

# 2022

## ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended September 30, 2022



DAVID COULTER  
OAKLAND COUNTY EXECUTIVE

PREPARED BY:

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April 26, 2023

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

State law requires that all general-purpose local governments publish, 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 Annual Comprehensive Financial Report (ACFR) of Oakland County, Michigan for the fiscal year ended September 30, 2022.

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, 2022 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, 2022 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.

The Fiscal Year 2022 ACFR 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 2022 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. The County has a population of 1,270,017 (2021 estimate) and the County seat is located in Pontiac. Oakland County is home to a mix of urban and rural communities, encompassing 62 cities, villages, and townships, including 32 downtown areas and many scenic natural settings. The County ranks ninth (9<sup>th</sup>) in the nation among counties with populations between 900,000 and 1,600,000 based on five key economic measures as cited in a June 2021 report by University of Michigan economists. Oakland County enjoys a world class reputation due to its renowned business environment and a range of 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 public health, treatment and care of youth under court jurisdiction, emergency management/homeland security; community and economic development and planning, community corrections; 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 human resources, fiscal services, information technology, and other central administrative services.

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 and 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.



The Oakland County Courts consist of the Sixth Judicial Circuit (including Family Division), Probate, and 52nd District Courts. The Circuit Court, with 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 judges, is responsible for estates and mental health matters. The 52nd District Court, with ten judges, has jurisdiction over misdemeanors, ordinance and charter violations, civil cases under \$25,000, and preliminary examinations in felony cases.

In 2022, the Board of Commissioners was comprised of 21 members elected to two-year terms by their respective districts and serves as the legislative body responsible for establishing policy and appropriating funds. Beginning in 2023, the Board of Commissioners is now comprised of 19 members, and beginning with the 2024 election, commissioners will be elected for four-year terms, concurrent with the countywide elected offices.

### *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 \$285.1 million 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 Annual Comprehensive 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 14 parks that provide camping, golf, swimming, an off-road vehicle park, and a variety of other recreational activities, as well as a local Farmers Market. Parks and Recreation is supported, in part, by a separately voted tax levy, subject to annual tax limitation adjustments pursuant to the Michigan constitution (tax year 2022 rate was .3470 mills). Parks and Recreation's activity is blended into the County's Annual Comprehensive 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.

## *County Budget*

Oakland County maintains a focus on long-term financial planning. The County operates under a three-year rolling budget, which allows for continuous planning. 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 (salaries, overtime, and fringe benefits), Operating Expenditures (contractual services and commodities), and Internal Support Expenditures (Internal Service charges for information technology, building space, motor pool, 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 can only be adopted through action of the Board of Commissioners, upon recommendation of the County Executive.

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 June 2021 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 analyzing the following factors: education (associate's degree or higher), child poverty, median income, professional occupations, and high-income senior population.



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 positioned the County well for an economic recovery. This is attributed to Oakland County's educated workforce, high level of managerial and professional jobs, and the attractive standard of living with a solid foundation for economic prosperity in the future. In 2020, Oakland County received direct Coronavirus Aid, Relief, and Economic Security (CARES) Act funding of approximately \$219.4 million. And in 2021 and 2022, the County received a total of \$244,268,949 in funding from American Rescue Plan ACT (ARPA) Coronavirus Local Fiscal Recovery Fund. This funding has aided in Oakland County's economic recovery and allows for longer-term investments to further strengthen the future well-being of the county's residents. See more on the pandemic funding in the Major Initiatives section of this transmittal letter.

According to an April 2022 report from the University of Michigan, Oakland County experienced a strong rebound from the COVID-19-driven recession of 2020. As of the third quarter of 2021, the county had regained more than two-thirds of the 148,900 jobs that had been lost during the recession. The University of Michigan economists projected that that the County will have surpassed its pre-pandemic level of employment by the third quarter of 2023.

Prior to the COVID-19 pandemic, Oakland County's unemployment rate had fallen (improved) steadily from the 2009 high rate of 13.0% to 3.4% in 2019. Unemployment spiked to 19.6% in May 2020 as a result of the pandemic. According to the Labor Market Information Division of the Michigan Department of Technology, Management & Budget, Oakland County's unemployment rate was 2.5% as of December 2022. This compares to the national unemployment rate of 3.3% and the State of Michigan unemployment rate of 3.8% as of December 2022 (per the U.S. Bureau of Labor Statistics; all rates not seasonally adjusted).

Oakland County's 2021 per capita personal income (PCPI) of \$80,692 was the highest among Michigan's 83 counties according to the U.S. Bureau of Economic Analysis' (BEA) most recent published data. The 2021 PCPI reflects an increase of 5.1 percent from 2020. The Oakland County's per capita income also compares favorably to the national average (\$64,143) and the state average (\$56,494).

The 2022 market value of property in Oakland County is approximately \$179.5 billion, an increase of approximately \$9.9 billion from 2021 to 2022 (5.84%). The Taxable Value (TV), which is the calculation on which property tax revenue is based, increased 6.46%. This is the tenth year of increase in property value following five consecutive years of decline. The budget assumptions referenced in the FY 2023 – FY 2025 adopted budget document includes an estimated 6.2% increase in taxable value as of December 31, 2022 (FY 2023 revenue); a 4.6% increase in taxable value as of December 31, 2023 (FY 2024 revenue); and an additional 4.4% increase in taxable value as of December 31, 2024 (FY 2025 revenue).

Oakland County's collective property values remain the highest of all 83 counties in Michigan and represents 16.4% of the state's total value (as compared to Oakland County's population representing 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 76.1% of the total property tax base. The average

residential sale price of a home in Oakland County increased from \$309,965 in 2020 to \$348,988 in 2021 (affecting 2022 property tax assessment amounts), a 12.6% increase.

The average 2022 property tax rate is \$40.33 per thousand dollars of taxable value. The average property tax rate is distributed to the following taxing authorities:

Cities, Villages, Townships	32.0%
Local School Districts	29.8%
State Education Tax	14.9%
County Operating	9.8%
Intermediate School District	7.9%
Community College	3.6%
Parks & Recreation/Zoo/Art/Huron Clinton	2.1%
	<u>100.00%</u>

The County's general operating millage rate for the July 1, 2022 tax levy was 3.9686 mills and the FY 2023 budget assumed the same tax rate for the July 1, 2023 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 impacts of these policies are demonstrated in the financial statements themselves, as well as the notes accompanying the financial statements; particularly Note #3 (Deposits and Investments) and Note #7 (Long-Term Debt).

Other policies and practices, not as fully explained in the ensuing document, also impact the County's financial position in FY 2022 and beyond include budgeting and forecasting practices, the capital improvement activities specifically associated with the Delinquent Tax Revolving Fund, and Pension and Other Post-Employment Benefit practices. These practices are summarized below.

### *Budgeting and Forecasting*

The County's focus on long-term financial planning is implemented in part through 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 full impact on the next two fiscal years.

The County revised its fund balance policy with Miscellaneous Resolution #21301 adopted by the Board of Commissioners in July 2021. The previous fund balance policy had a minimum fund balance level of 20% of annual General Fund expenditures. The updated policy reflects a minimum fund balance level of 25% of annual on-going General Fund expenditures to protect the continuity of county services



during an economic downturn, with clearer guidelines on the economic circumstances under which those funds can be appropriated, and another 5% of on-going annual expenditures for non-economic budget risks.

A second purpose for maintaining a sizeable fund balance 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. The General Fund balance allows the County 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 exceeds this requirement by not only reporting the current financial position of the County each quarter, but also providing 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 with the forecast. 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, helping to ensure that no department will overspend its budget at year-end.

The result of these practices is a balanced line-item County budget (adopted by the Board of Commissioners in September 2022) for fiscal years 2023, 2024, and 2025. The County also prepares a high-level five-year forecast that incorporates known revenue and expenditure impacts for the additional two years to further facilitate long-term financial planning.

Over the last several years, the County has worked to balance its annual adopted General Fund budget on a structural basis, rather than relying on expenditure and revenue favorability throughout the year to avoid drawing down fund balance over time. This goal has been achieved with the FY 2023 adopted county budget, which eliminates the planned use of fund balance for ongoing county operations, funding those ongoing operations strictly through the county's annual operating millage and other ongoing revenue sources.

#### *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. When needed, 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; that 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 for other County purposes.

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, 2022, totaled approximately \$203.7 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. Three major building projects were initiated in the early 2000's for which debt service was covered by the DTRF. The debt for the two of the projects has now been fully paid off, with \$1.3 million per year in debt service remaining for the third project. That debt service will be fully paid off after FY 2024. 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 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 \$5.0 million annually for FY 2023 through FY 2027.



### *Pension and Other Postemployment Benefits*

Oakland County has established two retirement plans for its employees. 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 have been 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 substantially reduced County financial risk.

The County has implemented benefit changes that will limit the growth of the cost of Other Post-Employment Benefits (OPEB) in the future. 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 the two bargaining units representing Sheriff's Office personnel). 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 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. Using this vehicle, Oakland County has been able to fully fund 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 was reduced by an average of \$13.2 million per year and provides gross cumulative savings of \$171.1 million.

A more detailed discussion of Oakland County's pension and VEBA performance may be found in Notes #10, 11, 12, and 13, to the financial statements.

## **Major Initiatives**

As previously noted, the County has received \$244.3 million of federal funding from the ARPA Coronavirus Local Fiscal Recovery Fund. As of January 31, 2023, the County has allocated \$164.5 million for programs that address acute needs created by the COVID-19 pandemic for the county's residents and businesses, as well as one-time investments intended to transform the County's economic and support services for the county's residents.

Investments funded through ARPA funds align with the County's strategic goals and include the following:

- \$30.4 million to provide additional mental health supports to county residents, support healthier food options, and renovate and construct an integrated health care clinic in Hazel Park.
- \$30.0 million to establish a Housing Trust Fund that will support the expansion of affordable housing options in the county (the trust fund will also receive \$2.0 million per year from County funds), improve shelter capacity for individuals experiencing homelessness, provide grants for capital and other improvements at senior centers, and fund other neighborhood initiatives.
- \$12.1 million to provide out-of-school learning supports to K-12 students, fund Oakland80 career navigators to connect individuals with education and training opportunities for accessing quality, in-demand jobs, and other initiatives to help build a skilled and educated workforce and achieve the goal of 80 percent of Oakland County residents attaining a post-secondary certification or degree by 2030.
- \$30.3 million for projects to expand and improve access to park and recreation opportunities for residents in underserved areas of the county, participate in a project that will eventually bring sewer service in the northwest part of the county to replace aging septic systems, and provide grants to local units of government for planning costs associated with infrastructure projects.
- \$33.0 million to provide an additional 3-D printers to Oakland County small manufacturers, providing a needed Industry 4.0 capital infusion and alleviating supply chain issues; stand up a nonprofit organization to connect Oakland County's entrepreneurs and small business owners with the resources they need in order to be successful (Oakland THRIVE); and fund other initiatives designed to boost the county's economy and make it more inclusive.



- \$28.8 million to fund County costs created by the COVID-19 pandemic, address County IT needs delayed during the pandemic, and improve remote work and meetings for County employees.

The County is working diligently to allocate the remaining \$79.8 million in Local Fiscal Recovery funds and implement these initiatives to meet the prescribed federal deadlines (obligated by December 31, 2024 and fully expended by December 31, 2026).

In May 2022, the County went live with the financial components of its new ERP system, Workday. The HR, Time Tracking, and Payroll functionality of Workday went live in July 2020. While this major IT implementation was delayed due to the challenges of the COVID-19 pandemic, the system is now being utilized to streamline operations and provide additional functionality that will enhance the financial operations and management of the County.

Also in May 2022, Oakland County was recognized by the Michigan Green Communities program for its environmental leadership, achieving silver status under the program. Since hiring its first chief environmental sustainability officer in 2021, Oakland County has begun tracking and measuring greenhouse gas (GHG) emissions, developed a campus-wide sustainability plan, integrated solar energy into an upcoming facility renovation, and plans to install electric vehicle charging stations in multiple parking lot projects.

On November 8, 2022, the voters of Oakland County approved a 10-year countywide millage to support and expand public transit services in the county. Levied at 0.95 mills, the millage was estimated to generate \$66 million in revenue in the first year. The millage replaces a previous millage that was levied in only a portion of communities within the county. Utilizing this millage revenue, the County has entered into contracts with four transit providers (Suburban Mobility Authority for Regional Transportation [SMART], Older Persons' Commission [OPC], North Oakland Transportation Authority [NOTA], and Western Oakland Transportation [WOTA]) to support continuation of existing transit services and begin initial service expansion, including new SMART service lines to the high-growth areas of Novi and Rochester. A Transit Division has been established in the County's Department of Economic Development to coordinate further service expansion, building toward a countywide transit system.

The Clean Slate program, a joint initiative of the County and its Michigan Works! agency, has resulted in the expungement of more than 250 criminal convictions for 150 Oakland County residents in its first 18 months. The expungement of convictions from a person's public records, after specified time periods depending on the nature of each conviction, opens the door to better jobs, housing, and educational opportunities.

In addition to the county-level services Oakland County provides, many local communities' contract with Oakland County for local 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 County continues to work to improve these services and ensure they are provided at an appropriate cost to local governments.

The County FY 2023 – FY 2025 budget, adopted by the Board of Commissioners in September 2022, includes a number of key priorities: the addition of state funding to stand up a public defender's office; the creation of an Older Adult Advocate position to coordinate and improve services the County provides to older residents; and the enhancement of funding to implement environmental sustainability and diversity, equity, and inclusion initiatives. As noted previously, the FY 2023 General Fund budget ends the practice of planning to use one-time fund balance to support ongoing County operations.

As noted in the accompanying financial statements, Oakland County's General Fund balance totaled \$220.8 million as of September 30, 2022. This level of fund balance equates to 43.1% of budgeted fiscal year 2023 General Fund/General Purpose ongoing expenditures. Of the \$220.8 million total equity amount \$0.4 million is considered non-spendable, \$219.4 million is assigned for various uses, see Note 9 – Fund Balance Constraints, for additional detail. When carryforwards and encumbrances are removed, the General Fund balance still stands at \$200.9 million, or 39.3% of General Fund/General Purpose expenditures.

### **Awards and Acknowledgements**

The County continues to earn the highest bond rating achievable from Standard and Poor's (AAA) and Moody's Investors Service (Aaa).

In a credit opinion dated April 27, 2022 S&P Global reaffirmed Oakland County's AAA status and stated:

Oakland County's budgetary performance is strong, in our opinion. The adopted budgets for fiscal years 2022 through 2024 show balanced and break-even operating results. Historically the county used to adopt budgets that called for the use of reserves and then, in most years, outperformed the expectations. The current management team worked on improving this budgetary practice by focusing on balanced budgets from the beginning of the budgetary process and not just throughout the year.

In a credit opinion dated April 26, 2022 Moody's Investors Service reaffirmed Oakland County's Aaa status and stated:

The outlook is stable because the county's credit profile will remain consistent given its positive 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. The federal stimulus will contribute to financial stability through the remainder of the current pandemic.

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 Annual

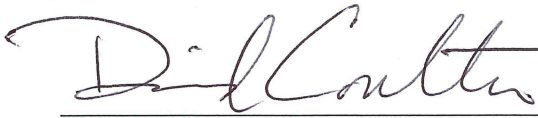


Comprehensive Financial Report for the fiscal year ended September 30, 2021; this was the 31st consecutive year Oakland County received this award. In order to be awarded the Certificate of Achievement, Oakland County is required to publish an easily readable and efficiently organized Annual Comprehensive 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 Annual Comprehensive 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.

