



OAKLAND COUNTY MICHIGAN



2011

Financial Summary

Fiscal Year ending September 30, 2011



Prepared by

Department of Management & Budget

Laurie Van Pelt, Director



To the Citizens of Oakland County:

I am pleased to present the Financial Summary for Fiscal Year 2011. Each year the County of Oakland publishes a document called the Comprehensive Annual Financial Report (CAFR). This report contains financial statements for the County, which are prepared in accordance with Generally Accepted Accounting Principles (GAAP) and the standards and guidelines set by the Governmental Accounting Standards Board. The CAFR also includes an independent auditor's report which states the information contained in the financial statements has been reviewed by the firm, and with reasonable assurance, the financial information is complete, presented accurately, and in the correct format. To meet GAAP requirements, much of the information in the report is technical and complex, resulting in a document that is not very user friendly for the average person. This financial summary has been prepared to provide a less technical discussion of County finances. It also includes a brief discussion of select County programs and initiatives. Hopefully, this document will help Oakland's residents gain a better understanding of County government.



I am also pleased to announce Oakland County's Financial Summary for 2010 has received the prestigious Popular Annual Financial Report Award from the Government Finance Officers Association of the United States and Canada, which is detailed on page two of this document.

Once again, the intent of this report is to portray financial information presented in the CAFR using more easily understood terms. It is not intended to replace the CAFR, which is available from the Department of Management and Budget. It is designed to assist those who want or need a less technical overview of the County's financial activities.

L. Brooks Patterson
Oakland County Executive

Award for Outstanding Achievement in Popular Annual Financial Reporting

PRESENTED TO

**Oakland County
Michigan**

**for the Fiscal Year Ended
September 30, 2010**



Linda C. Danson
President

Jeffrey L. Esser
Executive Director

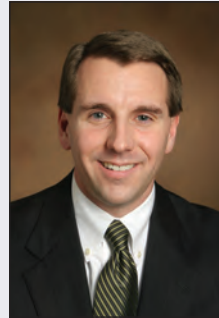
GFOA Award Presented

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Oakland County for its Popular Annual Financial Report for the fiscal year ended September 30, 2010. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

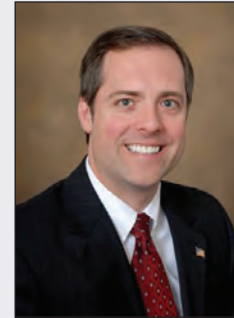
In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. Oakland County has received a popular award for the last fourteen consecutive years (fiscal years ending 1997-2010). We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to the GFOA.

BOARD OF COMMISSIONERS FOR FISCAL YEAR 2011



Michael J. Gingell
Chairperson
Lake Orion



Jeff Matis
Vice-Chairperson
Rochester

Commissioners	City/Twp. of Residence
Mike Bosnic	Clawson
Craig Covey	Ferndale
Kathy Crawford	Novi
William Dwyer	Farmington Hills
Marcia Gershenson	Bloomfield Hills
Robert Gosselin	Troy
Tim Greimel	Auburn Hills
Mattie M. Hatchett	Pontiac
Bob Hoffman	Highland
Janet Jackson	Southfield
Christine A. Long	Commerce Twp
Gary R. McGillivray	Madison Heights
Thomas F. Middleton	Clarkston
Jim Nash	Farmington Hills
Beth Nuccio	Ortonville
David W. Potts	Birmingham
Nancy Quarles	Southfield
Jim Runestad	White Lake
John A. Scott	Waterford
Shelley G. Taub	Bloomfield Twp
Philip J. Weipert	South Lyon
Dave Woodward	Royal Oak
Helaine Zack	Huntington Woods

AN OVERVIEW OF OAKLAND COUNTY

Incorporated in 1820, Oakland County covers an area of approximately 910 square miles with a population over 1.2 million. The County's reputation as a world class community is due not only to its renowned business environment, but to many attributes that contribute to an excellent quality of life. Oakland offers unsurpassed natural beauty, thriving downtown communities, top-notch schools, first class entertainment venues and state-of-the-art medical facilities which make it a great place to live, work, play, learn and raise a family.

Oakland has a reputation as home to many of the region's top educational facilities. There are multiple institutions of higher learning located in the County, including Lawrence Technological University and the highly regarded Oakland University. Degree granting institutions with campuses in Oakland County provide students with more than 1,000 undergraduate and 700 graduate degree programs to choose from including the state's newest medical school, the William Beaumont School of Medicine at Oakland University which welcomed its first class of students in August 2011.



Cultural entertainment venues include the popular Meadow Brook Theatre as well as the Meadow Brook and DTE Energy Music Theaters. The County's museums include the world-renowned Cranbrook Academy of Art Museum, the Cranbrook Institute of Science and the W. P. Chrysler Automotive Museum. The Holocaust Memorial Center, in Farmington Hills, is the nation's first freestanding museum dedicated to the memory of the Holocaust. The Detroit Zoo is also located in Oakland County with 125 acres of naturalistic exhibits including the unique "Arctic Ring of Life" polar bear exhibit.

For sports fans, the Palace of Auburn Hills is home to the NBA's Detroit Pistons. The Palazzo di Bocce offers 10 championship quality Bocce courts and fine Italian dining. Golf enthusiasts enjoy numerous public and private golf courses, some of which have hosted PGA Championships, U.S. Opens, U.S. Senior Opens and the prestigious Ryder Cup. In addition, three major downhill ski areas operate within the County.

Shopping opportunities also abound - Oakland County has an extensive collection of malls and shopping centers ranging from the small village shopping district to multi-floor enclosed malls found in most major cities. From luxury retailers at Somerset Collection to value-oriented stores at Great Lakes Crossing Outlets, Oakland County offers shopping to meet the needs of residents and visitors alike.

Every August, the nationally recognized Woodward Dream Cruise attracts over one million visitors and 40,000 custom or classic cars to the communities along Woodward Avenue. Other popular annual events include the Michigan Renaissance Festival, Arts, Beats & Eats, the County's premier food, arts and entertainment festival and Quake on the Lake, an exciting summertime event featuring hydroplane racing.

Oakland County has a unique blend of cities, towns and villages to fit any lifestyle. Oakland's communities range from villages, like Milford, with quaint downtown shopping districts to cities like Birmingham with upscale shops, restaurants, art galleries, theatres and nightclubs. For those enjoying a quieter pace, the County has many rural areas and lake communities. No matter where they live, residents are never more than a 20-minute drive or walk from the nearest park, nature trail or lake. Oakland County contains more than 89,000 acres of recreational property, approximately 1,450 inland lakes and the headwaters of five major rivers within its borders. With over 16,300 lakefront home sites, Oakland County is a true water wonderland.

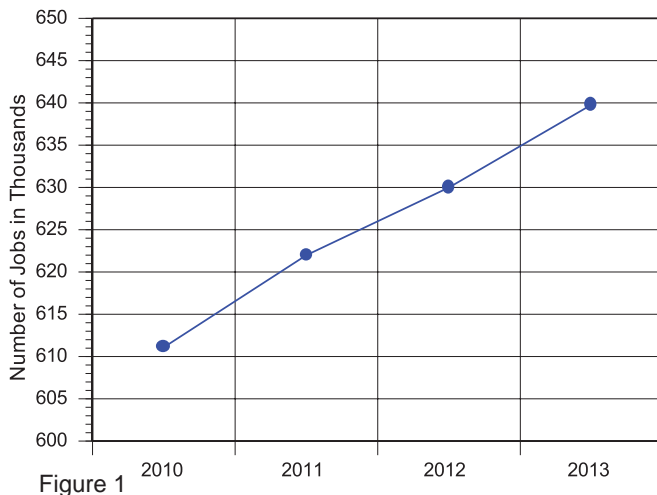


Oakland County's Economy

Oakland County is generally recognized as one of the elite local economies in the United States. The County's strong economic fundamentals and forward-looking policy initiatives are key reasons why it ranks among the one percent of U.S. counties with a AAA bond rating from multiple agencies. Although dire economic situations over the past decade, including the bankruptcy of Chrysler and General Motors, cost the County a large segment of its automotive workforce, a resurgence of the economy is on the horizon. Oakland had endured job losses of 58,000 from the end of 2008 to the end of 2009 but showed a promising turnaround with job creation of 13,000 by the end of 2010. Despite the fluctuations in job growth, certain sectors continue to show potential as the County continues to transition away from an industrial economy. The majority of the gains in 2010 were in sectors such as professional and business services, information technology, private education and health services.

