	22	22	22	22	22	22	23	23	23
Workforce Development	10	9	9	9	9	9	9	9	9	9
Totals	<u>4,873</u>	<u>4,701</u>	<u>4,643</u>	<u>4,589</u>	<u>4,543</u>	<u>4,402</u>	<u>4,326</u>	<u>4,268</u>	<u>4,304</u>	<u>4,245</u>

(1) Employee count reflects authorized, budgeted positions

Source

Oakland County Human Resources Department

**County of Oakland
Operating Indicators by Function/Program – Unaudited Table 15
Last Ten Fiscal Years**

Functions/Programs	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Law Enforcement										
Dispatched Calls	379,498	405,609	389,998	375,492	333,680	292,131	286,235	272,066	197,767	168,685
Arrests	7,240	12,452	13,404	13,200	13,727	11,355	11,943	11,525	12,126	10,999
Inmate bookings	9,554	16,554	17,351	18,124	18,236	18,789	19,317	19,913	19,796	19,889
Judicial										
Circuit Court civil/criminal cases disposed	9,518	12,495	11,319	10,889	11,132	10,981	11,742	12,442	13,147	14,212
District Court cases filed	77,576	120,682	124,569	118,358	119,077	122,934	119,347	118,307	119,643	123,860
Citizen Services										
Veteran benefits claims filed	3,222	4,435	4,645	5,114	5,544	5,697	5,461	6,202	6,805	6,848
Deeds/Mortgages	128,702	98,804	92,210	101,409	107,252	101,807	90,969	119,116	109,403	86,034
Jobs retained and created	2,978	6,235	10,108	33,804	19,053	10,057	11,332	8,866	9,269	8,365
Immunizations	25,014	43,350	55,105	45,951	51,086	59,156	54,600	61,141	62,309	80,741
Community Development										
BFC/EDC Loans	11	5	20	20	13	26	34	40	28	26
Applications for home improvement	300	512	440	560	519	393	533	500	387	384
Single family homes rehabilitated	172	272	244	207	183	206	198	183	163	165
Parks and Recreation										
Participants-Parks/County Market	989,184	1,119,711	1,317,042	1,285,490	999,654	913,524	1,147,845	1,358,617	1,221,658	942,019
Participants-Golf Courses	116,552	147,047	140,452	147,388	160,895	164,067	104,492	95,531	130,281	116,804
Participants-Recreation Facilities	197,858	606,342	577,786	500,395	456,053	492,530	485,981	437,407	411,068	390,106
Participants-Banquet Facilities	27,820	60,671	67,515	71,488	75,449	89,888	87,436	90,915	125,008	109,420
Airports										
Takeoffs and landings	123,332	140,028	130,762	131,294	125,132	126,070	111,672	117,981	128,766	119,347
Public Works										
Water and sewer customers	124,040	122,747	118,415	120,989	119,630	78,432	79,312	78,096	77,280	76,784
Water main breaks	129	148	165	114	133	156	123	128	79	85
Water permits issued	214	278	596	849	734	884	921	902	626	337

Source

Oakland County Department of Management & Budget, Fiscal Services Division and other individual departments

**County of Oakland
Capital Asset Statistics by Function/Program – Unaudited Table 16
Last Ten Fiscal Years**

Functions/Programs	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Justice and Law Enforcement										
Correction facilities capacities	1,664	1,664	1,664	1,508	1,653	1,653	1,653	1,653	1,653	1,666
Substations	13	13	13	13	13	13	13	13	14	14
Parks and Recreation										
Number of county parks	14	13	13	13	13	13	13	13	14	13
Park acreage	6,849	6,747	6,743	6,743	6,743	6,756	6,756	6,756	6,643	6,643
Airport										
Number of runways	5	5	5	5	5	5	5	5	5	5
Number of T-Hangars	644	646	646	646	646	646	646	650	738	738
Facilities										
Buildings	41	41	41	40	40	40	40	40	40	40
County facilities square footage	1,922,091	1,922,091	1,922,091	1,885,019	1,891,804	1,888,888	1,890,262	1,936,042	1,913,681	1,881,125
Public Works										
Combined Sewer Overflow Retention										
Treatment Facilities	4	4	4	4	4	4	4	4	4	4
Water mains (miles)	313.08	312.83	364.52	362.93	441.61	439.71	515.79	160.63	136.41	133.03
Water storage capacity (millions of gallons)	15.00	15.00	16.50	17.50	15.07	15.07	15.07	3.07	3.07	3.07
Sewers (miles)	144.31	144.54	144.48	144.35	144.93	138.34	138.41	138.42	138.29	137.32
Permitted Sewer treatment capacity (millions of gallons)	15,576.88	15,566.91	15,566.91	15,566.91	15,566.91	15,579.69	15,579.69	15,567.62	15,594.90	15,594.90