Furthermore, Oakland County is the proud recipient of the GFOA award for its Popular Annual Financial Report (PAFR). The fiscal year 2021 PAFR award was the County's 25th consecutive citation. The PAFR provides a condensed summary of the county's finances that's intended to be more accessible to county residents who are non-financial experts.

In closing, the preparation of the Annual Comprehensive 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. The division shares credit with 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 52<sup>nd</sup> District Courts, for their continuing 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 I. Jen  
Chief Financial Officer



Sheryl Johnson  
Fiscal Services Officer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Oakland County  
Michigan**

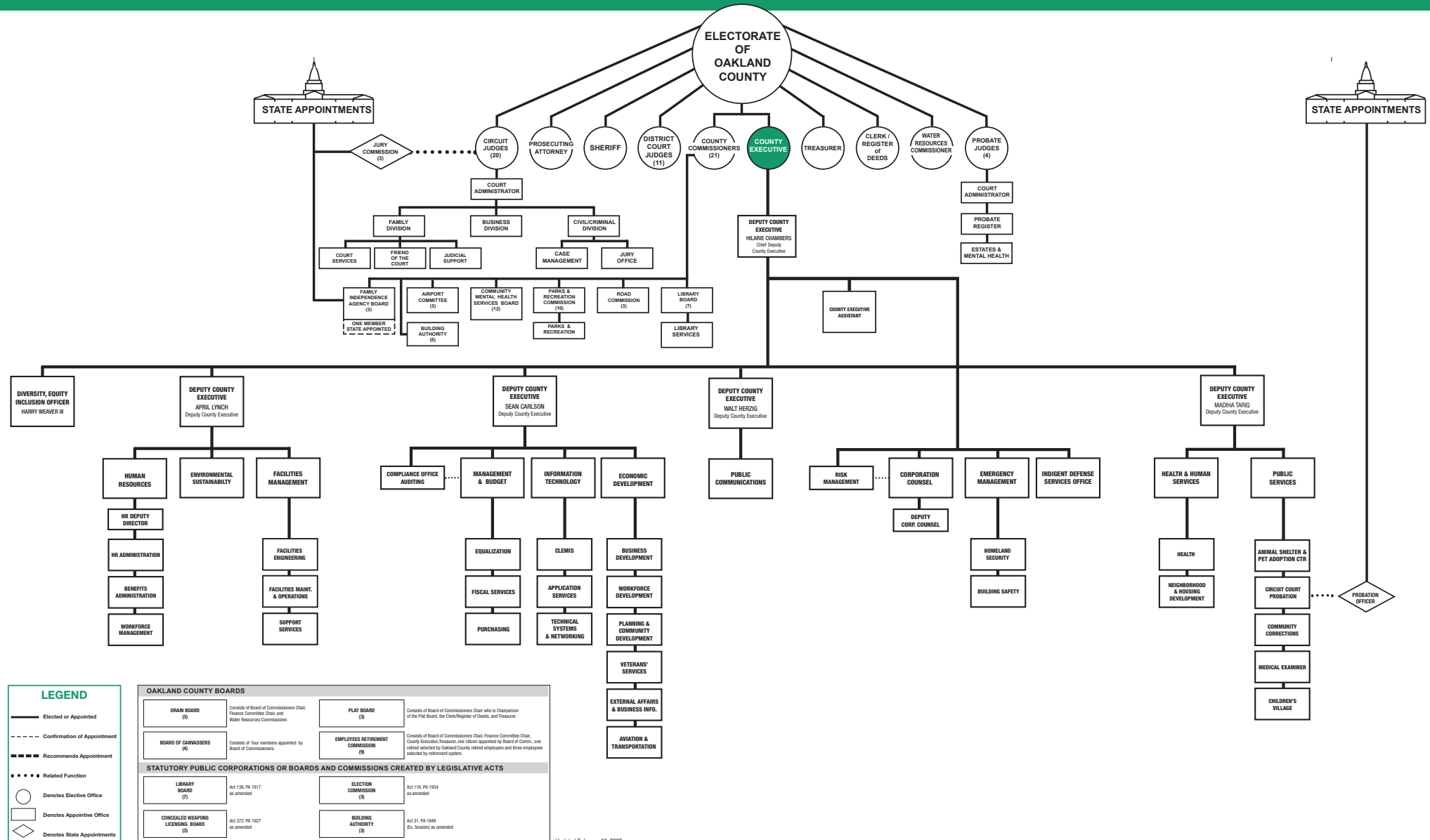
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2021

*Christopher P. Morill*

Executive Director/CEO

# OAKLAND COUNTY GOVERNMENT ORGANIZATIONAL CHART



## **COUNTY EXECUTIVE**

David Coulter

## **BOARD OF COMMISSIONERS**

Dave Woodward, Chairperson  
Marcia Gershenson, Vice-Chairperson

Charlie Cavell  
Yolanda S. Charles  
Michael J. Gingell  
Bob Hoffman  
Janet Jackson  
Karen Joliat

Adam Kochenderfer  
Eileen Kowall  
Thomas E. Kuhn  
Christine A. Long  
Penny Luebs  
Gary R. McGillivray  
Gwen Markham

William Miller  
Chuck Moss  
Kristen D. Nelson  
Angela Powell  
Michael Spisz  
Philip J. Weipert

## **OTHER ELECTED OFFICIALS**

Clerk/Register of Deeds  
Lisa Brown

Treasurer  
Robert Wittenberg

Water Resources Commissioner  
Jim Nash

Prosecuting Attorney  
Karen D. McDonald

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  
Gary McGillivray  
David Woodward  
J. David VanderVeen

## **BUILDING AUTHORITY**

Eric McPherson, Chairperson  
Robert Wittenberg, Vice-Chairperson  
Jamele Hage, Secretary  
Emerson Devon Jackson  
David Coulter  
James Esshaki, Designee

## **PARKS AND RECREATION**

Gary R. McGillivray, Chairperson  
J. David VanderVeen, Vice-Chairperson  
Ebony Bagley, Secretary  
Christine A. Long, Executive Committee Member  
Chris Ward, Director – Parks and Recreation

Yolanda S. Charles  
Amanda Herzog

Andrea LaFontaine  
Jim Nash

Nancy Quarles  
E. Lance Stokes

## **ROAD COMMISSION**

Andrea LaLonde, Chairperson  
Nancy Quarles, Vice-Chairperson  
Ronald J. Fowkes, Commissioner

## **DRAIN BOARD**

Jim Nash, Water Resources Commissioner  
Dave Woodward, Board of Commissioners Chairperson  
Gwen Markham, Finance Committee Chairperson



## **Independent Auditor's Report**

To the Board of Directors  
Oakland County, Michigan

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Oakland County, Michigan (the "County") as of and for the year ended September 30, 2022 and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of September 30, 2022 and the respective changes in its financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the County and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Emphasis of Matter***

As discussed in Note 1 to the financial statements, during the current year, the County adopted the provisions of Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

To the Board of Directors  
Oakland County, Michigan

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplemental Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplemental information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

To the Board of Directors  
Oakland County, Michigan

### ***Other Supplemental 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, 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 other supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory section and statistical section, as identified in the table of contents, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2023 on our consideration of the County'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 the County's internal control over financial reporting and compliance.

*Plante & Moran, PLLC*

April 26, 2023

# County of Oakland

## Management's Discussion and Analysis

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### 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, 2022. 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.

### FINANCIAL HIGHLIGHTS

#### Government-wide:

- In total, Oakland County's financial position increased by \$10.8 million or one percent during fiscal year 2022, increasing from \$1,837.1 million to \$1,847.9 million (excluding component units).
- Governmental activities net position decreased by approximately \$6.1 million, decreasing from \$1,009.1 million to \$1,003.0 million.
- Business-type activity net position increased \$17 million from \$828 million to \$845 million.

#### Fund Level:

- At the close of the fiscal year, the County's governmental funds reported combined ending fund balance of \$294.4 million, an overall decrease of \$50.4 million from the fiscal year 2021 governmental funds combined ending fund balance.
- The General Fund balance decreased by \$67.6 million from \$288.4 million at the end of fiscal year 2021 to \$220.8 million at the end of fiscal year 2022.
- At the close of the fiscal year, the County's proprietary funds reported a combined ending net position of \$1,362.6 million, consisting of \$844.9 million for the Enterprise Funds (a \$16.9 million increase from fiscal year 2021) and \$517.7 million for the Internal Service Funds (a \$17.7 million increase from fiscal year 2021).

#### Capital and Long-term Debt Activities:

- The County's capital assets experienced a net increase of \$25.1 million during fiscal year 2022, which is attributed to a \$16.0 million net increase in business type activities and a net increase of \$8.9 million in governmental activities.
- The County reported approximately \$6.1 million in new general government debt and business type debt during fiscal year 2022. Business-type Activities accounted for \$63 thousand of the \$6.1 million in additions and the remaining was for governmental-type activities.
- The County's primary government bond and note obligations decreased by \$42.5 million during fiscal year 2022, which reflects \$11.1 million in payments and refunding activity related to Building Authority debt, \$27.6 million in payments related to Retirees Health Care bonds, and \$3.8 million in payments and refunding activity related to Water and Sewer debt.
- The County is \$8.4 *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 *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.

# County of Oakland

## Management's Discussion and Analysis

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### 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 2022. 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.
- *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:



## County of Oakland

### Management's Discussion and Analysis

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- 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 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

## County of Oakland Management's Discussion and Analysis

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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 trust funds, are reported using the accrual basis of accounting. The government-wide statements *exclude* the custodial 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.

### Special Note:

The fiscal year 2022 Annual Comprehensive Financial Report (ACFR) reflects the implementation of Governmental Accounting Standards Board (GASB) Statement 87, Leases.

## 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 2022. As reflected on the table below, the County's combined net position increased by \$10.8 million. This includes the net position decrease of \$6.1 million (.6 percent) for governmental activities and the net position increase of \$16.9 million (2 percent) for business-type activities.

## County of Oakland

### Management's Discussion and Analysis

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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:

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current Assets	\$ 905.9	\$ 792.9	\$ 525.8	\$ 521.3	\$ 1,431.7	\$ 1,314.2
Capital Assets	236.0	227.1	407.2	390.9	643.2	618.0
Other Long-term Assets	400.3	690.2	-	-	400.3	690.2
<b>Total Assets</b>	<b>1,542.2</b>	<b>1,710.2</b>	<b>933.0</b>	<b>912.2</b>	<b>2,475.2</b>	<b>2,622.4</b>
Deferred Outflows related to Pension	-	-	-	-	-	-
Deferred Outflows related to OPEB	245.6	2.8	-	-	245.6	2.8
<b>Deferred Outflows of Resources</b>	<b>245.6</b>	<b>2.8</b>	<b>-</b>	<b>-</b>	<b>245.6</b>	<b>2.8</b>
Current Liabilities	336.8	266.4	39.3	37.1	376.1	303.5
Long Term Liabilities	400.5	263.7	47.1	47.1	447.6	310.8
<b>Total Liabilities</b>	<b>737.3</b>	<b>530.1</b>	<b>86.4</b>	<b>84.2</b>	<b>823.7</b>	<b>614.3</b>
<b>Deferred Inflows of Resources</b>						
Deferred Inflows related to Pension	-	45.5	-	-	-	45.5
Deferred Inflows related to OPEB	47.6	128.4	-	-	47.6	128.4
Deferred Inflows from leases	-	-	1.6	-	1.6	-
<b>Total Deferred Inflows of Resources</b>	<b>47.6</b>	<b>173.9</b>	<b>1.6</b>	<b>-</b>	<b>49.2</b>	<b>173.9</b>
Net Position:						
Net Investment in Capital Assets	208.4	203.4	360.0	339.9	568.4	543.3
Restricted	54.7	60.0	123.2	120.5	177.9	180.5
Unrestricted	739.9	745.7	361.8	367.6	1,101.7	1,113.3
<b>Total Net Position</b>	<b>\$ 1,003.0</b>	<b>\$ 1,009.1</b>	<b>\$ 845.0</b>	<b>\$ 828.0</b>	<b>\$ 1,848.0</b>	<b>\$ 1,837.1</b>



# County of Oakland

## Management's Discussion and Analysis

### Changes in Oakland County's Net Position

(in millions of dollars)