Diversifying the economic base will not make Oakland County recession proof; however it will ensure the County's resistance to future recessions. Due to its favorable standing on education, Oakland County is well positioned to continue its transformation from a traditional industrial economy to a knowledge-based economy. In fact, twenty-one percent of all bachelor, graduate/professional and doctorate degrees in the State of Michigan are held by Oakland County residents.

EMPLOYMENT TRENDS



According to the April 2011 Oakland County Economic Outlook report prepared by the University of Michigan, the Oakland County economy is in the early stages of a sustained recovery supported by improvements in the U.S. economy and in the post-bankruptcy domestic auto industry. This is demonstrated by forecasted job gains of 10,908 in 2011, 8,012 in 2012 and 9,729 in 2013. Figure 1 illustrates this upward trend.

In September 2011, Oakland's unemployment rate was 10.3% which exceeded both the national average of 8.8% and the State of Michigan's 10.1%. Unemployment rates for the past decade are illustrated in Figure 2.

UNEMPLOYMENT RATES

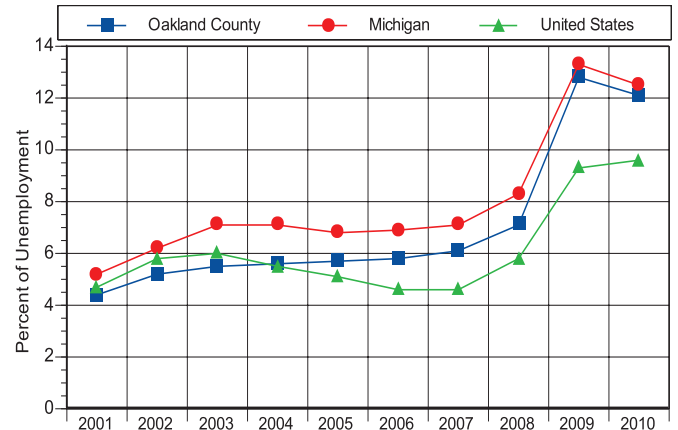


Figure 2

Throughout this turbulent time, the County has continued to introduce economic growth initiatives such as Automation Alley, Main Street, Emerging Sectors and Medical Main Street. Such initiatives are supporting the County's economic resiliency and proving its ability to embrace change. As a result, Oakland County is Michigan's leading center for international commercial activity with 721 companies representing 37 countries with locations in the County.

Oakland County's Tax Base

Despite the weak economy, Oakland County's home ownership rate of 75.5% is higher than both the State's 74.6% and the U.S. average of 66.9%. The County has consistently maintained a prudent and conservative approach

STATE TAXABLE VALUE

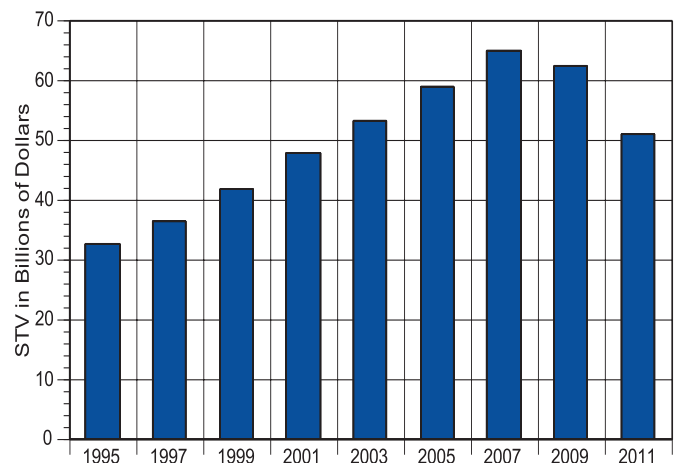


Figure 3

TAX LEVY

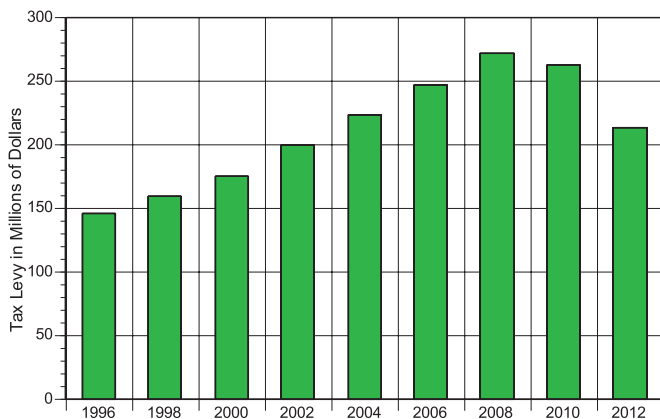


Figure 4

to tax revenues by controlling the millage rate levied on the tax base. The County millage rate for the July 1, 2011 property tax levy remained at 4.19 mills for operations. In fact, this rate has not changed in over a decade. Although initial signs indicate an economic recovery has begun in Michigan, property values have not recovered from the real estate market collapse. The resulting decrease in taxable value and subsequent decline in tax levies are depicted in Figures 3 and 4.

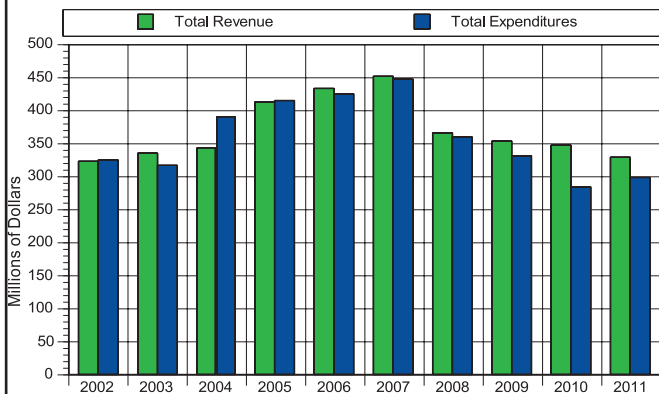
Oakland County's Financial Condition

The County's elected officials and staff have developed policies and procedures to ensure Oakland County government has the fiscal stability to maintain quality services, regardless of the local economic composition. It is County policy to fund ongoing operations with recurring revenues, rather than through the arbitrary use of fund balance or issuance of debt. Long term financial planning has allowed the County to reduce expenditures thus creating surpluses to cover anticipated revenue shortages in future years. Identifying opportunities for increased efficiencies and continuous efforts to reduce expenditures have become embedded in the County's culture at all organizational levels. This prudent discipline ensures that structural budget difficulties do not develop. To further support long-term financial planning, the County has expanded its two-year budget to a three-year budget.

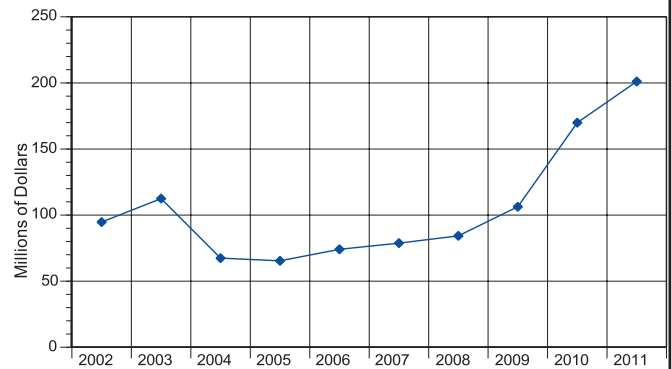
Fiscal stability is also enhanced through the annual budget process which appropriates for full utilization of the County's 4,304 authorized positions. Should vacancies occur or positions be filled at a level lower than authorized, the resulting favorable variance falls to fund balance.