Sources

Various County departments

County of Oakland
Building Authority Data (1) – Unaudited Table 17
September 30, 2020

	City of Oak Park Project	Facilities Infrastructure & IT Projects	CMHA Building Renovation	Animal Control & Pet Adoption Center Debt	City of Keego Harbor Debt	CMHA Housing Proj Refunding	52/3 District Court Bldg. Refunding	Work Release JailMgt/Video Refunding
Cash	\$ -	\$ -	\$ -	\$ 4,806,654	\$ -	\$ 14	\$ 5	\$ -
Lease receivable	-	-	-	-	-	1,305,000	-	-
Other assets	-	95,250	-	24,410	-	206	-	-
Deferred inflows - contracts	-	-	-	-	-	1,305,000	-	-
Other liabilities	-	95,245	-	-	-	-	-	-
Current year activity:								
Transfers in	-	2,220,500	-	-	-	-	1,297,300	85,500
Leases and other income	37,053	-	110,513	93,941	18,875	341,473	-	374
Issuance of refunding bonds, incl. premiums	1,933,246	-	7,269,244	-	919,095	-	-	4,359,573
Debt service:								
Principal	1,990,000	2,000,000	7,815,000	640,000	895,000	290,000	1,120,000	4,275,000
Interest	83,539	220,500	261,025	395,606	36,788	51,350	177,000	142,500
Fiscal charges	300	-	-	500	-	500	300	-
Contractual services	11,620	-	43,917	500	5,867	-	-	27,947
Transfers out	1,135	-	2,390	-	169	-	-	5
Principal and interest requirements:								
2021	-	2,209,750	-	1,037,656	-	322,150	1,311,000	-
2022	-	2,222,125	-	1,034,457	-	338,375	1,291,500	-
2023	-	2,207,625	-	1,032,606	-	322,800	-	-
2024	-	-	-	1,031,906	-	330,400	-	-
2025	-	-	-	1,025,681	-	102,000	-	-
Thereafter	-	-	-	11,343,598	-	-	-	-
	<u>\$ -</u>	<u>\$ 6,639,500</u>	<u>\$ -</u>	<u>\$ 16,505,904</u>	<u>\$ -</u>	<u>\$ 1,415,725</u>	<u>\$ 2,602,500</u>	<u>\$ -</u>

(continued)

(1) Excludes debt reported in Proprietary Funds

County of Oakland
Building Authority Data (1) – Unaudited Table 17 (Continued)
September 30, 2020

	Office Bldg. Renovation Refunding	Sheriff Substation Refunding	City of Keego Harbor Refunding	WkRel-Jail Mgt Video Refunding	City of Oak Park Refunding	CMHA Bldg Reno. Refund Refunding	Office Bldg. Reno Refund Refunding	Totals
Cash	\$ -	\$ 118	\$ 41,968	\$ 305	\$ 1,135	\$ 2,390	\$ 305	\$ 4,852,894
Lease receivable	-	-	790,000	-	1,700,000	5,555,000	-	9,350,000
Other assets	-	108	16	-	91,633	647,553	-	859,176
Deferred inflows - contracts	-	-	790,000	-	1,700,000	5,555,000	-	9,350,000
Other liabilities	-	-	-	-	794	1,722	-	97,761
Current year activity:								
Transfers in	592,047	-	168	1,432,747	1,135	2,390	1,271,911	6,903,698
Leases and other income	542	203,786	87,100	-	90,839	647,552	-	1,632,048
Issuance of refunding bonds, incl. premiums	6,322,806	-	-	-	-	-	-	20,803,964
Debt service:								
Principal	6,670,000	200,000	45,000	1,425,000	-	-	1,265,000	28,630,000
Interest	202,949	4,131	285	7,442	-	1,722	6,606	1,591,443
Fiscal charges	-	250	-	-	-	-	-	1,850
Contractual services	42,446	-	-	-	-	-	-	132,297
Transfers out	5	-	-	-	-	-	-	3,704
Principal and interest requirements:								
2021	499,094	-	55,123	1,500,460	123,588	788,813	1,288,672	9,136,306
2022	499,694	-	50,763	1,445,250	129,900	794,500	1,284,625	9,091,189
2023	485,093	-	49,512	-	126,400	797,250	1,271,750	6,293,036
2024	-	-	53,138	-	127,775	803,375	1,276,125	3,622,719
2025	-	-	51,638	-	128,900	783,375	-	2,091,594
Thereafter	-	-	787,793	-	1,585,000	3,653,375	-	17,369,766
	<u>\$ 1,483,881</u>	<u>\$ -</u>	<u>\$ 1,047,967</u>	<u>\$ 2,945,710</u>	<u>\$ 2,221,563</u>	<u>\$ 7,620,688</u>	<u>\$ 5,121,172</u>	<u>\$ 47,604,610</u>

(1) Excludes debt reported in Proprietary Funds



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