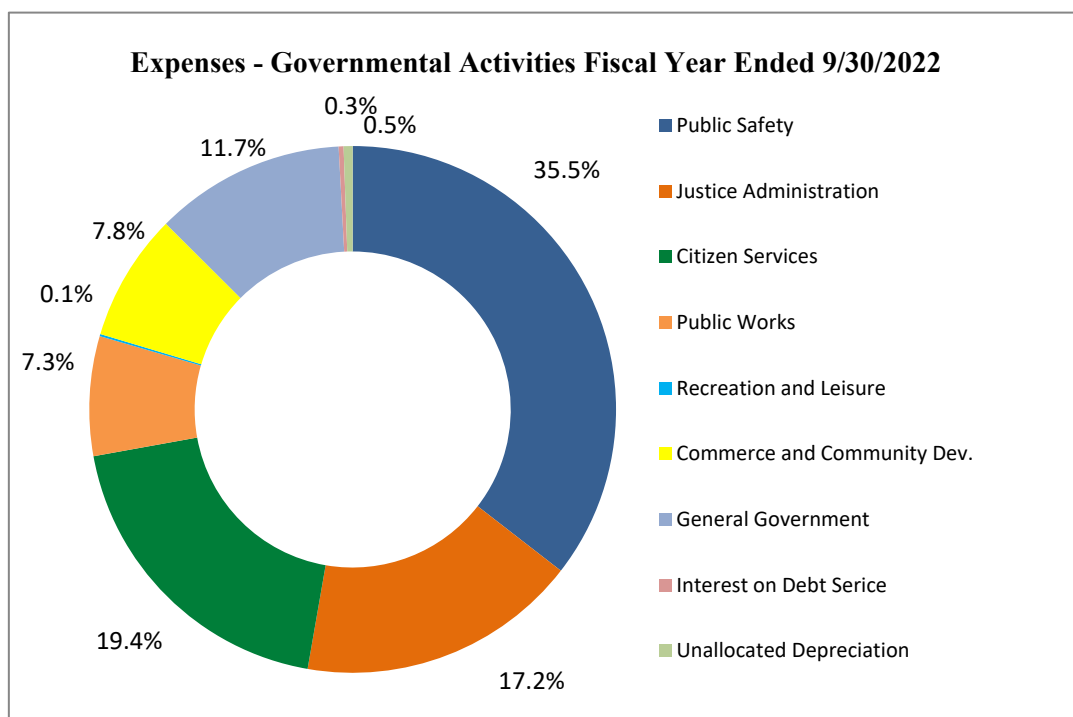
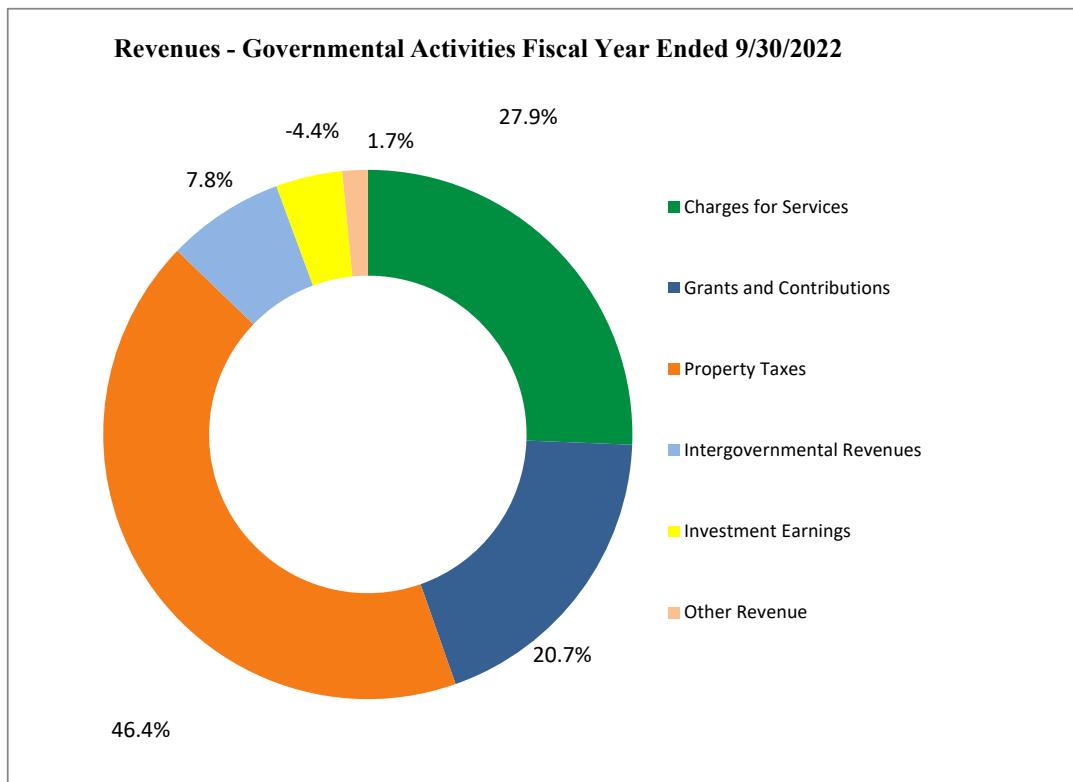
	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 159.0	\$ 175.1	\$ 308.5	\$ 302.5	\$ 467.5	\$ 477.6
Grants and Contributions						
Operating	121.5	219.7	1.0	0.4	122.4	220.1
Capital	-	0.1	0.9	1.1	0.9	1.2
General Revenues						
Property Taxes	272.2	256.7	22.1	21.6	294.3	278.3
Intergovernmental Revenue	45.8	44.9	0.2	0.3	46.0	45.2
Investment Earnings (loss)	(26.0)	4.3	(9.8)	2.5	(35.7)	6.8
Other Revenue	9.3	16.2	-	-	9.3	16.2
Gain on Sale of Assets	4.5	0.8	-	-	4.5	0.8
<b>Total Revenues</b>	<u>586.3</u>	<u>717.8</u>	<u>322.9</u>	<u>328.4</u>	<u>909.2</u>	<u>1,046.2</u>
<b>Expenses</b>						
Public Safety	213.3	170.2	16.7	23.1	230.0	193.3
Justice Administration	103.7	82.7	-	-	103.7	82.7
Citizen Services	116.8	197.2	7.3	6.9	124.1	204.1
Public Works	44.1	20.6	244.0	244.8	288.1	265.4
Recreation and Leisure	0.8	0.9	28.3	26.3	29.1	27.2
Commerce and Community Dev.	47.1	44.9	-	-	47.1	44.9
General Government	70.1	68.1	0.9	0.9	71.0	69.0
Interest on Debt Service	2.0	2.3	-	-	2.0	2.3
Unallocated Depreciation	3.3	2.9	-	-	3.3	2.9
<b>Total Expenses</b>	<u>601.2</u>	<u>589.8</u>	<u>297.2</u>	<u>302.0</u>	<u>898.4</u>	<u>891.8</u>
Revenues (Under) Over						
Expenditures	(14.9)	128.0	25.7	26.4	10.8	154.4
Special Item - Transfer of Water System	-	-	-	(1.1)	-	(1.1)
Transfers - On-going	8.7	3.6	(8.7)	(3.6)	0.0	-
<b>Increase (Decrease) in Net Position</b>	<u>(6.1)</u>	<u>131.6</u>	<u>17.0</u>	<u>21.7</u>	<u>10.9</u>	<u>153.3</u>
Net Position-Beginning	1,009.1	877.5	828.0	806.3	1,837.1	1,683.8
Net Position - Ending	<u>\$ 1,003.0</u>	<u>\$ 1,009.1</u>	<u>\$ 845.0</u>	<u>\$ 828.0</u>	<u>\$ 1,848.0</u>	<u>\$ 1,837.1</u>

# County of Oakland Management's Discussion and Analysis

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## 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

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In total, fiscal year 2022 governmental activity revenue decreased by \$131.5 million (18.3 percent) from fiscal year 2021 primarily reflecting decreased federal and state funding that had been previously provided to support COVID-19 pandemic response programs.

Property taxes generated \$272.2 million in revenue, remaining the largest source of support for governmental activities, comprising 46.3 percent of all governmental activity revenue. Governmental activities have decreased their dependency on property taxes; the fiscal year 2022 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 \$15.4 million from the amount realized during fiscal year 2021. 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 3.9686 mills is one of lowest county general operating millage rates in the State. For more details regarding actual property tax collections, please see the statistical section appearing in the last section of this document.

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 second largest source of governmental activity revenue, generating \$159.0 million or 27.8 percent of the total. The decrease in revenue is largely due to the Register of Deeds and decreases in the housing transfer related activities. 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.

For FY 2022, the third largest source of support for governmental activities is the \$121.5 million received in operating and capital grants contributions, which is 20.6 percent of the total revenue for governmental activities. This amount represents a \$98.2 million decrease (45 percent) from fiscal year 2021. The decrease is primarily the result of ending COVID 19 relief funding from federal and state funding agencies.

Oakland County governmental activities also recorded \$45.8 million in intergovernmental revenue during fiscal year 2022, a \$.8 million increase from the \$44.9 million received in fiscal year 2021. 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 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 a \$26.0 million in investment loss during fiscal year 2022; The decrease is substantially due to reduced investment earnings and market value adjustments in comparison to the previous year.

Governmental activity fiscal year expenses increased \$11.4 million from the fiscal year 2021 expense level, a 1.9 percent increase from the previous fiscal year. The increase was significantly less than prior year's increase and was primarily attributed to expense returning to pre-pandemic levels.



## County of Oakland

### Management's Discussion and Analysis

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Public Safety is the largest expense category for governmental activity, expensing \$213.3 million of the \$601.2 million total governmental activities amount (35.5 percent). Public Safety, which encompasses law enforcement, crime prevention, incarceration, emergency management, and technical support, experienced a \$43.1 million increase (25 percent) in comparison to the previous fiscal year. The primary reason for the increase due to an increase in contract for law enforcement including retroactive pay. Also included in the law enforcement expenses for the year would have been the response to the Oxford High School shooting in November 2021.

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 expense category with \$116.6 million in expenses, or 19.4 percent of the total governmental activities. Expenses decreased by \$80.2 million from the fiscal year 2021 level (40.8 percent).

Justice Administration is the third largest expense category accounting for \$103.7 million, or 17.2 percent of the total governmental activity expenses. The Justice Administration activity, which centers on the operations of the 6<sup>th</sup> 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 \$21 million increase (25.4 percent) from the previous fiscal year. This increase reflects personnel costs and costs associated with the Michigan Indigent Defense Commission activity are leveling off.

The Public Works activity, which includes the operating systems that form the infrastructure of basic county functions, expensed \$44.1 million in fiscal year 2022, or 7.3 percent of the total governmental activities expenses. This level of expense is a net increase of \$23.5 million (114.0 percent) from fiscal year 2021. This increase is due to catching up with technology changes post pandemic on the entire Oakland County campus 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 \$47.1 million in expenses, or 7.8 percent of the total governmental activities. This reflects an increase of \$2.2 million (4.9 percent) from fiscal year 2021. This increase is attributed to expenses returning to pre-pandemic levels.

The General Government activity, which is comprised of the administration and financial management of County business, expensed \$70.1 million in fiscal year 2022, or 11.7 percent of the total governmental activity expenses. The level of expenses in fiscal year 2022 increased by \$2.1 million (3.1 percent) from fiscal year 2021 level. The majority of the increase is related to the *Rafaeli, LLC v Oakland County* court case that was filed in 2015. The case was settled on July 27, 2022.

The result of fiscal year 2022 governmental activity was an overall decrease of \$6.1 million in net position, to \$1,003.0 million. Of the total \$1,003.0 million in governmental activities' net position, \$208.4 million is invested in capital assets; \$54.7 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 \$739.9 million is reported as unrestricted.

#### Business-type Activities:

Net position in business-type activities is reported at \$845.0 million for fiscal year 2022, an increase of \$17 million (2.1 percent) over the amount reported at the end of fiscal year 2021. Of the total net position, \$360 million is for the net investment in capital assets, \$123.2 million is restricted, and \$361.8 million is

## County of Oakland

### Management's Discussion and Analysis

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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 2022, business-type activities generated \$322.9 million in revenue; this is a decrease of \$5.5 million (1.7 percent) from the previous fiscal year. Overall, the business-type activities remained steady.

Business-type activity recorded expenses of \$297.3 million, a decrease of \$4.7 million from fiscal year 2021 (1.6 percent). This decrease is related to expenses decreasing in Public Works, Public Safety and Recreation and Leisure.

### 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.

#### Governmental Funds

Three (3) governmental funds are designated as major funds of the County: The *General Fund*, *American Rescue Plan (ARP) Local Fiscal Recovery Fund*, and the *Water and Sewer Debt Act 342 Fund*. As the County completed fiscal year 2022, the governmental funds reported *combined* fund balances of \$294.4 million with the fund balances of the General Fund, ARP Local Fiscal Recover Fund, and the Water & Sewer Debt Act 342 representing 75.1 percent of the combined governmental funds balance.

The fiscal year ending combined fund balances of \$294.4 million represents a decrease of \$50.4 million from the combined fund balances reported at the end of fiscal year 2021. The overall decrease in the combined governmental fund balances includes a \$67.6 million decrease to the General Fund balance which is the result of the *Rafaeli, LLC* settlement of 39.8 million and a Market Value loss adjustment for investments of over 20 million. The Water and Sewer Debt Act 342 remained relatively unchanged. The non-major governmental funds increased by \$17.2 million primarily reflected by an increase in Capital Projects.

#### **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, 2022, the General Fund reported a fund balance of \$220.8 million. This amount reflects a decrease of \$67.6 million (23.4 percent) from the fund balance of \$288.4 million reported as of September 30, 2021.

The overall \$67.6 million decrease in the General Fund balance is a result of General Fund expenses exceeding General Fund revenues by \$17.4 million. In addition, the General Fund received \$6.5 million transfers from other funds, while transferring \$60.2 million to other funds, rendering a net "transfer-out" of \$53.6 million.

## County of Oakland

### Management's Discussion and Analysis

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General Fund revenues were recorded at \$440.8 million for fiscal year 2022. This amount is a decrease of \$139.0 million (24.0 percent) from the \$579.8 million received in fiscal year 2021. The decrease is due to federal and state funding provided in response to the COVID-19 pandemic ending as well as the loss in investment income for the Market Value adjustment of 21.9 million.

General Fund expenditures were \$458.3 million, a decrease of \$51.5 million from the fiscal year 2021 level (10 percent). Again, the overall change is due to COVID- 19 pandemic related expenses ending.

The General Fund received \$6.5 million in transfers from other funds; this is an increase of \$0.1 million (1 percent) from the amounts transferred during fiscal year 2021. This increase 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 \$60.2 million to other funds during fiscal year 2022. This amount is \$5.2 million more (9.5 percent) than the fiscal year 2021 transfers. The increase reflects more transfers made to the Child Care Fund (CCF) operating subsidy in fiscal year 2022.

Of the total \$220.8 million General Fund balance, all but \$1.0 million is Assigned for specific purposes or non-spendable. The total fiscal year 2022 General Fund balance of \$220.8 million represents 50.1 percent of the fiscal year 2022 General Fund operations. The General Fund balance of \$220.8 million represents 75.0 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 2022 budget was adopted on September 23, 2021 (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 \$13.6 million (3.0 percent) during the fiscal year 2022 from \$450.7 million to \$464.3 million. The increase is to recognize an increase in property tax revenue, increase in federal funding, and additional charges for services for the Sheriff Department contract increases.

Actual General Fund revenue totaled \$440.8 million, \$23.5 million less than the amended budget. Although variances naturally occur in every revenue line item, the most significant reason for this overall variance is related to unfavorable investment income of \$25.1 million which was partially offset by favorability in charges for services in the Clerks/Register of Deeds due to increased housing market activity. Intergovernmental Revenue was \$1.9 million favorable overall largely due to an increase in state shared revenue.

The General Fund expenditure budget increased \$32.8 million (7.7 percent) from \$425.2 million to \$458.0 million during fiscal year 2022. The increases were primarily related to public safety service levels. \$12.2 million was re-appropriated in fiscal year 2022 for carry forward requests and encumbrances that were approved with the FY 2021 Year End Report approved by the Board of Commissioners in December 2021. Furthermore, there were appropriations made during fiscal year 2022 of \$2.0 million in new Local Road Improvement program projects and new Tri-Party Road Improvement Program projects in the amount of \$2.0 million.

The General Fund expenditures for fiscal year 2022 were \$245,000 above budget. There was \$14.2 million of unfavorability in contractual/commodity due to the settlement of the *Rafaeli, LLC vs Oakland County* lawsuit. This was partially offset by favorability of \$10.5 million in salary and fringe benefit savings due



## County of Oakland Management's Discussion and Analysis

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to vacancies and turnover, and \$3.4 million in internal support.

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 \$64.0 million more in resources to other funds (financing uses) than it would take in from other funds (financing sources). The financing uses budget was increased during fiscal year 2022 by \$22.7 million from \$47.3 million to \$70.0 million. Major amendments included \$5.5 million to support the County's Building and Liability Fund; \$7.7 million to the Major Departmental Support Projects Fund toward IT Infrastructure Modernization project, and \$2.6 million for the Imaging System project; \$3.3 million to the Project Work Order fund in support of efforts for Children's Village Security and Life Safety Enhancements; and \$1.3 million grant match for the US Department of Commerce's Economic Development Administration (EDA) Grant to establish revolving loan program in Oakland County to be used to provide gap financing to small businesses.

Actual financing uses from the General Fund were \$10.3 million less than budgeted. This variance largely reflects reduced operational requirements for the Child Care Fund (\$7.5 million), Housing & Community Development Grants (\$609,538), and Law Enforcement Grants (\$460,976).

### **ARP Local Fiscal Recovery Fund**

The *ARP Local Fiscal Recover Fund* was a new major fund in fiscal year 2021. This fund was created to track Federal funding awarded through American Rescue Plan ACT (ARPA) Coronavirus Local Fiscal Recover Fund. See the Transmittal Letter for Additional information on ARPA funding. Total revenues for this fund were reported at \$20.5 million for fiscal year 2022. This amount represents 3.6% of the total revenues in the governmental funds. The expenditures were \$20.5 million, representing 3.3% of governmental funds expenditures. There is no effect on fund balance for the governmental funds.

### **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 \$284 to report a total fund balance of \$17,625.

### Enterprise Funds

There are five (5) *enterprise funds* that are classified as major: the *Parks and Recreation Fund*, the *Delinquent Tax Revolving Fund*, the *Water and Sewer Trust Fund*, the *Evergreen-Farmington Sewage Disposal System (EFSDS) Fund*, and the *Southeast Oakland County Sewage Disposal System (SOCSDS) Fund*. As of September 30, 2022, the Enterprise Funds had a combined net position of \$844.9 million, an increase of \$16.9 million from the combined net position reported at the end of fiscal year 2021. The five major enterprise funds reported net positions of \$633.7 million (75 percent of the total combined Enterprise net position). The net position of these five major Enterprise funds increased overall by \$11.8 million and the non-major enterprise funds increased by \$5.1 million for fiscal year 2022.