The County's diverse economic base, strong financial operations and financial management, coupled with strong

GENERAL FUND REVENUES AND EXPENDITURES



CHANGE IN GENERAL FUND EQUITY



Source: Oakland County Comprehensive Financial Reports

Figure 5

Revenue and Expenditures (millions):

	2002	2003	2004(a)	2005 (b)	2006 (b)	2007 (b)	2008	2009	2010(c)	2011
Total Revenue	\$322.0	\$334.8	\$343.8	\$412.4	\$432.9	\$452.1	\$365.1	\$352.9	\$347.8	\$328.9
Total Expenditures	324.4	317.0	388.9	414.4	424.2	447.4	359.6	330.9	284.2	297.7
Excess (Shortfall)	(2.4)	17.8	(45.1)	(2.0)	8.7	4.7	5.5	22.0	63.6	31.2
Beginning Equity	97.1	94.7	112.5	67.4	65.4	74.1	78.8	84.3	106.3	169.9
Ending Equity	\$94.7	\$112.5	\$67.4	\$65.4	\$74.1	\$78.8	\$84.3	\$106.3	\$169.9	\$201.1
As a % of Revenue	29.41%	33.60%	19.60%	15.86%	17.12%	17.43%	23.09%	30.12%	48.85%	61.14%

(a) 2004 decrease in fund equity due to \$50.9 million transfer to Retiree Health Care Trust Fund to help reduce the unfunded liability of the Trust.

(b) 2005, 2006 & 2007 revenues/expenditures reflect an increase in the July levy due to an acceleration in the collection of County property taxes pursuant to Michigan Public Act 357 of 2004.

(c) 2010 figures adjusted per GASB 54 restatement see Note 20 of Comprehensive Annual Financial Report

reserves and a moderate debt burden have allowed the County to maintain the highest bond rating achievable, AAA, from both Standard & Poor's and Moody's Investor Services, Incorporated. This rating allows the County to borrow at the lowest possible interest rate, saving the County millions of dollars in future borrowing costs. Local municipalities can also utilize the County's bond rating to borrow funds.

The General Fund is the County's principal operating fund, recording the operations of typical governmental functions. A favorable General Fund balance is an indicator of a healthy operating environment. Since 2002, Oakland County's general fund balance has increased by a total of \$106.4 million. The increase is primarily attributable to the County's effort to limit spending while maintaining services. This is accomplished by analyzing vacant positions for possible elimination or filling with part-time non-eligible employees, limiting contractual services and commodity expenditures as well as requiring internal service funds to absorb rate increases instead of relying on the General

Fund. A concentrated effort to build additional resources to cover anticipated revenue reductions has also contributed to the increase in recent years. The issuance of debt is also limited. Debt is only issued after other sources of funding (operating budget, existing fund balance, etc.) have been explored. The County has the authority to issue up to \$5.2 billion in debt (10% of its State Equalized Value); however, the actual outstanding debt is \$748.63 million, 14.3% of the permissible amount. Figure 5 (on page 5) provides a historical view of the County's General Fund balance.

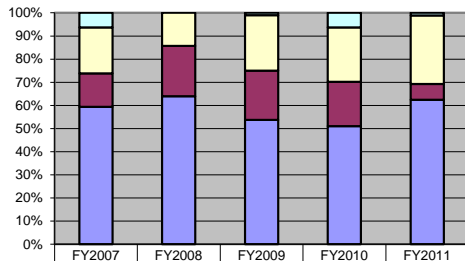
Many other types of funds are used in accordance with Generally Accepted Accounting Principles (GAAP) to record the programs and services provided by the County. Special Revenue funds are used to record the activities that receive monies for restricted purposes such as Friend of the Court and all grant-funded activities. Debt Service funds record the transactions related to the assessment of tax levies and payment of principal and interest of long-term debt, usually bonds. Capital Project funds account for the purchase or

FIVE YEAR REVENUE AND EXPENDITURE TRENDS

Governmental and Enterprise Revenues and Expenditures as a Percentage of Category

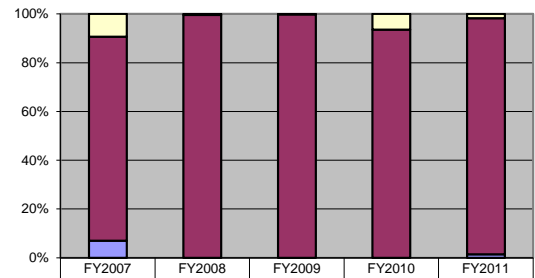
Data table values in millions of dollars

Revenues - Governmental Funds



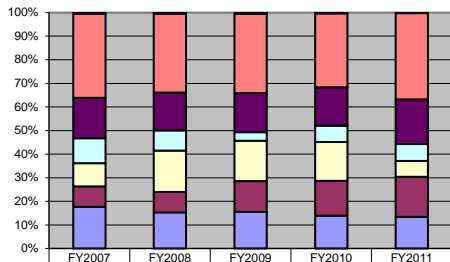
Investment Income & Other	\$37	\$-	\$5	\$30	\$4
Charges for Services	\$117	\$61	\$114	\$110	\$100
Intergovernmental	\$86	\$93	\$101	\$90	\$23
Taxes & Special Assessments	\$352	\$273	\$256	\$240	\$210

Revenues - Enterprise Funds



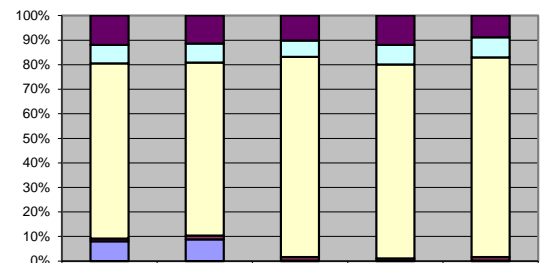
Investment Income & Other	\$20	\$1	\$0	\$14	\$4
Charges for Services	\$176	\$177	\$192	\$199	\$209
Taxes & Special Assessments	\$15	\$-	\$-	\$-	\$3

Expenditures - Governmental Funds



Recreation & Leisure	\$2	\$2	\$3	\$2	\$1
Public Safety	\$193	\$195	\$195	\$179	\$177
Justice Administration	\$92	\$93	\$96	\$93	\$92
Public Works	\$57	\$50	\$21	\$39	\$34
General Government	\$53	\$102	\$99	\$94	\$33
Commerce & Comm. Dev.	\$47	\$51	\$76	\$84	\$82
Direct Citizen Services	\$95	\$89	\$90	\$79	\$65

Expenditures - Enterprise Funds



Recreation & Leisure	\$22	\$21	\$19	\$21	\$20
Public Safety	\$14	\$14	\$12	\$14	\$18
Public Works	\$129	\$129	\$152	\$141	\$181
General Government	\$2	\$3	\$3	\$2	\$3
Commerce & Comm. Dev.	\$14	\$16	\$0	\$0	\$1

construction of major capital facilities, like buildings, drains and sewer projects. Enterprise funds account for functions that are financed primarily through user charges and operate similar to businesses, such as the airports, water and sewer operations and the parks.

The overall revenues and expenditures for County functions illustrated in Figure 6 (opposite page) are derived from Governmental and Proprietary Fund Statements presented in the Comprehensive Annual Financial Report (CAFR). The Revenue Trend graphs provide a 5-year history on County revenue sources. Please note that Intergovernmental Revenue includes federal and state grants as well as other intergovernmental revenue. The Expenditure Trend graphs show expenditures by major activities within the County. Internal Service fund revenues and expenditures have not been included in these totals. Also, the funds of the component units (Road Commission and Chapters 20 & 21 Drainage Districts) are not presented as these services are provided by other County entities. However, General Fund transfers to the Internal Service funds are included as expenditures to more accurately reflect the use of County tax revenues.