In total, the major Enterprise Funds experienced an increase in net position. The *Delinquent Tax Revolving Fund (DTRF)* ended fiscal year 2022 with a net position decrease to \$203.7 million, \$4.3 million (2.1 percent) less than the net position recorded at the end of fiscal year 2021. This decrease is primarily the result of market value adjustments for fund investments as of September 30, 2022.

The *Water and Sewer Trust Fund* realized a \$6.2 million increase (3.5 percent) in fiscal year 2022 to report a net position of \$181.1 million. This overall increase is mainly attributed to fluctuations in operating activity for the various water and sewer systems.

## County of Oakland

### Management's Discussion and Analysis

The *Evergreen-Farmington Sewage Disposal System Fund (EFSDS)* increased in net position by \$4.4 million (4.3 percent) to \$107.8 million. The increase in net position is attributed to fluctuating operating activity over the prior year.

The *Parks and Recreation Fund* net position increased \$4.6 million (5.1 percent) during fiscal year 2022 to a total of \$96.6 million in net position. This increase is a result of the increased tax revenue and an increase in charges for services.

The *Southeast Oakland County Sewage Disposal System Fund (SOCSDS)* experienced a \$.8 million increase (1.9 percent) in net position to \$44.4 million.

### 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 2022, the County had invested \$643.1 million, net of accumulated depreciation. This amount of net capital assets reflects an overall increase of \$25.1 million from fiscal year 2021. As seen in the table below, this is attributed to a \$8.9 million increase in governmental activities and a \$16.2 million increase to business-type activities. The overall change is largely related to on-going infrastructure projects in progress for business-type activities and new accounting standards classification for leased assets in the governmental activities.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land	\$ 7.4	\$ 7.4	\$ 68.8	\$ 68.5	\$ 76.2	\$ 75.9
Land Improvements	0.4	0.4	10.3	11.8	10.7	12.2
Buildings and Improvements	137.2	138.3	47.1	49.3	184.3	187.6
Equipment and Vehicles	34.5	27.6	18.5	19.1	52.9	46.7
Infrastructure	17.1	16.3	118.2	58.2	135.4	74.5
Right to Use Asset	7.7	-	0.2		7.8	-
Subtotal	204.2	190.0	263.1	206.9	467.3	396.9
Construction in Progress	31.8	37.1	144.0	184.0	175.8	221.1
Total Capital Assets	<u>\$ 236.0</u>	<u>\$ 227.1</u>	<u>\$ 407.1</u>	<u>\$ 390.9</u>	<u>\$ 643.1</u>	<u>\$ 618.0</u>

Please review Note 6 of the financial statements, for additional information regarding capital assets.

**Long-term Debt** - As of September 30, 2022, the Primary Government had \$274.6 million in limited taxing authority bonds outstanding. This represents a \$36.4 million decrease from September 30, 2021 in the limited tax authority bonds. In addition, the County uses its full faith and credit, as a secondary obligor,

## County of Oakland

### Management's Discussion and Analysis

to back \$236.7 million of Drainage District component unit debt. The Drainage District component unit debt experienced an overall decrease of \$21.6 million in fiscal year 2022.

#### Outstanding Debt as of September 30, 2022

(in millions of dollars)

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Primary Government</b>	
	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>
Bonds - Limited Tax Authority	\$ 230.8	\$ 263.5	\$ 43.7	\$ 47.5	\$ 274.6	\$ 311.0
Total Bonds	\$ 230.8	\$ 263.5	\$ 43.7	\$ 47.5	\$ 274.6	\$ 311.0
Notes - Limited Tax Authority	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Outstanding Debt	\$ 230.8	\$ 263.5	\$ 43.7	\$ 47.5	\$ 274.6	\$ 311.0

	<b>Drainage Districts Component Unit</b>		<b>Total County Commitment</b>	
	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>
Bonds - Limited Tax Authority	\$ 236.7	\$ 258.3	\$ 511.3	\$ 569.3
Total Bonds	\$ 236.7	\$ 258.3	\$ 511.3	\$ 569.3
Notes - Limited Tax Authority	\$ -	\$ -	\$ -	\$ -



## County of Oakland Management's Discussion and Analysis

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Total Outstanding Debt	\$ 236.7	\$ 258.3	\$ 511.3	\$ 569.3
Debt Limit (10% of SEV)			\$ 8,973.6	\$ 8,478.4
Available Statutory Debt Limit			\$ 8,462.3	\$ 7,909.1

Oakland County issued approximately \$6.1 million in general government and business-type activity debt in fiscal year 2022. Of the \$6.1 million, all is for governmental-type activities new issues which related to Water Supply Systems and Lake Level Projects. Business-type activities included \$63 thousand in new issues which related to water and sewer infrastructure projects.

During fiscal year 2022, \$42.5 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 \$1.3 million in new or refunding debt during fiscal year 2022 and retired about \$22.8 million in debt obligations.

A more detailed discussion of the County's long-term debt obligations is presented in Note 7 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, 2022 was \$89.7 billion. The County is \$8.5 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 19.6% in May 2021 as a result of the pandemic, Oakland County's unemployment rate declined to 2.5% as of December 2022. This compares to the national unemployment rate of 3.3% and the State of Michigan unemployment rate of 3.8% as of December 2022 (per the U.S. Bureau of labor Statistics).

The budget assumptions in the FY 2022 – FY 2024 adopted budget document includes an estimated 6.2% increase in taxable value as of December 31, 2022 (FY 2023 revenue); a 4.6% increase of taxable value as of December 31, 2023 (FY 2024 revenue); and an additional 4.4% increase in taxable value as of December 31, 2024 (FY 2025 revenue). Every 1.0 percent increase in taxable value adds approximately \$3.0 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 revising the County's fund balance policy to reflect an increase in minimum targeted fund balance from 20 percent to 25 percent of annual ongoing general fund expenditures. On September 29, 2022, the Oakland County Board of Commissioners adopted a balanced budget for fiscal years 2022, 2023, and 2024 (through September 30, 2024). This document also includes budget estimates for fiscal years 2025 and 2026.

## **County of Oakland Management's Discussion and Analysis**

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### **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) 858-0049.

Statement of Net Position

September 30, 2022

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Pooled cash and investments	\$ 709,345,182	\$ 400,742,188	\$ 1,110,087,370	\$ 151,309,307
Investments	16,788,721	-	16,788,721	-
Receivables (Note 4)	172,799,142	118,653,413	291,452,555	231,823,306
Due from component units	744,756	693,720	1,438,476	-
Internal balances	(1,604,890)	1,604,890	-	-
Inventories and supplies	2,250,281	181,843	2,432,124	5,971,644
Prepaid expenses and other assets	5,588,131	3,961,554	9,549,685	4,832,077
Restricted assets	-	-	-	31,404,276
Net OPEB asset (Note 12)	400,265,102	-	400,265,102	-
Capital assets: (Note 6)				
Assets not subject to depreciation	39,161,369	212,859,367	252,020,736	318,464,094
Assets subject to depreciation - Net	196,859,353	194,258,697	391,118,050	1,364,138,509
Total assets	1,542,197,147	932,955,672	2,475,152,819	2,107,943,213
<b>Deferred Outflows of Resources</b>				
Deferred pension costs (Note 10)	68,518,417	-	68,518,417	4,585,119
Deferred OPEB costs (Note 12)	177,127,629	-	177,127,629	7,412,749
Total deferred outflows of resources	245,646,046	-	245,646,046	11,997,868
<b>Liabilities</b>				
Accounts payable	42,463,740	32,794,100	75,257,840	23,597,885
Due to other governmental units	7,402,590	853,280	8,255,870	6,770,353
Due to primary government	-	-	-	1,438,476
Refundable deposits and bonds	32,905,160	-	32,905,160	1,738,313
Accrued liabilities and other	21,829,347	4,110,278	25,939,625	2,828,576
Unearned revenue (Note 5)	232,230,470	1,528,286	233,758,756	42,352,759
Noncurrent liabilities:				
Due within one year:				
Payable from restricted assets	-	-	-	5,918,751
Compensated absences (Note 7)	1,703,902	-	1,703,902	-
Provision for claims and judgments (Note 15)	48,689,911	-	48,689,911	948,119
Current portion of bonds payable (Note 7)	38,242,673	3,992,043	42,234,716	21,790,686
Due in more than one year:				
Compensated absences (Note 7)	15,335,116	-	15,335,116	2,450,826
Provision for claims and judgments (Note 15)	23,827,091	-	23,827,091	979,247
Net pension liability (Note 10)	69,207,954	-	69,207,954	4,254,080
Net OPEB obligation (Note 12)	-	-	-	96,568,922
Bonds and leases payable - Net of current portion (Note 7)	203,455,638	43,137,193	246,592,831	222,720,687
Total liabilities	737,293,592	86,415,180	823,708,772	434,357,680
<b>Deferred Inflows of Resources</b>				
Deferred pension cost reductions (Note 10)	-	-	-	25,106,151
Deferred OPEB cost reductions (Note 12)	47,595,124	-	47,595,124	18,615,665
Deferred inflows from leases (Note 16)	-	1,583,043	1,583,043	-
Total deferred inflows of resources	47,595,124	1,583,043	49,178,167	43,721,816
<b>Net Position</b>				
Net investment in capital assets	208,414,771	359,988,828	568,403,599	1,463,576,755
Restricted:				
Debt service	3,749,984	-	3,749,984	169,854,248
Public safety	8,332,890	-	8,332,890	-
Citizens services	4,408,013	-	4,408,013	-
Public works	13,407,281	-	13,407,281	29,181,384
Superseding trust - OPEB	16,829,466	-	16,829,466	-
Justice administration	27,910	-	27,910	-
Commerce and community development	7,894,747	-	7,894,747	-
Community water and sewer	-	123,206,475	123,206,475	-
Unrestricted	739,889,415	361,762,146	1,101,651,561	(20,750,802)
Total net position	\$ 1,002,954,477	\$ 844,957,449	\$ 1,847,911,926	\$ 1,641,861,585

# Oakland County, Michigan

Functions/Programs	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
General government, administrative	\$ 70,138,155	\$ 21,647,745	\$ 987,164	\$ -
Public safety	213,302,224	71,593,604	18,840,945	-
Justice administration	103,693,297	14,894,634	20,096,453	-
Citizen services	116,822,520	9,690,233	57,727,223	-
Public works	44,105,238	16,436,978	5,533,677	-
Recreation and leisure	771,777	-	-	-
Commerce and community development	47,126,228	24,759,678	18,267,516	-
Unallocated depreciation	3,270,176	-	-	-
Interest on long-term debt	1,997,323	-	-	-
Total governmental activities	601,226,938	159,022,872	121,452,978	-
Business-type activities				
Airports	7,310,040	5,660,606	23,000	-
Community safety support	16,776,965	17,052,331	-	-
Community tax financing	886,342	11,971,091	-	-
Community water and sewer	102,062,666	111,098,682	301,703	-
Recreation and leisure	28,290,154	11,008,520	294,750	267,900
Sewage disposal systems	141,959,078	152,067,468	-	614,557
Total business-type activities	297,285,245	308,858,698	619,453	882,457
Total primary government	<b>\$ 898,512,183</b>	<b>\$ 467,881,570</b>	<b>\$ 122,072,431</b>	<b>\$ 882,457</b>
Component units				
Drainage districts	130,431,922	125,731,268	-	4,811,370
Road commission	129,364,990	20,291,455	117,923,686	45,612,754
Total component units	<b>\$ 259,796,912</b>	<b>\$ 146,022,723</b>	<b>\$ 117,923,686</b>	<b>\$ 50,424,124</b>
General Revenue:				
Taxes				
Unrestricted state-shared revenue				
Unrestricted investment income				
Gain on sale of capital assets				
Other miscellaneous income				
Total general revenue				
Transfers				
<b>Change in Net Position</b>				
<b>Net Position - Beginning of year</b>				
<b>Net Position - End of year</b>				

See notes to financial statements.

# Statement of Activities

Year Ended September 30, 2022

## Net (Expense) Revenue and Changes in Net Position

### Primary Government

Governmental Activities	Business Type Activities	Total	Component Units
\$ (47,503,246)	\$ -	\$ (47,503,246)	\$ -
(122,867,675)	-	(122,867,675)	-
(68,702,210)	-	(68,702,210)	-
(49,405,064)	-	(49,405,064)	-
(22,134,583)	-	(22,134,583)	-
(771,777)	-	(771,777)	-
(4,099,034)	-	(4,099,034)	-
(3,270,176)	-	(3,270,176)	-
(1,997,323)	-	(1,997,323)	-
(320,751,088)	-	(320,751,088)	-
-	(1,626,434)	(1,626,434)	-
-	275,366	275,366	-
-	11,084,749	11,084,749	-
-	9,337,719	9,337,719	-
-	(16,718,984)	(16,718,984)	-
-	10,722,947	10,722,947	-
-	13,075,363	13,075,363	-
(320,751,088)	13,075,363	(307,675,725)	-
-	-	-	110,716
-	-	-	54,462,905
-	-	-	54,573,621
272,180,505	22,148,124	294,328,629	-
45,801,251	223,310	46,024,561	-
(25,976,167)	(9,760,599)	(35,736,766)	(619,505)
4,538,403	4,950	4,543,353	1,360,908
9,322,411	-	9,322,411	205,626
305,866,403	12,615,785	318,482,188	947,029
8,748,901	(8,748,901)	-	-
(6,135,784)	16,942,247	10,806,463	55,520,650
1,009,090,261	828,015,202	1,837,105,463	1,586,340,935
<b>\$ 1,002,954,477</b>	<b>\$ 844,957,449</b>	<b>\$ 1,847,911,926</b>	<b>\$ 1,641,861,585</b>



Governmental Funds  
Balance Sheet

September 30, 2022

	Major Funds			Nonmajor	Total
	General Fund	Water and Sewer Debt Act 342	ARP Local Fiscal Recovery Fund	Governmental Funds	Governmental Funds
<b>Assets</b>					
Pooled cash and investments	\$ 288,681,868	\$ 279,428	\$ 219,546,669	\$ 83,193,782	\$ 591,701,747
Receivables (Note 4)	82,993,929	41,449,299	7,887	43,416,585	167,867,700
Due from component units	61,945	-	-	626,725	688,670
Due from other funds	22,154,718	-	-	24,761,589	46,916,307
Advances to other funds	-	-	-	903,165	903,165
Inventories and supplies	172,929	-	-	-	172,929
Prepays and other assets	247,752	500	-	96,033	344,285
<b>Total assets</b>	<b>\$ 394,313,141</b>	<b>\$ 41,729,227</b>	<b>\$ 219,554,556</b>	<b>\$ 152,997,879</b>	<b>\$ 808,594,803</b>
<b>Liabilities</b>					
Accounts payable	\$ 21,122,949	\$ 241,903	\$ 958,764	\$ 10,618,389	\$ 32,942,005
Due to other governmental units	53,524	-	-	7,203,404	7,256,928
Due to other funds	37,877,592	-	5,792,528	17,428,490	61,098,610
Advances from other funds	-	-	-	738,165	738,165
Refundable deposits and bonds	32,905,160	-	-	-	32,905,160
Accrued liabilities and other	14,718,542	18,972	8,924	3,460,464	18,206,902
Unearned revenue	5,759,433	-	212,794,340	13,670,381	232,224,154
Provision for claims	39,840,000	-	-	-	39,840,000
<b>Total liabilities</b>	<b>152,277,200</b>	<b>260,875</b>	<b>219,554,556</b>	<b>53,119,293</b>	<b>425,211,924</b>
<b>Deferred Inflows of Resources</b> - Unavailable revenue (Note 5)	<b>21,212,198</b>	<b>41,450,727</b>	<b>-</b>	<b>26,290,201</b>	<b>88,953,126</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>173,489,398</b>	<b>41,711,602</b>	<b>219,554,556</b>	<b>79,409,494</b>	<b>514,165,050</b>
<b>Fund Balances</b> (Note 9)					
Nonspendable	420,681	500	-	991,698	1,412,879
Restricted	-	17,125	-	32,320,672	32,337,797
Committed	-	-	-	44,312,823	44,312,823
Assigned	219,443,400	-	-	-	219,443,400
Unassigned	959,662	-	-	(4,036,808)	(3,077,146)
<b>Total fund balances</b>	<b>220,823,743</b>	<b>17,625</b>	<b>-</b>	<b>73,588,385</b>	<b>294,429,753</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 394,313,141</b>	<b>\$ 41,729,227</b>	<b>\$ 219,554,556</b>	<b>\$ 152,997,879</b>	<b>\$ 808,594,803</b>