REVENUES

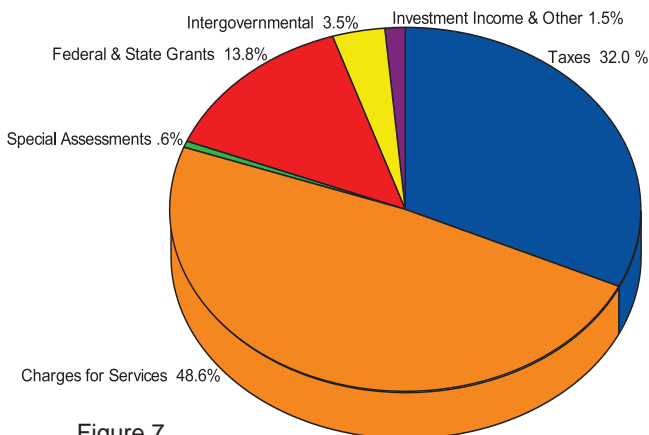


Figure 7

The distribution of County revenues are illustrated in Figure 7 and defined as follows:

Taxes: The County's actual property tax for General Fund operations is based on a rate of 4.19 mills which is less than the maximum authorized millage rate of 4.2240 mills. Parks and Recreation is also supported by taxes of .2415 mills and is reported as an Enterprise fund.

Special Assessments: Funds received from charges to parties benefiting from the County's drainage systems, lake level controls and lake improvements.

Federal and State Grants: Restricted funding provided by federal or state governments.

Other Intergovernmental: Revenue from state or local governments in the form of shared revenue or reimbursements.

Charges for Services: Revenue from fees received for purchased services.

Investment Income and Other: Interest on investments, revenue from rebates, refunds of prior year's expenditures, transfers in from other funds and miscellaneous sources.

MAJOR PROGRAM EXPENDITURES

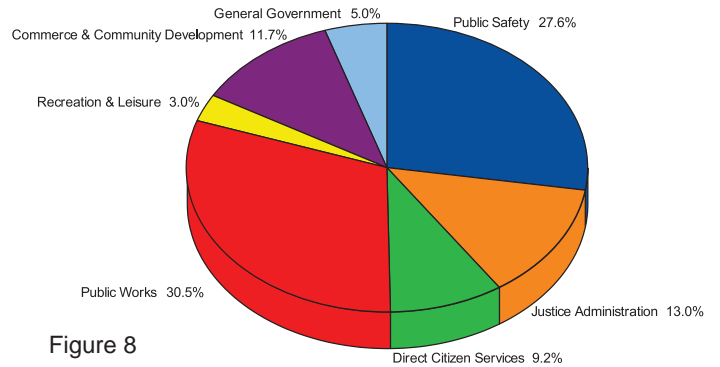


Figure 8

For presentation purposes, County expenditures were broken into seven broad program areas as illustrated in Figure 8: General Government, Public Safety, Justice Administration, Recreation and Leisure, Direct Citizen Services, Commerce and Community Development and Public Works.

General Government includes all areas of the County involved in the administration and financial aspects of County business. Included in this program are the County Executive, Board of Commissioners, Treasurer, Management and Budget, Human Resources and Central Services Departments. The Election Division, which oversees countywide elections and records Board of Commissioners' minutes, is also included.

Public Safety consists of all aspects of law enforcement including the Sheriff's Office, Community Corrections, Probation, Children's Village, Homeland Security and some Circuit Court programs. It also includes Animal Control, which has investigative and enforcement responsibilities, and Information Technology programs that support local community law enforcement.

Justice Administration includes the Circuit, 52nd District and Probate Courts as well as the Prosecuting Attorney's Office. The County Clerk, the official recorder of County records and Clerk to the Circuit Court, is also included.

Recreation and Leisure includes services that promote recreational, leisure and cultural activities for County citizens which are provided by Parks and Recreation, the Libraries and the Office of Arts, Culture & Film.

Direct Citizen Services represents all areas which provide direct services to individual citizens. Included in this program are Health and Human Services and Public Services Departments and various County Clerk, Prosecuting Attorney, Board of Commissioners and Circuit Court services.

Commerce and Community Development reflects all efforts to promote and sustain a strong business and economic climate, a healthy environment and vibrant communities. The Department of Economic Development and Community Affairs, Water Resources Commissioner, Register of Deeds and Equalization provide services in this area.

The final program, Public Works refers to all operating systems that form the infrastructure of basic County functions. Included are Facilities Management, Airport, Water Resources Commissioner, Information Technology, the majority of capital projects and all debt service expenditures associated with each program.

GENERAL GOVERNMENT

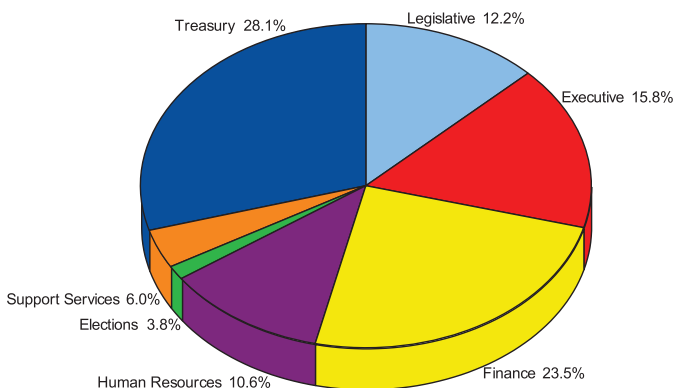


Figure 9

Executive / Legislative / Finance / Human Resources/ Treasury: Much of Oakland County’s success is a result of a focus on long-term financial planning, including the implementation of a triennial budget. These practices have ensured a balanced County budget during this time of extraordinary budget challenges and allowed the County to maintain its AAA bond rating. This forward-looking focus enables the County to anticipate problems and take action in advance of major budgetary fluctuations.

Oakland County budget documents and monthly financial reports have been available via the County website for many years. In 2011, the County launched a dashboard (<http://www.oakgov.com/dashboard>) to highlight its continuing efforts in transparency, accountability and leadership. The dashboard is designed to enable residents to monitor the progress of their county government in areas such as the three-year budget, support of small business, workforce development and community and home improvement.

PUBLIC SAFETY

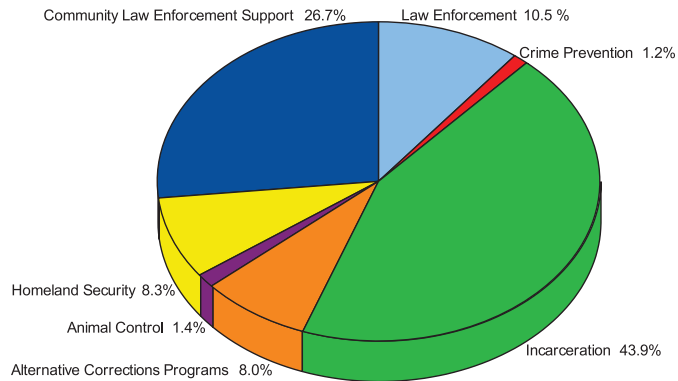


Figure 10

A major goal for the County is to insure a safe environment for residents. As a result of this focus, many initiatives have been implemented to protect citizens and their communities.

Law Enforcement: In August 2011, the Sheriff’s Office Forensic Science Laboratory was granted international accreditation competency through the American Society of Crime Laboratory Directors/Laboratory Accreditation Board (ASCLD/LAB). ASCLD/LAB-International accreditation is based upon the international accreditation standard (ISO / IEC 17025:2005) and ASCLD/LAB International supplemental requirements for testing laboratories. The Sheriff’s lab is the first forensic laboratory in the state to attain international accreditation.

The Courts and Law Enforcement Management Information System (CLEMIS) allows area law enforcement agencies to gather and share data such as police reports, dispatch information, fingerprints, booking photos and biological identification of suspects under investigation or in custody. The computer systems connect approximately 100 law enforcement agencies, located in a five-county region in southeast Michigan including Oakland, Macomb, Washtenaw, Genesee and Wayne.

After several years of planning, coordination and implementation, local public safety agencies are realizing the benefits of Oakland County’s state-of-the-art interoperable voice radio communications system. In 2011, the countywide system known as OakWIN (Oakland County Wireless Integrated Network) was fully implemented and celebrated its 10,000,000th call since implementation began in 2003. The system provides seamless radio communications for all public safety agencies within the County and currently consists of 47 tower sites with additional sites still being added. This infrastructure supports 26 emergency dispatch centers operating consoles and more than 5,000 police, fire and EMS radios in the field. The OakWIN system also allows local agencies to communicate with agencies in bordering counties and the Michigan State Police using one common radio system for matters ranging from routine calls to major events such as a manhunt, multiple-alarm fire or

severe weather disaster. The total cost to implement OakWIN was \$47.7 million which was paid for through grants and a monthly phone surcharge on all wireless and landline phones in Oakland County.



Community Law Enforcement Support: The Sheriff's Office provides contracted police services for sixteen local communities in Oakland County and serves as the "local police department" for over 340,000 residents through these contracts. In August 2011, the Sheriff's Office began providing law enforcement services for the City of Pontiac. In its final days, the Pontiac Police Department had just 50 officers, including administration. Contracting with Oakland County allowed an increase in the number of police officers, including several recalled from Pontiac PD layoff. Prior to the transition, all officers were provided with additional training to meet Sheriff's Office standards. They had to be certified on the Law Enforcement Information Network (LEIN), Sheriff's Office weapons, legal updates, Sheriff's policy and procedures in addition to emergency first-aid and CPR training. While the transition was a huge undertaking, the Sheriff's Office Pontiac Substation is running smoothly with a total force of 74 Deputies.

Incarceration: In 2011, The Sheriff's Office received a National Association of Counties (NACo) achievement award for its Jail Alliance with Support (JAWS) post-book diversion program for inmates with mental illness. This voluntary program is for male and female inmates with co-occurring substance abuse and mental health disorders who are motivated for change and positive growth. Once admitted into the program, participants are familiarized with the program criteria and their responsibilities. JAWS was enhanced to include services from several community partners and is designed to provide interventions that focus on building family relationships, parenting skills, trauma and abuse. Emphasis is placed on preparing for and placing the individual in appropriate community-based services to meet their identified needs. The program also facilitates

development of a coordinated reintegration plan, acceptable to the Court, to encourage and permit an accelerated return to the community.

Oakland County Children's Village provides residential services for youth who have been removed from the community for reasons of neglect, abuse or criminal behavior. Children's Village provides residential treatment, secure detention, and shelter care services to over 1,300 youth annually. In 2011, they received a grant extension to continue their Juvenile Reentry Initiative, a program designed to decrease recidivism among its residents. From the moment they are removed from their homes and admitted to a residential treatment program, at-risk youth are provided with necessary services including substance abuse counseling, therapeutic services and job skills training to prepare them for successful reentry into the community. The ultimate goal of this program is to reduce recidivism by 50% over 5 years by increasing positive outcomes for youth and their families.

Children's Village was also recognized for their Life Experiences for Youth Placed in Residential Treatment Program. This is a 10-week program in which residents help nurture and train abandoned dogs from the Oakland County Animal Shelter for placement with new owners. The student trainers teach basic obedience commands to the dogs while gaining a sense of accomplishment and responsibility for themselves.

Homeland Security: The Oakland County Homeland Security Division (HSD) continues to engage with internal county partners as well as federal and state agencies and area non-profit organizations to ensure those that live, work and recreate in Oakland County are safe. The HSD staff are trained and experienced in Home Preparedness, School Safety, Business Continuity Planning, Hazard Vulnerability Assessment as well as conducting real-life scenario training which are available to county residents, businesses and organizations. The Oakland County Emergency Operations Center (EOC) is the central site where county representatives and situational experts respond in the event of a disaster and/or emergency situation. Although 2011 never experienced a 'full' EOC activation, the center was 'partially activated' many times for severe weather and major events such as The Woodward Dream Cruise and Arts, Beats & Eats.

The Urban Area Security Initiative (UASI) for Southeast Michigan remains a critical component in the Homeland Security Division. Oakland County has taken a lead role in the administration and management of all regional grants functioning as the 'Regional Fiduciary'. The primary role of the S/E MI UASI is to enhance regional preparedness through training and the acquisition of resources. As a result of this role, Oakland County is able to ensure that the interests and safety of our communities are addressed.

JUSTICE ADMINISTRATION

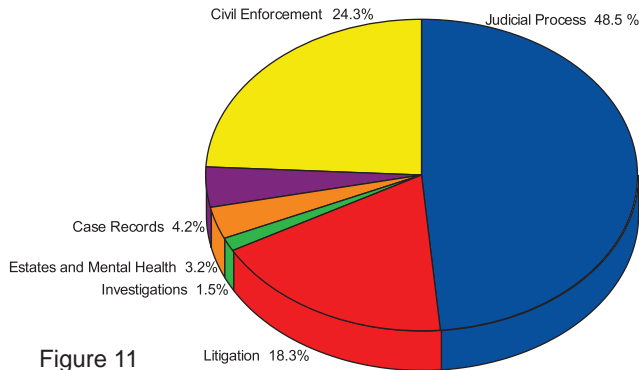


Figure 11

Oakland County’s justice administration services have undergone numerous changes in recent years to address the ever changing issues facing the criminal justice system.

Judicial Process: The Oakland County Adoption Forum is collaboration among the Oakland County Circuit Court, Family Division and the Michigan Department of Human Services, Children’s Services Administration as well as individual Lawyers/Guardian Ad Litem, Children’s Advocates and local child welfare agencies. The goal of the Adoption Forum is to provide permanency for children who wish to be adopted after their parents’ rights have been terminated. From 2008 through 2010, the Court successfully piloted a special docket concentrated on adoption permanency for Michigan Children’s Institute (MCI) wards with an emphasis on reducing the amount of time to finalize adoptions, reducing disruption of the permanency plan, making case progress through milestones and eliminating barriers to adoption while remaining judicially efficient. In 2011, the Circuit Court received a grant award to fund the court-wide institutionalization of the practices implemented during the pilot project. Institutionalization of these practices is expected to reduce the time children are in foster care, provide permanency for these children, reduce State Ward Board and Care expenses, permit all partners to access critical case information and ultimately provide a model capable of being replicated statewide.

In 2011, the 52nd District Courts joined the State of Michigan Judicial Information Systems (JIS), a court case management system provided and maintained by the State Court Administrative Office (SCAO). The change in case management systems is expected to produce significant cost savings while boosting productivity and efficiency in court operations. Key benefits of the change include reducing court budgets without cutting services, eliminating redundant operations by consolidating case management with SCAO and streamlined system maintenance.

Recreation and Leisure

Oakland County has both abundant and diverse recreational resources, including an expansive network of trails, parks

RECREATION & LEISURE

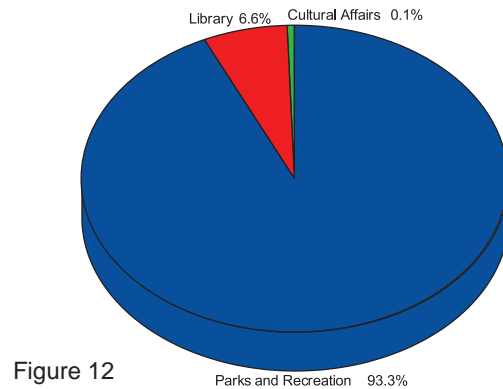


Figure 12

and open space that provide a unique recreational experience for its residents and visitors. In many areas of the county, residents are connected by local community sidewalks to larger regional trails such as the Paint Creek, Huron Valley, West Bloomfield, Polly Ann, Milford, and Clinton River Trails. Many of these trails provide access to surrounding counties, links to historic downtowns, business districts, and safe routes to school and work.