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**Governmental Funds**

**Reconciliation of the Balance Sheet to the Statement of Net Position**

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**September 30, 2022**

<b>Fund Balances Reported in Governmental Funds</b>	<b>\$ 294,429,753</b>
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 are not reported in the funds	189,608,480
Receivables such as special assessments, property taxes, and contracts receivable that are not collected soon after year end are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	88,265,328
Bonds and leases payable are not due and payable in the current period and are not reported in the funds	(86,798,311)
Accrued interest is not due and payable in the current period and is not reported in the funds	(229,719)
Internal service funds are included as part of governmental activities	<u>517,678,946</u>
<b>Net Position of Governmental Activities</b>	<b><u><u>\$ 1,002,954,477</u></u></b>

## Governmental Funds

## Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended September 30, 2022

	General Fund	Water and Sewer Debt Act 342	ARP Local Fiscal Recovery Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenue</b>					
Taxes	269,470,416	-	-	-	269,470,416
Special assessments	-	3,366,943	-	4,844,083	8,211,025
Intergovernmental:					
Federal grants	1,289,019	-	19,971,327	43,033,971	64,294,317
State and local	54,900,733	-	-	36,589,223	91,489,956
Charges for Services	123,604,204	500	-	11,112,624	134,717,328
Indirect cost recovery	9,068,263	-	-	181	9,068,445
Investment income	(21,902,499)	1,473	538,912	182,847	(21,179,267)
Other revenue	4,399,568	-	-	6,211,859	10,611,426
Total revenue	440,829,704	3,368,916	20,510,239	101,974,788	566,683,647
<b>Expenditures</b>					
Current operations:					
County Executive	108,685,938	-	1,810,860	85,486,252	195,983,050
Clerk/Register of Deeds	9,628,669	-	-	2,268,211	11,896,879
Treasurer	49,338,347	-	-	-	49,338,347
Justice administration	57,093,878	-	-	22,707,345	79,801,223
Law enforcement	197,131,376	-	2,645,808	8,225,729	208,002,914
Legislative	5,263,965	-	50,000	-	5,313,965
Water Resource Commissioner	8,067,506	500	-	3,319,275	11,387,281
Non-departmental	22,220,792	-	15,957,227	6,239,397	44,417,417
No Cost Center	205,197	-	-	-	205,197
Capital outlay	637,245	-	46,344	76,196	759,785
Intergovernmental	-	-	-	55,724	55,724
Debt service:					
Principal	-	2,390,000	-	8,756,800	11,146,800
Interest and fiscal charges	-	978,700	-	1,499,327	2,478,027
Total Expenditures	458,272,912	3,369,200	20,510,239	138,634,257	620,786,608
<b>Excess of Revenues Over (Under) Expenditures</b>	(17,443,208)	(284)	-	(36,659,469)	(54,102,961)
<b>Other Financing Sources (Uses)</b>					
Transfers In	6,503,242	-	-	55,723,086	62,226,328
Transfers Out	(60,186,178)	-	-	(8,002,806)	(68,188,984)
Issuance of refunding bonds	-	-	-	6,035,648	6,035,648
Debt premium	-	-	-	135,416	135,416
Sales of capital assets	3,546,870	-	-	-	3,546,870
Total other financing sources (uses)	(50,136,066)	-	-	53,891,344	3,755,278
<b>Net Change in Fund Balances</b>	(67,579,274)	(284)	-	17,231,875	(50,347,683)
Fund Balance - Beginning of year	288,403,017	17,909	-	56,356,510	344,777,436
Fund Balance - End of year	220,823,743	17,625	-	73,588,385	294,429,753

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**Governmental Funds**

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
Fund Balances to the Statement of Activities**

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**Year Ended September 30, 2022**

**Net Change in Fund Balances Reported in Governmental Funds** **\$ (50,347,683)**

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation

Capital outlay	4,065,591
Depreciation and amortization expense	(10,404,827)
Net book value of assets disposed of	(2,292)

Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in the funds until it is available	6,715,202
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Lease expense is an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt)	849,961
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Issuing debt provides current financial resources to governmental funds but increases long-term liabilities in the statement of net position	(6,171,064)
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Repayment of bond principal is an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt)	11,146,800
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Interest expense is recognized in the government-wide statements as it accrues	480,706
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Claims and similar costs that do not use current financial resources are not reported as expenditures in the governmental funds	19,800,000
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Internal service funds are included as part of governmental activities	17,731,822
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**Change in Net Position of Governmental Activities** **\$ (6,135,784)**

# Oakland County, Michigan

	Enterprise Funds			
	Parks and Recreation	Delinquent Tax Revolving	Water and Sewer Trust	Evergreen- Farmington S.D.S.
<b>Assets</b>				
Current assets:				
Pooled cash and investments	\$ 31,539,127	\$ 142,965,147	\$ 101,601,354	\$ 21,431,137
Investments	-	-	-	-
Receivables	658,921	61,169,434	33,150,309	6,643,864
Due from component units	-	-	-	689,979
Due from other funds	219	-	400,048	30,873
Inventories and supplies	123,646	-	-	-
Prepaid expenses and other assets	-	150,880	1,310,585	400,083
Total current assets	32,321,913	204,285,461	136,462,296	29,195,936
Noncurrent assets:				
Net OPEB asset	-	-	-	-
Capital assets:				
Assets not subject to depreciation	32,959,514	-	24,567,709	54,187,649
Assets subject to depreciation - Net	32,884,909	-	48,996,647	45,216,279
Total noncurrent assets	65,844,423	-	73,564,356	99,403,928
Total assets	98,166,336	204,285,461	210,026,652	128,599,864
<b>Deferred Outflows of Resources</b>				
Deferred pension costs	-	-	-	-
Deferred OPEB costs	-	-	-	-
Total deferred outflows of resources	-	-	-	-
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	998,738	226,029	12,586,775	7,451,521
Due to other governmental units	-	253,612	7,613	-
Due to other funds	112,949	-	-	-
Accrued liabilities and other	328,677	65,972	1,963,361	119,481
Unearned revenue	162,802	-	-	-
Compensated absences	-	-	-	-
Provision for claims and judgments	-	-	-	-
Current portion of bonds payable	-	-	1,027,043	1,265,000
Total current liabilities	1,603,166	545,613	15,584,792	8,836,002
Noncurrent liabilities:				
Advances from other funds	-	-	165,000	-
Compensated absences	-	-	-	-
Provision for claims and judgments	-	-	-	-
Net pension liability	-	-	-	-
Bonds and leases payable - Net of current portion	-	-	13,136,520	11,915,000
Total noncurrent liabilities	-	-	13,301,520	11,915,000
Total liabilities	1,603,166	545,613	28,886,312	20,751,002
<b>Deferred Inflows of Resources</b>				
Deferred OPEB cost reductions	-	-	-	-
Deferred inflows from leases	-	-	-	-
Total deferred inflows of resources	-	-	-	-
<b>Net Position</b>				
Net investment in capital assets	65,844,423	-	59,400,793	86,223,928
Restricted:				
Public works	-	-	65,114,044	15,983,133
Superseding trust - OPEB	-	-	-	-
Unrestricted	30,718,747	203,739,848	56,625,503	5,641,801
Total net position	\$ 96,563,170	\$ 203,739,848	\$ 181,140,340	\$ 107,848,862



# Proprietary Funds Statement of Net Position

**September 30, 2022**

Enterprise Funds			Governmental Activities
S.O.C.S.D.S.	Nonmajor Enterprise	Total Enterprise Funds	Proprietary Internal Service Fund
\$ 33,969,682	\$ 69,235,741	\$ 400,742,188	\$ 117,643,435
-	-	-	16,788,721
5,855,623	11,175,262	118,653,413	4,931,442
-	3,741	693,720	56,086
-	1,905,521	2,336,661	16,103,336
-	58,197	181,843	2,077,352
334,885	1,765,121	3,961,554	5,243,846
40,160,190	84,143,583	526,569,379	162,844,218
-	-	-	400,265,102
2,321,060	98,823,435	212,859,367	27,370,328
10,873,797	56,287,065	194,258,697	19,041,914
13,194,857	155,110,500	407,118,064	446,677,344
53,355,047	239,254,083	933,687,443	609,521,562
-	-	-	68,518,417
-	-	-	177,127,629
-	-	-	245,646,046
8,835,941	2,695,096	32,794,100	9,521,735
-	592,055	853,280	145,662
22,901	430,921	566,771	3,690,923
89,142	1,543,645	4,110,278	2,704,928
-	1,365,484	1,528,286	6,316
-	-	-	1,703,902
-	-	-	8,849,911
-	1,700,000	3,992,043	28,605,000
8,947,984	8,327,201	43,844,758	55,228,377
-	-	165,000	-
-	-	-	15,335,116
-	-	-	23,827,091
-	-	-	69,207,954
-	18,085,673	43,137,193	126,295,000
-	18,085,673	43,302,193	234,665,161
8,947,984	26,412,874	87,146,951	289,893,538
-	-	-	47,595,124
-	1,583,043	1,583,043	-
-	1,583,043	1,583,043	47,595,124
13,194,857	135,324,827	359,988,828	46,412,242
16,927,038	25,182,260	123,206,475	-
-	-	-	16,829,466
14,285,168	50,751,079	361,762,146	454,437,238
<b>\$ 44,407,063</b>	<b>\$ 211,258,166</b>	<b>\$ 844,957,449</b>	<b>\$ 517,678,946</b>

## Oakland County, Michigan

	Enterprise Funds			
	Parks and Recreation	Delinquent Tax Revolving	Water and Sewer Trust	Evergreen-Farmington S.D.S.
<b>Operating Revenue</b>				
Charges for services	\$ 11,001,997	\$ 11,436,016	\$ 110,822,305	\$ 49,478,814
Other	6,523	-	276,377	15,769
Total operating revenue	11,008,520	11,436,016	111,098,682	49,494,583
<b>Operating Expenses</b>				
Salaries	10,783,888	139,405	131,191	-
Fringe benefits	3,410,998	76,144	68,725	-
Fringe benefits - Pension	-	-	-	-
Fringe benefits - OPEB	-	-	-	-
Contractual services	7,494,618	205,749	53,919,018	42,300,696
Commodities	1,628,582	-	2,206,379	34,073
Internal services	1,594,365	141,436	27,453,992	1,843,948
Intergovernmental	-	-	15,955,638	-
Depreciation	3,377,703	-	1,946,067	754,956
Total operating expenses	28,290,154	562,734	101,681,010	44,933,673
<b>Operating (Loss) Income</b>	(17,281,634)	10,873,282	9,417,672	4,560,910
<b>Nonoperating Revenue (Expense)</b>				
Property tax revenue	22,148,124	-	-	-
Investment income (loss)	(1,000,830)	(5,115,086)	(3,086,595)	112,910
Interest expense	-	-	(381,656)	(342,741)
Gain on sale of assets	4,950	-	-	-
Other nonoperating revenue	95,750	-	-	-
Operating grants	199,000	-	301,703	-
Local community stabilization share	223,310	-	-	-
Total nonoperating revenue (expense)	21,670,304	(5,115,086)	(3,166,548)	(229,831)
<b>Income (Loss) - Before capital contributions</b>	4,388,670	5,758,196	6,251,124	4,331,079
<b>Capital Contributions</b>	267,900	-	-	614,557
<b>Transfers In</b>	50,000	5	-	-
<b>Transfers Out</b>	(31,648)	(10,107,789)	(46,800)	(500,000)
<b>Change in Net Position</b>	4,674,922	(4,349,588)	6,204,324	4,445,636
<b>Net Position - Beginning of year</b>	91,888,248	208,089,436	174,936,016	103,403,226
<b>Net Position - End of year</b>	<b>\$ 96,563,170</b>	<b>\$ 203,739,848</b>	<b>\$ 181,140,340</b>	<b>\$ 107,848,862</b>

Proprietary Funds

Statement of Revenue, Expenses, and Changes in Net Position

Year Ended September 30, 2022

Enterprise Funds			Governmental Activities
S.O.C.S.D.S.	Nonmajor Enterprise	Total Enterprise Funds	Proprietary Internal Service Fund
\$ 54,767,416	\$ 70,498,322	\$ 308,004,870	\$ 287,704,752
151,669	403,490	853,828	59,015
54,919,085	70,901,812	308,858,698	287,763,767
-	5,132,068	16,186,552	49,053,667
-	2,569,574	6,125,441	23,970,125
-	-	-	27,115,956
-	-	-	(37,070,644)
50,686,509	44,081,323	198,687,913	190,922,550
199,622	406,957	4,475,613	10,120,994
1,893,893	3,716,460	36,644,094	10,741,203
-	6,764,158	22,719,796	-
126,356	5,055,778	11,260,860	5,679,370
52,906,380	67,726,318	296,100,269	280,533,221
2,012,705	3,175,494	12,758,429	7,230,546
-	-	22,148,124	-
(1,165,251)	494,253	(9,760,599)	(4,796,896)
-	(460,579)	(1,184,976)	(6,412,669)
-	-	4,950	993,825
-	-	95,750	-
-	23,000	523,703	-
-	-	223,310	-
(1,165,251)	56,674	12,050,262	(10,215,740)
847,454	3,232,168	24,808,691	(2,985,194)
-	-	882,457	6,005,459
-	2,173,331	2,223,336	14,845,187
-	(286,000)	(10,972,237)	(133,630)
847,454	5,119,499	16,942,247	17,731,822
43,559,609	206,138,667	828,015,202	499,947,124
<b>\$ 44,407,063</b>	<b>\$ 211,258,166</b>	<b>\$ 844,957,449</b>	<b>\$ 517,678,946</b>

# Oakland County, Michigan

	Enterprise Funds			
	Parks and Recreation	Delinquent Tax Revolving	Water and Sewer Trust	Evergreen-Farmington S.D.S.
<b>Cash Flows from Operating Activities</b>				
Receipts from customers	\$ 10,864,981	\$ 11,581,084	\$ 107,551,392	\$ 48,137,288
Payments to suppliers	(8,670,354)	(415,680)	(68,546,542)	(42,051,811)
Payments to employees and fringes	(14,072,447)	(214,423)	(201,050)	-
Payments to other funds	(1,517,853)	(141,436)	(27,524,903)	(1,843,948)
Net cash and cash equivalents (used in) provided by operating activities	(13,395,673)	10,809,545	11,278,897	4,241,529
<b>Cash Flows from Noncapital Financing Activities</b>				
Operating grants and subsidies	269,750	-	301,703	-
Transfers from other funds	50,000	5	-	-
Principal and interest paid on operating debt	-	-	157,513	-
Transfers to other funds	(31,648)	(10,107,789)	(46,800)	(500,000)
Payments of loans made from other funds	-	-	(60,000)	-
Property taxes	22,148,124	-	-	-
Local community stabilization share	223,310	-	-	-
Purchase of delinquent property taxes	-	(61,261,483)	-	-
Delinquent property taxes collected	-	63,139,360	-	-
Net cash and cash equivalents provided by (used in) noncapital financing activities	22,659,536	(8,229,907)	352,416	(500,000)
<b>Cash Flows from Capital and Related Financing Activities</b>				
Proceeds from sale of capital assets	39,487	-	-	-
Purchase of capital assets	(2,024,546)	-	(9,866,964)	(3,263,935)
Principal and interest paid on capital debt	-	-	(1,274,534)	(1,572,741)
Net cash and cash equivalents used in capital and related financing activities	(1,985,059)	-	(11,141,498)	(4,836,676)
<b>Cash Flows from Investing Activities</b>				
Interest received and investment value change	(1,049,447)	(5,160,083)	(3,266,073)	102,702
Purchases of investment securities	-	-	-	-
Purchase of investment securities - Net of sales	-	-	-	-
Net cash and cash equivalents (used in) provided by investing activities	(1,049,447)	(5,160,083)	(3,266,073)	102,702
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	6,229,357	(2,580,445)	(2,776,258)	(992,445)
<b>Cash and Cash Equivalents - Beginning of year</b>	25,309,770	145,545,592	104,377,612	22,423,582
<b>Cash and Cash Equivalents - End of year</b>	<b>\$ 31,539,127</b>	<b>\$ 142,965,147</b>	<b>\$ 101,601,354</b>	<b>\$ 21,431,137</b>
<b>Classification of Cash and Cash Equivalents - Cash and investments</b>	<b>\$ 31,539,127</b>	<b>\$ 142,965,147</b>	<b>\$ 101,601,354</b>	<b>\$ 21,431,137</b>
<b>Reconciliation of Operating (Loss) Income to Net Cash from Operating Activities</b>				
Operating (loss) income	\$ (17,281,634)	\$ 10,873,282	\$ 9,417,672	\$ 4,560,910
Adjustments to reconcile operating (loss) income to net cash from operating activities:				
Depreciation	3,377,703	-	1,946,067	754,956
Changes in assets and liabilities:				
Receivables	(143,539)	145,068	(3,547,290)	(1,357,295)
Due to and from other funds	76,512	-	(70,911)	-
Inventories	(551)	-	-	-
Prepaid and other assets	2,282	(150,880)	(252,304)	(50,652)
Net pension or OPEB asset	-	-	-	-
Accounts payable	451,115	(59,051)	3,786,797	333,610
Deferrals related to pension or OPEB	-	-	-	-
Accrued and other liabilities	122,439	1,126	(1,134)	-
Total adjustments	3,885,961	(63,737)	1,861,225	(319,381)
Net cash and cash equivalents (used in) provided by operating activities	<b>\$ (13,395,673)</b>	<b>\$ 10,809,545</b>	<b>\$ 11,278,897</b>	<b>\$ 4,241,529</b>
<b>Significant Noncash Transactions - Contribution of capital assets</b>	\$ 267,900	\$ -	\$ -	\$ 614,557

See notes to financial statements.

# Proprietary Funds Statement of Cash Flows

**Year Ended September 30, 2022**

Enterprise Funds			Governmental Activities
S.O.C.S.D.S.	Nonmajor Enterprise	Total	Proprietary Internal Service Fund
\$ 53,840,116	\$ 69,210,229	\$ 301,185,090	\$ 291,515,505
(50,303,328)	(50,568,615)	(220,556,330)	(59,099,449)
-	(7,669,366)	(22,157,286)	(206,320,904)
(1,893,893)	(3,271,139)	(36,193,172)	(8,566,205)
1,642,895	7,701,109	22,278,302	17,528,947
-	23,000	594,453	-
-	2,173,331	2,223,336	9,345,187
-	-	157,513	-
-	(286,000)	(10,972,237)	(133,630)
-	-	(60,000)	-
-	-	22,148,124	-
-	-	223,310	-
-	-	(61,261,483)	-
-	-	63,139,360	-
-	1,910,331	16,192,376	9,211,557
-	-	39,487	1,062,407
(116,481)	(11,310,844)	(26,582,770)	(6,151,665)
-	(2,522,625)	(5,369,900)	(33,997,669)
(116,481)	(13,833,469)	(31,913,183)	(39,086,927)
(1,182,688)	464,449	(10,091,140)	(4,868,110)
-	-	-	(500,000)
-	-	-	3,455,356
(1,182,688)	464,449	(10,091,140)	(1,912,754)
343,726	(3,757,580)	(3,533,645)	(14,259,177)
33,625,956	72,993,321	404,275,833	131,902,612
<b>\$ 33,969,682</b>	<b>\$ 69,235,741</b>	<b>\$ 400,742,188</b>	<b>\$ 117,643,435</b>
<b>\$ 33,969,682</b>	<b>\$ 69,235,741</b>	<b>\$ 400,742,188</b>	<b>\$ 117,643,435</b>
\$ 2,012,705	\$ 3,175,494	\$ 12,758,429	\$ 7,230,546
126,356	5,055,778	11,260,860	5,679,370
(1,078,969)	(1,691,583)	(7,673,608)	3,749,582
-	430,921	436,522	2,175,433
-	66,116	65,565	(580,900)
32,633	(60,339)	(479,260)	3,369,056
-	-	-	245,114,219
550,170	692,446	5,755,087	6,516,289
-	-	-	(255,068,907)
-	32,276	154,707	(655,741)
(369,810)	4,525,615	9,519,873	10,298,401
<b>\$ 1,642,895</b>	<b>\$ 7,701,109</b>	<b>\$ 22,278,302</b>	<b>\$ 17,528,947</b>
\$ -	\$ -	\$ 882,457	\$ 6,005,459



**Fiduciary Funds**  
**Statement of Fiduciary Net Position**

**September 30, 2022**

	Pension and Other Postemployment Benefits Trust Funds	Investment Trust Fund	Custodial Funds
<b>Assets</b>			
Pooled cash and investments	\$ 61,039,079	\$ 608,754,597	\$ 260,253,065
Investments:			
U.S. government securities	302,796,923	-	-
Other fixed income	19,478,074	-	-
Commercial mortgage-backed securities	21,682,822	-	-
International common stock	493,771,272	-	-
Common, preferred, and convertible stocks	251,221,104	-	-
Corporate bonds	233,403,900	-	-
Real estate	253,540,036	-	-
Partnerships	168,485,550	-	-
Hedge funds	185,889,344	-	-
Receivables - Accrued interest receivable	4,494,598	129,812	34,295
Prepaid expenses and other assets	220,418	-	-
Total assets	1,996,023,120	608,884,409	260,287,360
<b>Liabilities</b>			
Accounts payable	2,793,263	-	-
Due to other governmental units	-	-	256,046,221
Refundable deposits and bonds	-	-	980,833
Accrued liabilities and other	1,861,094	-	-
Total liabilities	4,654,357	-	257,027,054
<b>Net Position - Restricted</b>			
Pension	648,806,362	-	-
Postemployment benefits other than pension	1,342,562,401	-	-
Pool participants	-	608,884,409	-
Individuals, organizations, and other governments	-	-	3,260,306
Total net position	<u><u>\$ 1,991,368,763</u></u>	<u><u>\$ 608,884,409</u></u>	<u><u>\$ 3,260,306</u></u>

**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**

**Year Ended September 30, 2022**

	Pension and Other Postemployment Benefits Trust Funds	Investment Trust Fund	Custodial Funds
<b>Additions</b>			
Investment income (loss):			
Interest and dividends	\$ 29,791,378	\$ 4,460,814	\$ 1,550
Net decrease in fair value of investments	(290,039,732)	(24,282,054)	-
Investment-related expenses	(5,031,500)	-	-
Net investment (loss) income	(265,279,854)	(19,821,240)	1,550
Contributions - Employer contributions	343,822	-	-
New investments by participating municipalities	-	431,078,818	-
Property tax collections	-	-	1,446,428,251
Other revenue	6,784,728	-	-
Forfeitures, escheats, and deposits	-	-	10,093,363
Total additions	(258,151,304)	411,257,578	1,456,523,164
<b>Deductions</b>			
Benefit payments	109,415,856	-	-
Redemptions of investments by participating municipalities	-	849,161,682	-
Administrative expenses	846,025	-	-
Taxes disbursed	-	-	1,446,428,251
Release of funds	-	-	8,157,659
Court-ordered funds	-	-	10,776,214
Total deductions	110,261,881	849,161,682	1,465,362,124
<b>Net Decrease in Fiduciary Net Position</b>	(368,413,185)	(437,904,104)	(8,838,960)
<b>Net Position - Beginning of year</b>	2,359,781,948	1,046,788,513	12,099,266
<b>Net Position - End of year</b>	<b>\$ 1,991,368,763</b>	<b>\$ 608,884,409</b>	<b>\$ 3,260,306</b>

Component Units  
Statement of Net Position

September 30, 2022

	Drainage Districts	Road Commission	Total
<b>Assets</b>			
Pooled cash and investments	\$ 48,145,915	\$ 103,163,392	\$ 151,309,307
Receivables	194,840,938	36,982,368	231,823,306
Inventories and supplies	-	5,971,644	5,971,644
Prepaid expenses and other assets	1,320,186	3,511,891	4,832,077
Restricted assets	31,404,276	-	31,404,276
Capital assets:			
Assets not subject to depreciation	68,286,357	250,177,737	318,464,094
Assets subject to depreciation - Net	588,656,618	775,481,891	1,364,138,509
Total assets	932,654,290	1,175,288,923	2,107,943,213
<b>Deferred Outflows of Resources</b>			
Deferred pension costs	-	4,585,119	4,585,119
Deferred OPEB costs	-	7,412,749	7,412,749
Total deferred outflows of resources	-	11,997,868	11,997,868
<b>Liabilities</b>			
Accounts payable	10,039,359	13,558,526	23,597,885
Due to other governmental units	6,770,353	-	6,770,353
Due to primary government	1,382,160	56,316	1,438,476
Refundable deposits and bonds	-	1,738,313	1,738,313
Accrued liabilities and other	554,119	2,274,457	2,828,576
Unearned revenue	26,525,416	15,827,343	42,352,759
Noncurrent liabilities:			
Due within one year:			
Payable from restricted assets	5,918,751	-	5,918,751
Provision for claims and judgments	-	948,119	948,119
Current portion of bonds payable	21,790,686	-	21,790,686
Due in more than one year:			
Compensated absences	-	2,450,826	2,450,826
Provision for claims and judgments	-	979,247	979,247
Net pension liability	-	4,254,080	4,254,080
Net OPEB obligation	-	96,568,922	96,568,922
Bonds and leases payable - Net of current portion	222,720,687	-	222,720,687
Total liabilities	295,701,531	138,656,149	434,357,680
<b>Deferred Inflows of Resources</b>			
Deferred pension cost reductions	-	25,106,151	25,106,151
Deferred OPEB cost reductions	-	18,615,665	18,615,665
Total deferred inflows of resources	-	43,721,816	43,721,816
<b>Net Position</b>			
Net investment in capital assets	437,917,127	1,025,659,628	1,463,576,755
Restricted:			
Debt service	169,854,248	-	169,854,248
Public works	29,181,384	-	29,181,384
Unrestricted	-	(20,750,802)	(20,750,802)
Total net position	\$ 636,952,759	\$ 1,004,908,826	\$ 1,641,861,585

## Oakland County, Michigan

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	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Functions/Programs</b>				
Drainage Districts	\$ 130,431,922	\$ 125,731,268	\$ -	\$ 4,811,370
Road Commission	129,364,990	20,291,455	117,923,686	45,612,754
Total component units	<b>\$ 259,796,912</b>	<b>\$ 146,022,723</b>	<b>\$ 117,923,686</b>	<b>\$ 50,424,124</b>

### General revenue:

Unrestricted investment (loss) income  
Gain on sale of capital assets  
Other miscellaneous income

Total general revenue

### Change in Net Position

**Net Position** - Beginning of year

**Net Position** - End of year

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Component Units  
Statement of Activities

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Year Ended September 30, 2022

Net Revenue (Expense) and Changes in Net Position

<u>Drainage Districts</u>	<u>Road Commission</u>	<u>Total</u>
\$ 110,716	\$ -	\$ 110,716
-	54,462,905	54,462,905
110,716	54,462,905	54,573,621
(1,052,346)	432,841	(619,505)
-	1,360,908	1,360,908
205,626	-	205,626
(846,720)	1,793,749	947,029
(736,004)	56,256,654	55,520,650
637,688,763	948,652,172	1,586,340,935
<b><u>\$ 636,952,759</u></b>	<b><u>\$ 1,004,908,826</u></b>	<b><u>\$ 1,641,861,585</u></b>



**September 30, 2022****Note 1 - Significant Accounting Policies*****Accounting and Reporting Principles***

The basic financial statements of Oakland County, Michigan (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, Michigan 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 Units***

A blended component unit is a legally separate entity from the County that 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.

***Discretely Presented Component Units***

A discretely presented component unit is an entity that is legally separate from the County but for which the County is financially accountable or whose 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.

**September 30, 2022****Note 1 - Significant Accounting Policies (Continued)***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, are 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, Michigan.

The financial activities of the Drainage Districts as of and for the year ended September 30, 2022 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, MI 48328.

*Road Commission for Oakland County (the "Road Commission")*

The Road Commission is governed by three appointees of the County Board of Commissioners who are not 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 control has not been exercised. The Road Commission's primary activities, which are as of and for the year ended September 30, 2022, 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, 2021, is not reported in the financial statements of Oakland County, Michigan.

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 at 31001 Lahser Road, Beverly Hills, MI 48025.

**Fiduciary Component Units***Oakland County Public Employees' Retirement System (PERS)*

The PERS is governed by a nine-member board, as described in Note 10. Although it is legally separate from the County, it is reported as a fiduciary component unit because the County appoints the voting majority to the board and imposes a financial burden on the County.

*Voluntary Employees' Beneficiary Trust (VEBA)*

The VEBA is governed by a nine-member board, as described in Note 12. Although it is legally separate from the County, it is reported as a fiduciary component unit because the County appoints the voting majority to the board and imposes a financial burden on the County.

**September 30, 2022****Note 1 - Significant Accounting Policies (Continued)*****Fund Accounting***

The County accounts for its various activities in several different funds in order to demonstrate accountability for how it spends certain resources; separate funds allow the County to show the particular expenditures for which specific revenue is used. The various funds are aggregated into three broad fund types:

**Governmental Funds**

Governmental funds include all activities that provide general governmental services that are not business-type activities. Governmental funds can include the General Fund, special revenue funds, debt service funds, capital project funds, and permanent funds. The County reports the following funds as 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 ARP Local Fiscal Recovery Fund accounts for the financial resources received under the American Rescue Plan Act.

Additionally, the County reports the following nonmajor governmental fund types:

- Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.
- Capital project funds are used to record bond proceeds or other revenue and the disbursement of invoices specifically designated for capital-related items. The funds operate until the purpose for which they were created is accomplished.
- Debt service funds are used to record tax, interest, and other revenue for payment of interest, principal, and other expenditures on long-term debt.