The Oakland County Trails Advisory Council continues to assist local trail groups and communities with the advancement and improvement of the trail network in the county. In 2011, the County provided assistance to the Commerce, Walled Lake, and Wixom Trailway Management Council to help ensure that the historic Walled Lake Depot was included in their \$3,755,400 acquisition grant from the DNR Trust Fund.



To date, 122 miles of the primary system are completed, 16 miles are in the planning and development stage and another 129 miles are under consideration. Overall, the network of trails promotes a healthy lifestyle by providing users an opportunity to bike, walk, run, horseback ride and cross-country ski.

Parks and Recreation: With 13 parks, Oakland County Parks and Recreation is dedicated to providing quality recreation experiences that encourage healthy lifestyles, support economic prosperity and promote protection of natural resources. There are 6,705 acres of parkland and more than 65 miles of natural and paved trails for hiking, biking, in-line skating and horseback riding.

Addison Oaks and Groveland Oaks campgrounds offer advance reservations for select campsites, cabins, modern and group sites. Trails, fishing, swimming, boating, baseball and volleyball fields, row and pedal boat rentals, bike rentals and children’s playgrounds are also available. Addison Oaks features a 24-hole disc golf course, 7.5 miles of trails and a 3.6-mile equestrian trail. Groveland Oaks features a spiraling waterslide, an 18-hole mini golf course, a skate park area and one-mile paved Thread Creek Trail.



Golf is available at five courses – Glen Oaks, Lyon Oaks, Red Oaks, Springfield Oaks and White Lake Oaks. In the summer months, enjoy the motion of the ocean without the sand or shells. Red Oaks and Waterford Oaks waterparks feature wave-action pools, waterslide and interactive water playgrounds. Canines can run and frolic off-leash year-round at Lyon Oaks, Orion Oaks and Red Oaks dog parks.

The Wint Nature Center at Independence Oaks County Park offers year-round interpretive programs and field trips as well as interactive exhibits.

In response to Oakland County residents’ requests for greenspace preservation, Parks and Recreation added 188 acres to the parks system with the opening of Independence Oaks-North in Clarkston. The park features a boardwalk connecting to a 180-foot-long fishing dock. Explore Oakland County Parks and Recreation at DestinationOakland.com.

Arts, Culture and Film: The Oakland County Film Office promotes the county as a premier filming location, provides location assistance and facilitates community introductions. They also provide support and advice to local communities

trying to navigate film and television production in their area. In 2011 they played a significant role in the creation and release of the 2011-2012 Michigan Film Production Guide, a one stop resource for motion picture and television producers seeking to hire Michigan-based behind-the-scenes talent and equipment. The guide connects Hollywood with resources for pre-production; production staff and technical crew; producers and production companies; equipment and stages; post production and interactive media; as well as support services. It also includes an introduction to Michigan and its state and local film offices. An iPhone application of the guide is also available, allowing producers to find a production contact and dial their number directly from the guide. For more information regarding the film industry in Oakland County or to view the guide online, visit www.oakgov.com/film.

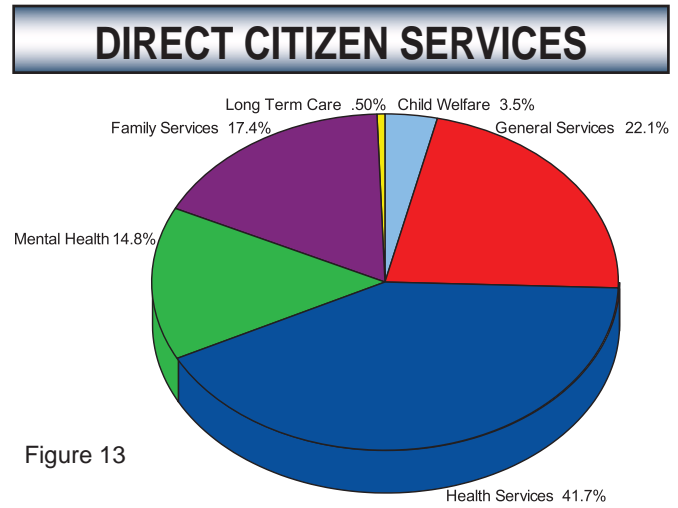


Figure 13

County Clerk/Register of Deeds: The Clerk/Register of Deeds website offers access to numerous online services as part of its “Online, Not In Line” campaign. Services include online marriage license applications, access to campaign contribution records for local candidates and political committees, a business name database and an email-based election reminder service. One of the most popular online services is Court Explorer which allows users to access and order legal records. A genealogy search service allows users to search marriage and death records by name, dating back to 1941, to find out whether a record exists in the Oakland County archives. Marriage records will show the name of the bride and groom and the marriage date. Death records can be searched by name and year of death. For more information, the full records can be ordered online; however birth records are not public records and may only be obtained by the parents or individual named in the record.

In 2011, the Clerk’s Office launched the Open Oakland Document Search which provides searchable access to the minutes of all meetings of the Oakland County Board of Commissioners from their inception in 1970 to present. Considered a milestone in transparency in County Government, the Open Oakland site also contains

agendas, reports, resolutions, County Ordinances, Interlocal Agreements between the county and various municipalities and copies of official election canvasses. Complete minutes of caucus meetings of the majority party beginning in 2008 are also available. The documents are searchable by keyword, meeting date, meeting type and date range. Open Oakland is the first project of its kind in the state of Michigan to cover such a wide range of official documents. The Open Oakland archives can be accessed by going to www.oakgov.com/clerkrod and clicking on the green Open Oakland button.

Public Health: In 2011, Oakland County Health Division (OCHD) received outstanding commendation from the State of Michigan when it met all 117 essential requirements during an intensive accreditation review that ensures Oakland County meets the minimum mandates required by state funded contracts. Special recognition was given to OCHD in every section of the review.

Oakland County's Immunization Action Program (IAP) is the county's premier resource to protect residents from avoidable disease. Oakland County's current immunization rate has increased by 19% in the last two years and currently stands at 70% in 2011. IAP effectively assesses community immunization needs, assists health care providers to improve safe vaccine delivery practices, helps child care centers and schools increase immunization rates, provides technical assistance in utilization of the statewide immunization registry, and educates about the importance of vaccination to afford current knowledge in the ever-changing world of immunization requirements.

The National Association of City and County Health Officials (NACCHO) recognized Oakland County Health Division's Nurse on Call (NOC) Program as a Promising Practice in 2011. NOC provides an innovative mechanism for clients to receive health promotion and disease prevention information and interact with a public health professional about health concerns. In view of recent economic challenges, NOC was re-invented, expanded and marketed to respond to an increased need for community assistance. In 2011, 14,560 individuals received general and health information or community referrals from NOC.

The Hearing and Vision Program provides state-mandated screening to identify and refer to treatment for hearing and vision problems, which may impede a child's development and academic performance. Screenings were conducted within the county's twenty-eight school districts and three Health Division offices. In 2011, 56,406 children were screened for hearing and 72,063 children for vision. This amounts to 97% of targeted children being screened by OCHD. Of these children, 8,725 were identified as having possible risks and were referred for further evaluation by medical professionals.

Environmental factors pertaining to food may pose risks to human health when not adequately protected from potential

contamination. The Health Division's Environmental Health unit inspects and regulates food service establishments, conducts foodborne illness complaint investigations, offers educational programs, and undertakes regulatory enforcement actions to protect Oakland County residents and visitors from foodborne illness. In 2011, sanitarians completed 16,150 sanitation inspections at over 4,000 food service establishments.