**Proprietary Funds**

Proprietary funds include enterprise funds (which provide goods or services to users in exchange for charges or fees) and internal service funds (which provide goods or services to other funds of the County). The County reports the following funds as major enterprise funds:

- The Parks and Recreation Fund accounts for the operation of the Oakland County, Michigan 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 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.

**September 30, 2022****Note 1 - Significant Accounting Policies (Continued)**

- 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.

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 and services provided to county employees and funds which include health, workers' compensation, unemployment compensation, information technology, various equipment revolving funds, and central service-type operations.

**Fiduciary Funds**

Fiduciary funds include amounts held in a fiduciary capacity for others. These amounts are not used to operate the County's programs. Oakland County, Michigan's fiduciary funds include Pension and Other Postemployment Benefits Trust Funds to account for retirees' retirement and medical benefits; the investment trust fund, which reports funds deposited by and invested for local units of government; and custodial 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, Michigan.

**Interfund Activity**

During the course of operations, the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Furthermore, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

**Basis of Accounting**

The governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the County has spent its resources.

Expenditures are reported when the goods are received or the services are rendered. Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future; conversely, employee benefit costs that will be funded in the future (such as pension and retiree health care-related costs or sick and vacation pay) are not counted until they come due for payment. In addition, debt service expenditures, claims, and judgments are recorded only when payment is due.

**September 30, 2022****Note 1 - Significant Accounting Policies (Continued)**

Revenue is not recognized until it is collected or collected soon enough after the end of the year that it is available to pay for obligations outstanding at the end of the year. For this purpose, the County considers amounts collected within 60 days of year end to be available for recognition. The following major revenue sources meet the availability criterion: property taxes, special assessments, and federal and state grant revenue. Conversely, property taxes, special assessments, federal grant reimbursements, and certain other revenue will be collected after the period of availability; receivables have been recorded for these, along with a deferred inflow.

Proprietary funds and fiduciary funds, as applicable, use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

***Report Presentation***

Governmental accounting principles require that financial reports include two different perspectives - the government-wide perspective and the fund-based perspective. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units, as applicable. The government-wide financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. 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 statements also present a schedule reconciling these amounts to the modified accrual basis presentation found in the fund-based statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Taxes, unrestricted intergovernmental receipts, and other items not properly included among program revenue are reported instead as general revenue.

As a general rule, the effect of interfund activity has been removed from the government-wide financial statements. Exceptions to this general rule occur when there are charges between the County's enterprise functions and various other functions. Eliminations of these charges would distort the direct costs and program revenue reported for the various functions concerned.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds, if any, are reported as separate columns in the fund financial statements.

***Specific Balances and Transactions******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 custodial 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, 2022 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 interfund liability.



September 30, 2022

**Note 1 - Significant Accounting Policies (Continued)**

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.

**Interfund 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.

Noncurrent portions of long-term interfund 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, 2022 are recorded as prepayments using the consumption method.

**Unearned Revenue**

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

**Restricted Cash**

The County has unspent bond proceeds remaining from the 2020 General Obligation Debt for the OMI Drainage District of \$31,404,276.

**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 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.

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	15-45
Equipment and vehicles	3-10
Sewage disposal systems	40-50
Infrastructure	10-100

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.

**September 30, 2022****Note 1 - Significant Accounting Policies (Continued)****Long-term Obligations**

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed at the time they are incurred. In the fund financial statements, governmental fund types recognize bond issuances and premiums as other financing sources and bond discounts as other financing uses. The debt service funds are generally used to liquidate governmental long-term debt.

**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 assets that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. The County recognizes deferred outflows from changes in assumptions related to the OPEB plan and the net difference between projected and actual earnings on retirement and OPEB plan investments. 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 represents an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The County has three types of deferred inflows, the first of which arising only under a modified accrual basis of accounting, that qualify for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue 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 plan. The third type is related to changes in assumptions related to the OPEB plan. These amounts will be amortized over future 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, 2021 through September 30, 2022) and are reported as revenue 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.

**Net Position**

Net position of the County is classified in three components:

- 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.

**Note 1 - Significant Accounting Policies (Continued)**

- Unrestricted net position consists of net position that 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 that are imposed by management but can be removed or modified.

**Net Position Flow Assumption**

The County will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements (as applicable), a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**Fund Balance Flow Assumptions**

The County will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Furthermore, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**Fund Equity**

In the fund financial statements for the governmental funds, the following are the components of fund balance:

- Nonspendable: 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: the residual classification of the General Fund and the reporting of any negative fund balance of a governmental fund

**September 30, 2022****Note 1 - Significant Accounting Policies (Continued)****Property Tax Revenue**

County general operating property taxes are levied annually on July 1 (lien date) to fund operations for the current year. The property taxes are due in full within nine months (prior to March 1), at which time uncollected taxes become delinquent. The assessed value of real and personal is established by the local units, accepted by the County, and equalized under state statute at approximately 50 percent of the current estimated market value. In March 1994, Michigan voters approved Proposal A, which requires property taxes to be levied based on the taxable value of the underlying property. Annual increases in taxable value are limited to the lesser of 5 percent or the rate of inflation. Taxable value reverts to 50 percent of true cash value when the property is sold. Taxable value is determined by using such factors as equalized, assessed, and capped values.

The taxable value of real and personal property for the July 1, 2022 general operating levy was \$69.6 billion. The general operating tax rate for this levy was 3.9686 mills, which is the maximum allowable millage levy per the Headlee Amendment to the Michigan Constitution. The County also has a voter-approved tax of 0.347 mills for parks and recreation, which is levied on December 1 each year. The amount unpaid at fiscal year end is reported as current property taxes receivable in the County's General Fund.

**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 the purpose of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, 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**

The government-wide statements 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, 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 health care 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, internal service, and discretely presented component unit financial statements. This change does not impact the General Fund or any other governmental fund. Refer to the OPEB notes for further details.

**September 30, 2022****Note 1 - Significant Accounting Policies (Continued)****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 Benefits 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 nonvesting accumulating rights to receive sick pay benefits for the primary government and component units.

**Proprietary Funds Operating Classification**

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of proprietary funds is charges to customers for sales or services. Operating expenses for these funds include the cost of sales or services and administrative expenses and may include depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

**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. These estimates and assumptions also affect the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**Leases**

The County is a lessee for noncancelable leases of buildings. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the Water and Sewer Trust Fund (enterprise fund) and in the governmental activities column in the government-wide financial statements. The County recognizes lease assets and liabilities with an initial value of \$5,000 or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

**September 30, 2022****Note 1 - Significant Accounting Policies (Continued)**

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

The County is a lessor for noncancelable leases of a cellular tower. The County recognizes a lease receivable and a deferred inflow of resources in the proprietary fund financial statements (Radio Communications Fund).

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the County determines the discount rate it uses to discount the expected lease receipts to present value, lease term, and lease receipts.

- The County uses the incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**Upcoming Accounting Pronouncements**

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, to bring a uniform guidance on how to report public-private and public-public partnership arrangements. As a result, transferors in public-private or public-public arrangements will recognize receivables for installment payments, deferred inflows of resources, and, when applicable, capital assets. Operators will recognize liabilities for installment payments and intangible right-to-use assets, and when applicable, deferred outflows of resources and liabilities for assets being transferred. This statement also provides guidance for accounting and financial reporting for availability payment arrangements, in which a government compensates an operator for services such as designing, constructing, financing, maintaining, or operating an underlying asset for a period of time in an exchange of exchange-like transaction. The provisions of this statement are effective for the County's financial statements for the year ending September 30, 2023.

In May 2020, the Governmental Accounting Standards Board issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which defines SBITAs and provides accounting and financial reporting for SBITAs by governments. This statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for SBITAs. 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, 2023.

In April 2022, the Governmental Accounting Standards Board issued Statement No. 99, *Omnibus 2022*, which establishes or amends accounting and financial reporting requirements for specific issues related to financial guarantees, derivative instruments, leases, public-public and public-private partnerships (PPPs), subscription-based information technology arrangements (SBITAs), the transition from the London Interbank Offered Rate (LIBOR), the Supplemental Nutrition Assistance Program (SNAP), nonmonetary transactions, pledges of future revenue, the focus of government-wide financial statements, and terminology. The standard has various effective dates. The County does not believe this pronouncement will have a significant impact on its financial statements but is still making a full evaluation.



**September 30, 2022****Note 1 - Significant Accounting Policies (Continued)**

In June 2022, the Governmental Accounting Standards Board issued Statement No. 100, *Accounting Changes and Error Corrections*, which enhances the accounting and financial reporting requirements for accounting changes and error corrections. The provisions of this statement are effective for the County's financial statements for the year ending September 30, 2024.

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences under a unified model. This statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means and establishes guidance for measuring a liability for leave that has not been used. It also updates disclosure requirements for compensated absences. The provisions of this statement are effective for the County's financial statements for the year ending September 30, 2025.

***Adoption of New Accounting Pronouncement***

During the current year, the County adopted GASB Statement No. 87, *Leases*. As a result, the government-wide financial statements and Water and Sewer Trust (enterprise fund) now include a liability for the present value of payments expected to be made and right-to-use assets. The Radio Communications Fund (nonmajor enterprise fund) now includes receivables for the present value of payments expected to be received and deferred inflows of resources that will be recognized as revenue over the term of the lease. Lease activity is further described in Note 16.

**Note 2 - Stewardship, Compliance, and Accountability*****Budgetary Information***

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 three special revenue funds: ARP Local Fiscal Recovery, Child Care, and Social Welfare Foster Care. The budgetary comparison for the General Fund and ARP Local Fiscal Recovery Fund are presented in the required supplemental information and the Child Care and Social Welfare Foster Care funds are presented in the other supplemental information.

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 nondepartmental 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 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 nondepartmental 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 nondepartmental 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.

September 30, 2022

**Note 2 - Stewardship, Compliance, and Accountability (Continued)**

At year end, the Board of Commissioners adopts a resolution that 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.

***Excess of Expenditures Over Appropriations in Budgeted Funds***

During the year, the County incurred expenditures that were in excess of the amounts budgeted as follows:

	Budget	Actual
General Fund - Treasurer - Operating	\$ 5,658,770	\$ 44,322,292
General Fund - Nondepartmental - Personnel	(3,383,147)	1,965,499
Child Care Fund - Human services - Internal support	-	1,721
Child Care Fund - Circuit court - Personnel	1,833,118	1,876,341
Child Care Fund - Circuit court - Internal support	25,723	26,001

Due to ongoing legal matters related to the Rafaeli, LLC lawsuit, the timing of the payment was unpredictable, and, therefore, the budget was not updated for the \$39.8 million expense that was booked to the General Fund late in fiscal year 2022.

The variance between budget and actuals for nondepartmental General Fund personnel is due to the Voluntary Employee Separation Incentive Program (VESIP). More employees took advantage of the program earlier than expected thereby creating a larger variance than anticipated in our personnel budget. This is unfavorable because we now have more vacancies than planned.

The Child Care budget for human services had not been updated between categories for entries recorded late in the fiscal year. However, human services overall had a favorable budget of \$5.2 million in the Child Care Fund.

The Child Care budget for circuit court was \$5.2 million favorable overall for fiscal year 2022. Amendments had not been completed to adjust between categories for expenses booked late in the fiscal year.

***Fund Deficits and Management's Plan***

At September 30, 2022, the County had a deficit in fund balance in the following funds:

Special revenue fund - Friend of the Court Fund: \$2,588,261

Special revenue fund - Other Grants Fund: \$602,746

Capital project fund - Lake Levels Act 146 Fund: \$30,581. The negative unassigned fund balance in the Lake Levels Act 146 Fund relates to the Bush Lake Level project and the Upper Straits Lake Level project in the amounts of \$24,760 and \$9,104, respectively.

**Bush Lake Level**

Construction of a new lake level control structure has been completed. In 2010, the Oakland County Board of Commissioners authorized a loan in the amount of \$300,000 from the County's Long-term Revolving Fund to the Bush Lake Special Assessment District to be collected in 10 annual installments. The long-term assessment for the project commenced in FY 2011. The project cost was more than anticipated, and the final collections from the long-term assessment roll are being reviewed. The \$24,760 deficit within the construction fund will be covered by additional annual assessments to be incorporated with the lake level maintenance fund assessment. The district will be assessed appropriate additional amounts to ensure the ability to eliminate the deficit within the next five to seven years given the small district size and being mindful of the impact to residents in the district.

**September 30, 2022****Note 2 - Stewardship, Compliance, and Accountability (Continued)****Upper Straits Lake Level**

Design and construction of an augmentation well to maintain the lake level has been started. The expected completion date is sometime in 2024. In 2020, the Oakland County Board of Commissioners approved the Special Assessment District issuance of bonds in the aggregate principal amount of not to exceed \$700,000. Full repayment of this debt by the special assessment district is to be collected in 10 annual installments. The \$9,104 deficit within the construction fund was caused by project overruns and will be collected through additional assessments during the annual process of assessing the maintenance fund. An assessment to be collected in the next fiscal year is sufficient to cover this deficit.

**Special Revenue Funds**

**Friend of the Court Fund** - The negative unassigned fund balance reflects the fact that this grant fund operates on a reimbursement basis, for example, the County pays the original expenses and is reimbursed by the grantor agency after submission of the proper support documentation. Typically, reimbursement for year-end expenditures lags by two to three months. The negative unassigned fund balance of \$2,588,000 is slightly offset by unavailable revenue recorded of \$1,267,000. Once reimbursement is obtained, the negative unassigned fund balance will be eliminated. Should the reimbursement not be sufficient to cover the expenditures, the County has match funds budgeted which will be transferred to cover any remaining deficit.

**Other Grants Fund** - The negative unassigned fund balance reflects the fact that this grant fund operates on a reimbursement basis, for example, the County pays the original expenses and is reimbursed by the grantor agency after submission of the proper support documentation. Typically, reimbursement for year-end expenditures lags by two to three months. The negative unassigned fund balance of \$602,746 is offset by unavailable revenue recorded of \$368,757. Once reimbursement is obtained, the negative unassigned fund balance will be eliminated. Should the reimbursement not be sufficient to cover the expenditures, the County has match funds budgeted, which will be transferred to cover any remaining deficit.

**Note 3 - Deposits and Investments**

The County has deposits and investments that 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 that 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 based on their average daily cash balance.

For its pool, the County only uses federal- and state-chartered financial institutions that 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.

**September 30, 2022****Note 3 - Deposits and Investments (Continued)*****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 is the risk that, in the event of a bank failure, the County's deposits may not be returned.

As of September 30, 2022, the bank balance of the County's deposits was \$314,156,025. Insured deposits were \$4,000,000, and the remaining \$310,156,025 was uninsured, uncollateralized, and held in the County's name.

The Drainage Districts 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 Districts' 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 percent of the total investment portfolio. In addition, the County's investment policy limits the investment with any single financial institution to 25 percent.

At September 30, 2022, the Road Commission component unit had bank deposits of \$18,401,835 (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 no less than two standard rating services and that matures no 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 no less than one standard rating service

September 30, 2022

**Note 3 - Deposits and Investments (Continued)**

7. Obligations described in subdivisions 1 through 6 if purchased through an interlocal 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.