COMMERCE AND COMMUNITY DEVELOPMENT

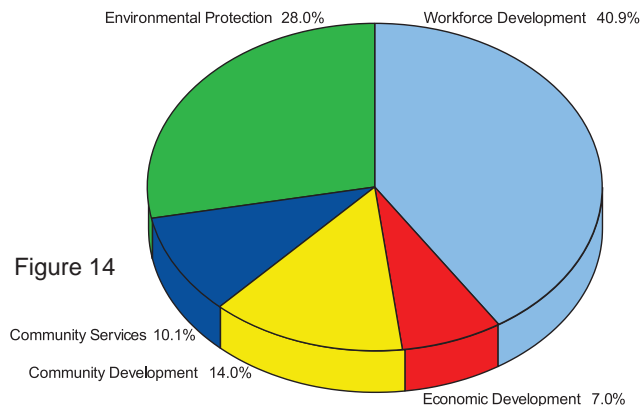


Figure 14

The Commerce and Community Development function contributes significantly to the quality of life for County residents and creates an environment beneficial to business and industry.

Economic Development: The County Executive's Emerging Sectors® business attraction strategy identifies the top growth sectors and targets high-tech businesses to help diversify the economy and offset manufacturing losses. Target areas include advanced electronics and control systems, advanced materials and nanotechnology, alternative energy and power generation, communication and information technology, defense and homeland security, film and digital media, and finance, insurance and real estate. Since the program's inception in 2004, the 201 Emerging



Sectors companies have brought investment of \$1.85 billion, created or retained more than 36,000 jobs.

Oakland County's Medical Main Street is a unique alliance of world-class hospitals, universities, medical device and bio-pharma companies creating a global center of innovation in healthcare, research & development, education and commercialization in the life sciences industry. This emerging sector generated new investment of \$212 million in its first three years. Medical Main Street was created to capitalize on the county's burgeoning life science industry which includes 93,000 health care and life science jobs and more than 4,300 life science and medical facilities. In addition to assisting companies to locate or expand in Oakland County, Medical Main Street helps entrepreneurs commercialize their life science technologies, assists life science companies grow their markets globally and works with state government to ensure Michigan is legislatively a top state for life science companies.



Oakland County Financial Services provides expanding companies, organizations and entrepreneurs with access to loan programs designed to meet their needs. Programs include the SBA 504 Loan Program and the Tax-Exempt Industrial Revenue Bond (IRB) Program. The Oakland County Business Finance Corporation (BFC), certified by the U.S. Small Business Administration (SBA) in 1982, acts as an agent to analyze, package and service loans under the SBA 504 Loan Program. It provides viable small businesses with long-term fixed-rate financing for fixed assets. The Oakland County Economic Development Corporation (EDC) was established in 1980 to stimulate business capital investment, contribute to the areas of employment, increase the local tax base and provide needed public services. The IRB program provides financing for the acquisition or construction of fixed assets. In 2011, the BFC and EDC funded 26 projects totaling \$13.2 million in investment resulting in 919 jobs either created or retained.

Automation Alley, Michigan's largest technology business association, is comprised of nearly 1,000 members, including businesses, government entities and educational institutions

from the City of Detroit and surrounding eight-county region. Founded by the County Executive, Automation Alley works to emphasize the importance and impact of the technology sector in Southeast Michigan and to promote regional prosperity through entrepreneurial and exporting assistance, workforce development and technology acceleration. To date, Automation Alley has conducted 13 trade missions nationally and abroad, resulting in over \$166 million in contracts for regional companies. Automation Alley's quarterly publication, X-ODOLOGY Magazine, provides an in-depth look at the people, companies, technologies and ideas that are transforming Southeast Michigan. Last year, Automation Alley opened its International Business Center, which serves as a soft landing space for international companies considering doing business in Southeast Michigan. Equipped with high-tech communication tools, the addition also allows local companies to connect with clients and partners abroad.

Workforce Development: As Oakland County's economy becomes increasingly knowledge-based, high-paying, low-skill jobs are being replaced with career opportunities that require technical skills and a good education. Not all of these jobs require a four or even a two-year college degree. Another option, apprenticeships, can prepare employees for good paying jobs that provide excellent benefits. An apprentice, for example, can qualify for jobs in the skilled trades, culinary arts, health care or social service sector while working, earning wages, receiving on-the-job training and attending classes at a community college or an apprenticeship school. A booklet entitled "Apprenticeships in Oakland County and Southeastern Michigan" provides information about many occupations for which apprenticeships are available. The 2011 edition of the booklet is available on the Workforce Development website at <http://www.oakgov.com/globaloakland/assets/docs/apprenticebook.pdf>.

Community Development: The Oakland County Home Buyer Program is aimed at helping middle income families take ownership of vacant, foreclosed single family homes as their primary residence. Home buyers with incomes at



or below 120% of Area Median Income (AMI) are eligible for assistance. They must also have a credit score of 660 or better, have a sustained income with a two year history, and have no history of bankruptcy or foreclosure within the last 36 months. Through this program, Oakland County provides no-interest loans for homebuyer assistance, closing costs and home improvements. The home buyer must prequalify for a fixed rate mortgage loan from a pre-approved lending institution. This loan represents 51% of the purchase price. Oakland County finances the remaining 49% of the purchase and rehabilitation costs up to \$100,000. The home buyer must provide a maximum of \$2,000 to initiate the purchase and only pays on the FHA mortgage obtained from their lender. Payment on the down payment and home improvement loans is deferred until the property changes ownership. In 2011, the program received additional HUD Neighborhood Stabilization Program (NSP3) funding and covers select Oakland County communities who do not receive funds directly from HUD.

The Home Improvement Program provides home improvement loans to low-income homeowners and is designed to improve the condition of existing housing. To qualify, the homeowner must meet income guidelines and live in one of 52 participating communities. Loans up to \$18,000 can be used for a wide variety of home improvements including repairs for purposes of health and safety, energy conservation and structural preservation. Loans are 0% interest and deferred until the homeowner no longer lives in the home. Call (248) 858-0493 to obtain additional information.

Housing Counseling services help housing consumers meet the responsibilities of home ownership and tenancy. Counselors offer free pre and post home purchase education, mortgage delinquency and foreclosure assistance, Home Equity Conversion Mortgage counseling for seniors, landlord/tenant responsibility information, subsidized housing referrals, home improvement and rehabilitation resources, fair housing information as well as displacement and relocation resources.

Main Street Oakland County (MSOC) is an economic development program that provides technical assistance to communities in establishing and maintaining successful downtown revitalization programs. These historic commercial districts each have a unique sense of place which, as a part of a national trend, are becoming increasingly popular as places to do business, shop, dine, live and experience family activities. MSOC is a partner with the National Main Street Center, a program of the National Trust for Historic Preservation and utilizes their Four Point Approach™ of Organization, Design, Promotion and Economic Restructuring. In 2000, Oakland County became the first countywide Main Street Program in the country. In 2011, downtown areas in the program generated over \$19 million in new investment, established 157 new businesses, created 994 jobs while using 2,900 volunteer hours. Currently, twelve communities (Clawson, Farmington, Ferndale, Franklin,



Highland, Holly, Lake Orion, Ortonville, Oxford, Pontiac, Rochester and Walled Lake) are participating in this program.

Environmental Protection: Oakland County is rich in natural resources. Abundant water resources and pristine natural areas are essential components of Oakland County's natural heritage, and make a strong contribution to the County's quality of life and economic vitality. In February 2011, the Conservation Fund, a national nonprofit dedicated to conservation, presented Oakland County with the National Green Infrastructure Implementation Partnership Award during the inaugural National Green Infrastructure Conference in Shepherdstown, West Virginia. The Green Infrastructure initiative compliments the County's extensive trail and recreation network by working to preserve and connect the remaining natural areas that exist within the County.

The Environmental Stewardship Program is assisting local land protection specialists with a Conservation Priority Parcel Assessment project. This project aims to assist groups with identifying and prioritizing open space, as identified in the Green Infrastructure Vision, for conservation planning, natural resource preservation and creating dialog among stakeholders. This type of community assessment is a critical step in implementing the Green Infrastructure Vision.

An important component of green infrastructure stewardship is the restoration of natural landscape function. Trees absorb air pollutants and provide habitat for wildlife, supporting the function of a healthy green infrastructure system. In 2011, Oakland County received a Great Lakes Restoration Initiative (GLRI) Grant to "green" the Oakland County Campus grounds. This funding will enable the restoration of native landscapes on County grounds by planting trees, prairie grasses and perennials along waterways and lawn

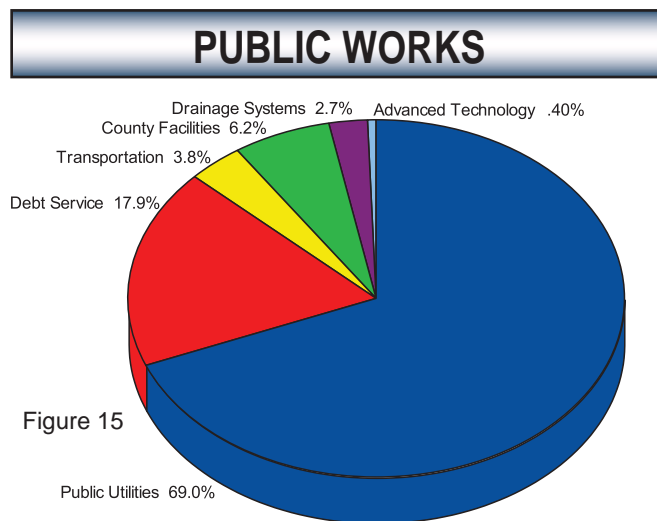
areas. The project aims to increase habitat, improve water quality, and decrease lawn maintenance needs, thereby saving money and energy. A second GLRI grant, also obtained in 2011, will improve green infrastructure in local communities by planting trees in areas with degraded tree canopies.



OakGreen is an initiative that aims to share information, encourage collaboration and connect Oakland County residents, businesses and communities to resources that can advance environmental stewardship, economic growth and strong communities. The mission of OakGreen is to provide businesses, communities and residents the knowledge and tools to reduce expenses and embrace sustainability (meeting our present needs without compromising the ability of future generations to meet theirs). The County Executive encourages all businesses, communities and residents to take the “OakGreen Challenge” and decrease their energy consumption 10% by the end of 2012. Doing so will benefit the environment and their financial bottom line. Home owners can visit www.oakgov.com/oakgreen to sign up for the Challenge, find tips and tools for reducing utility bills, and find out how they can have their home utility bills paid for an entire year up to \$1,500.

Public Works

Dependable public works systems and a solid infrastructure are necessary to support a growing economy and community. Oakland County has been at the forefront of implementing systems to meet these needs.



County Facilities: Oakland County Facilities Management Department began taking steps to reduce Oakland County’s energy consumption more than five years ago through simple adjustments such as reducing lighting in non-essential areas; changing thermostats a few degrees; and using moisture sensors to prevent sprinklers from turning on when the ground has enough water and renovating the Executive Office Building (EOB) with more state-of-the-art energy efficient systems. In 2011, they received NACo recognition for their Campus Energy Map, an interactive utility map that provides awareness of the energy levels for county-owned facilities.

Oakland County was the first county in Michigan to be designated as a Certified Environmental Steward 2011 – 2013 by the Michigan Turfgrass Environmental Stewardship Program at Michigan State University. The Grounds Division garnered this recognition for its use of non-toxic chemicals on County grounds and its environmental stewardship in caring for grass, trees and plants. The program is intended to organize efforts of the turfgrass industry, state agencies, Michigan State University (MSU) and environmental advocacy groups to advance the environmental stewardship of the turfgrass industry and to recognize environmental achievements. The program was developed at MSU with support from the Michigan Turfgrass Foundation, Golf Association of Michigan, Michigan Department of Environmental Quality and Michigan Department of Agriculture.

In August 2011, Oakland County opened the first “green” airport terminal in the State. The new terminal at Oakland County International Airport in Waterford will be Michigan’s first LEED (Leadership in Energy and Environmental Design) certified airport terminal and the nation’s first LEED-certified general aviation airport terminal. The state-of-the-art facility features sustainable options such as wind and solar electricity generation, geothermal heating and cooling, fluorescent and LED lighting, and electric



car charging stations. It was also built using a number of recycled construction materials, including the old terminal site and basement. Perhaps the most unique “green” architectural feature is the living wall, an innovative, vertical arrangement of plants that are part of the wall. The plants assist in keeping the terminal air free from pollutants and are watered by rainfall collected from the rooftop. The terminal also provides commuter offices, a U.S. Customs Service office and a high-tech telecommuting meeting room to reduce travel time and costs.

Advanced Technology: Oakland County continues to focus on the development of its eGovernment initiative using state-of-the-art technology to bring government together with citizens, businesses and educational communities. In 2011, the County website, Oakgov.com, was named one of the best government websites in the nation for the fifth consecutive year. The site garnered second place among more than 3,000 counties in the Center for Digital Government’s 2011 Best of the Web competition and was recognized for innovative use of technology in delivering high quality services despite tight fiscal constraints. Highlights include the Oakland County Dashboard - a public financial transparency and accountability portal, online text-to-speech technology, hundreds of videos and podcasts, customizable email subscriptions, alerts and RSS web feeds and advanced site search and indexing.

Oakland County has been providing technology solutions to its local municipalities for many years. To continue fostering intergovernmental cooperation while containing operating costs for everyone, Oakland County is committed to enabling as much technology sharing as possible. In 2011, Oakland County formed G2G Cloud Solutions to support technology sharing among governments via the web. G2G Cloud Solutions is based on the idea that governments can work together to create a sustainable model for digital government by sharing and leveraging technology for mutual benefit. Through G2G Cloud Solutions, participating government agencies benefit from the opportunity to use technology that may not otherwise be within reach. The government-managed technology solutions available through G2G Cloud Solutions support reduced operating costs, creation of new

revenue streams, and increased reliability, security and privacy protection for government data. Current technologies offered by G2G Cloud Solutions include online payments and Oakland County’s web publishing suite.

A growing number of web users now depend on mobile phones, smartphones and similar devices to access information and services online. Oakland County created Mobile Touch to better serve their needs. The Mobile Touch interface is automatically displayed for mobile users visiting Oakland County’s website with nothing to download or install. It presents the option to toggle between three versions of the site: touch screen, text only, and full site. Mobile Touch features include maps and directions to County parks, golf courses, and offices, one-touch direct phone dialing to County offices on enabled devices, news and recreation information, videos and podcasts, as well as popular County social network feeds. In 2011, Mobile Touch was awarded an international Digital Government Achievement Award by the Center for Digital Government.

The Department of Information Technology also received several NACo awards in 2011 for multiple programs including Mobile Touch, an advanced payment system for local municipalities and NetVolunteers, a technology-based community outreach program which allows trained volunteers to perform citizen-to-citizen customer service.

Oakland County Website

A wealth of information on County services is available on the website at www.oakgov.com. Copies of this document as well as the County’s Line Item Budget, Program Budget and Comprehensive Annual Financial Report are also available in pdf format on the website.

Comprehensive Annual Financial Report

Complete financial statements of Oakland County, with additional demographic and economic information, are provided in the County’s Comprehensive Annual Financial Report. The document is available in pdf format on the County website. A printed version of this report can be viewed at the following location:

Oakland County Research Library
1200 North Telegraph
Building 14 East
Pontiac, MI 48341-0453

Photo credits: Michael Zack, Lacy Skidmore, Rifath Hoque, Oakland County Parks and Recreation

Graphic Design: Michael Zack

Project Manager: Gaia V. Piir