As of September 30, 2022, the County had the following deposit and investment types in its internal investment pool:

	Governmental Activities (Dollars)	Weighted- average Maturity (Days)
Certificates of deposit (1)	274,225,928	155
Deposit accounts (1)	72,124,490	1
Government investment pools	136,594,572	1
Treasury notes	224,059,349	522
Negotiable CDs	4,826,698	478
Commercial paper	139,405,224	33
Municipal bonds	34,871,158	1,643
Government agencies	1,200,155,023	635
Total fair value of internal investment pool	<u>2,086,262,442</u>	
Weighted-average maturity of internal investment pool (in days)	-	484

(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**

The County had \$224,059,349 invested in treasury notes that are rated AAA by Standard & Poor's and Aaa by Moody's. The County had \$1,200,155,023 invested in U.S. government agencies that are rated AA by Standard & Poor's and Aaa by Moody's. The County had \$34,871,158 invested in AAA (S&P) and Aaa (Moody's) municipal bonds. The money market investment pool had \$136,594,572 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**

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments 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, 2022, \$1,603,317,452 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 safekeeping requirement.

September 30, 2022

**Note 3 - Deposits and Investments (Continued)****Concentration of Credit Risk - Investments**

On September 30, 2022, the County had investments of 5 percent or more of the total portfolio with the following issuers: Federal Farm Credit Bank - 16.195 percent, Federal Home Loan Bank - 22.48 percent, Farmer Mac - 10.14 percent, Freddie Mac - 7.51 percent, and U.S. Treasury note - 10.91 percent. No other issuer exceeded 5 percent of the total portfolio.

**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 purchased provided maturity dates coincide with the expected use of the funds. As of September 30, 2022, the internal investment pool had a weighted-average maturity of 484 days, and the longest investment maturity in the portfolio was 1,643 days (4.5 years).

**Investments - Pension Trust Funds and VEBA Trust**

The Pension and VEBA Trust Funds 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.

Pension investments are made through the use of investment advisors that are selected and retained by the Retirement (PERS, VEBA, and ST) and Deferred Compensation Board. The advisors serve at the leisure of the board, as provided by investment agreements. At September 30, 2022, the primary government's pension trust fund had 34 investment advisors. Investments are held in street name by safekeeping agents under formal trust agreements and/or in the Retirement System's name.

As of September 30, 2022, the County had the following investment types in its pension, VEBA Trust, and Superseding Trust (presented within the Fringe Benefit internal service fund) funds:

Investment Type	Fair Value	Percentage	Average Duration (in Years)
Common stock	\$ 493,771,272	24.81%	N/A
Common stock funds/ETFs	383,554,625	19.27%	N/A
Government bonds	53,170,197	2.67%	9.75
Government agencies	125,631,019	6.31%	7.79
Municipal debt securities	214,316	0.01%	9.75
Corporate debt securities	146,423,034	7.36%	6.58
Government mortgage-backed securities	83,031,555	4.17%	7.38
Commercial mortgage-backed securities	21,748,098	1.09%	1.72
Asset-backed securities	17,027,705	0.86%	1.88
Non-government-backed CMOs	64,001	0.01%	2.05
Other fixed income	2,791,444	0.14%	2.94
Fixed income fund	133,691,841	6.72%	N/A
Real estate	253,540,036	12.74%	N/A
Sukuk	186,540	0.01%	1.67
Partnerships	200,697,128	10.09%	N/A
Hedge funds	31,431,999	1.58%	N/A
Cash and cash equivalents	61,114,100	2.16%	0.03
Total	<u>\$ 2,008,088,910</u>		



September 30, 2022

**Note 3 - Deposits and Investments (Continued)****Credit Risk - Pension and VEBA Trust**

The board's adopted Statement of Investment Goals and Objectives (SIGO) states that no nonconvertible bonds and convertible securities are authorized for purchase. In addition, no more than 10 percent of the total value of the portfolio, at the time of purchase, may be held in noninvestment grade bonds as rated by Moody's and/or Standard & Poor's. Of the total value of the portfolio, 90 percent 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.

As of September 30, 2022, debt obligation investments held in the pension, VEBA Trust, and Superseding Trust funds had the following ratings:

Fair Value	Percentage	S&P Rating	Moody's Rating
\$ 177,778,117	26.81%	AAA	Aaa
17,239,040	2.60%	AA	Aa
59,555,959	8.98%	A	A
55,681,310	8.40%	BBB	Baa
9,206,371	1.39%	BB	Ba
2,354,634	0.36%	B	B
362,713	0.05%	CCC	Caa
199,760,542	30.12%	Not rated	Not rated
141,290,295	21.30%	U.S.	U.S.
		Government	Government
		Guaranteed	Guaranteed
<u>\$ 663,228,981</u>			

**Custodial Credit Risk - Pension and VEBA Trust Funds and Superseding Trust**

Custodial credit risk is the risk 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 an outside party. The Retirement System's Statement of Investment Goals and Objectives 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, 2022, \$2,008,088,910 in investments was held in third-party safekeeping in the County's name.

**Concentration of Credit Risk - Pension and VEBA Trust Funds and Superseding Trust**

The board's adopted Statement of Investment Goals and Objectives states that no more than 5 percent 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 percent may be invested in the equity of any one corporation or its affiliates. Further, for fixed-income investments, no more than 10 percent 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 percent of the portfolio at cost. ADRs should not exceed a maximum of 10 percent 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, 2022, as reported by the system's investment managers, no holdings exceed any of the board's adopted limits.

September 30, 2022

**Note 3 - Deposits and Investments (Continued)****Interest Rate Risk - Pension and VEBA Trust Funds and Superseding Trust**

The board's adopted Statement of Investment Goals and Objectives places no limitation on the system's fixed-income managers on the length to maturity for fixed-income investments. As the schedule on the previous page indicates, the system's fixed-income investments had average durations of between 0.03 years and 18.53 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.

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 25.3 years to 26.3 years and are backed by investments in various assets, including mortgages. As of September 30, 2022, the market value was \$64,001.

**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, 2022, the County's CMO portfolio had an effective duration of 2.05 years.

**Fair Value Measurements**

The County categorizes its fair value measurements 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, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using 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.

The County's primary government has the following recurring fair value measurements as of September 30, 2022:

	Assets Measured at Carrying Value on a Recurring Basis at September 30, 2022			
	Level 1	Level 2	Level 3	Total Value
<b>Investment Type</b>				
Government agencies	\$ -	\$ 1,200,155,023	\$ -	\$ 1,200,155,023
Municipal bonds	-	34,871,158	-	34,871,158
Treasury notes	-	224,059,349	-	224,059,349
Commercial paper	-	139,405,224	-	139,405,224
Negotiable CDs	-	4,826,698	-	4,826,698
Total	\$ -	\$ 1,603,317,452	\$ -	1,603,317,452
Investments measured at NAV -				
Money market investment pools				136,594,572
Total assets				\$ 1,739,912,024

**September 30, 2022**

**Note 3 - Deposits and Investments (Continued)**

The fair value of Treasury notes, negotiable CDs, government agencies, and municipal bonds at September 30, 2022 was determined primarily based on Level 2 inputs, and they are valued using quoted prices for identical securities in markets that are not active. The money market investment pools are valued at published fair value per share (unit) for the fund.

The Michigan CLASS investment pool invests in U.S. Treasury obligations, federal agency obligations of the U.S. government, high-grade commercial paper (rate "A-1" or better), collateralized bank deposits, repurchase agreements (collateralized at 102 percent by Treasuries and agencies), and approved money market funds. The program is designed to meet the needs of Michigan public sector investors. It purchases securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities, and other public agencies.

September 30, 2022

**Note 3 - Deposits and Investments (Continued)**

The following table represents the County's pension and VEBA Trust funds' assets measured at fair value on a recurring basis at September 30, 2022:

	Assets Measured at Carrying Value on a Recurring Basis at September 30, 2022			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at September 30, 2022
<b>Assets</b>				
Equity securities:				
Common stock	\$ 469,771,270	\$ -	\$ -	\$ 469,771,270
Common stock - Funds/ETFs	-	72,245,766	-	72,245,766
Total equity securities	469,771,270	72,245,766	-	542,017,036
Debt securities:				
Government bonds	-	53,170,197	-	53,170,197
Government agencies	-	125,631,019	-	125,631,019
Municipal/Provincial bonds	-	214,316	-	214,316
Corporate bonds	-	146,422,033	-	146,422,033
Government mortgage- backed securities	-	83,031,555	-	83,031,555
Commercial mortgage- backed securities	-	21,748,098	-	21,748,098
Non-government-backed CMO	-	64,001	-	64,001
Asset-backed securities	-	17,027,705	-	17,027,705
Sukuk	-	186,540	-	186,540
Other fixed income	-	2,791,444	-	2,791,444
Total debt securities	-	450,286,908	-	450,286,908
Total investments by fair value level	\$ 469,771,270	\$ 522,532,674	\$ -	992,303,944
Investments measured at NAV:				
Domestic equity				230,151,004
International equity				162,366,721
Global fixed income				133,691,841
Private fixed income				98,961,037
Private equity				44,528,228
Hedged funds				31,431,999
Real estate				253,540,037
Total investments measured at NAV				954,670,867
Total assets				\$ 1,946,974,811

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, and 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.

September 30, 2022

**Note 3 - Deposits and Investments (Continued)*****Investments in Entities that Calculate Net Asset Value per Share***

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

At September 30, 2022, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	Carrying Value	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
Domestic equity	\$ 230,151,004	\$ -	Monthly	10 days
International equity	162,366,721	-	Monthly	10 days
Global fixed income	133,691,841	-	Daily	3 days
Private fixed income	98,961,037	75,609,831	Daily	3 days
Private equity	44,528,228	-	Daily	3 days
Hedged funds	31,431,999	-	Quarterly	90 days
Real estate	253,540,037	17,294,809		
Total	<u>\$ 954,670,867</u>	<u>\$ 92,904,640</u>		

The domestic equity fund seeks to approximate, as closely as possible, the performance of the S&P 500 index over the long run.

The international equity fund seeks long-term growth of capital by investing at least 80 percent 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 percent 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 private equity funds objectives are to generated high risk-adjusted returns produced from current income by investing in a variety of instruments, including senior secured corporate debt instruments.

The hedged funds are composed 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.

The fair values of the investments in the preceding six classes have been estimated using 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.

September 30, 2022

**Note 3 - Deposits and Investments (Continued)**

The board's investment philosophy combines preservation of capital with moderate risk-taking in exchange for moderate investment returns - attempting to optimize the return per unit of risk. This philosophy is supported by the Retirement System's long investment time horizon. The board follows the following key tenets: (1) broadly diversify the plan's assets across stocks, bonds, and other investments (within the constraints of Act 314); (2) further diversify the plan's assets across the broader asset classes (as defined in Section IV), managers, styles, and other factors; and (3) select qualified investment managers and continually monitor their performance.

The board has adopted a strategic asset allocation policy that is consistent with the achievement of the plan's financial needs and overall investment objectives. Asset classes are selected based on their expected long-term returns, individual reward/risk characteristics, correlation with other asset classes, manager roles, and fulfillment of the plan's long-term financial needs. Conformance with statutory investment guidelines is also considered.

The board established an allocation range for each asset class in recognition of the need to vary exposure within and among different asset classes, based on investment opportunities and changing capital market conditions. The board selected the target allocation for each asset class based on the plan's current investments and present market conditions. The board intends to review these allocation targets at least annually, focusing on changes in the plan's financial needs, investment objectives, and asset class performance.

The board has diversified the fund into private investments. These investments expose the fund to additional risk factors, including but not limited to illiquidity risk. The inclusion of these investments offers the potential for higher rates. However, the board does not have any control of the timing of distributions. Distributions are at the manager's discretion, subject to the underlying offering documents. Generally speaking, these investments have an estimated life of 10 years.

**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 1 to 10 years.

**Note 4 - Receivables**

Receivables as of September 30, 2022 for the County's individual major funds and the nonmajor, internal service, and component units in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Primary Government					
	Governmental Activities					
	General Fund	Water and Sewer Debt Act 342	ARP Local Fiscal Recovery Fund	Nonmajor Funds	Proprietary Internal Service Fund	Total Governmental Activities
Receivables:						
Property taxes receivable	\$ 40,568,936	\$ -	\$ -	\$ -	\$ -	\$ 40,568,936
Special assessments receivable	-	41,450,727	-	10,345,144	-	51,795,871
Delinquent property taxes receivable	687,798	-	-	-	-	687,798
Accrued interest receivable	(138,553)	(1,428)	7,887	167,861	1,126,481	1,162,248
Leases receivable	-	-	-	-	-	-
Due from other governments	37,147,693	-	-	16,731,707	94,950	53,974,350
Other	1,237,301	-	-	8,067,673	3,710,011	13,014,985
Contracts receivable	3,515,754	-	-	8,104,200	-	11,619,954
Allowance for doubtful accounts	(25,000)	-	-	-	-	(25,000)
Net receivables	\$ 82,993,929	\$ 41,449,299	\$ 7,887	\$ 43,416,585	\$ 4,931,442	\$ 172,799,142



September 30, 2022

**Note 4 - Receivables (Continued)**

	Primary Government						
	Business-type Activities						
	Parks and Recreation	Delinquent Tax Revolving	Water and Sewer Trust	Evergreen-Farmington S.D.S.	S.O.C.S.D.S.	Nonmajor Enterprise	Total Business-type Activities
Receivables:							
Property taxes receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments receivable	-	-	-	-	-	-	-
Delinquent property taxes receivable	63,275	47,779,545	-	-	-	-	47,842,820
Accrued interest receivable	62,628	2,076,558	409,699	159,769	275,408	601,937	3,585,999
Leases receivable	-	-	-	-	-	1,664,731	1,664,731
Due from other governments	252,425	1,412,734	1,895,204	3,925,739	5,531,058	6,447,168	19,464,328
Other	444,573	9,900,597	30,845,406	-	49,157	1,965,372	43,205,105
Contracts receivable	-	-	-	2,558,356	-	496,054	3,054,410
Allowance for doubtful accounts	(163,980)	-	-	-	-	-	(163,980)
Net receivables	\$ 658,921	\$ 61,169,434	\$ 33,150,309	\$ 6,643,864	\$ 5,855,623	\$ 11,175,262	\$ 118,653,413

	Primary Government		
	Component Units		
	Drainage Districts	Road Commission	Total Component Units
Receivables:			
Property taxes receivable	\$ -	\$ -	\$ -
Special assessments receivable	188,395,444	6,498,448	194,893,892
Delinquent property taxes receivable	-	-	-
Accrued interest receivable	216,477	-	216,477
Leases receivable	-	-	-
Due from other governments	6,177,290	-	6,177,290
Other	51,727	30,483,920	30,535,647
Contracts receivable	-	-	-
Allowance for doubtful accounts	-	-	-
Net receivables	\$ 194,840,938	\$ 36,982,368	\$ 231,823,306

The allowance in the General Fund is for accounts receivable, and the allowance in the Parks and Recreation Fund is for taxes receivable.

**Note 5 - Unavailable/Unearned Revenue**

Governmental funds report unavailable revenue in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. Governmental and enterprise funds report unearned revenue in connection with resources that have been received but not yet earned.

At September 30, 2022, the various components of unearned and unavailable revenue were as follows:

	Governmental Funds			Enterprise Funds	Component Units		
	Modified Accrual - Deferred Inflow - Unavailable	Liability - Unearned	Total	Liability - Unearned	Modified Accrual - Deferred Inflow - Unavailable	Liability - Unearned	Total
Property taxes	\$ 11,553,835	\$ -	\$ 11,553,835	\$ -	\$ -	\$ -	\$ -
Special assessments	51,795,871	-	51,795,871	-	169,839,550	26,474,277	196,313,827
Grants	4,997,650	-	4,997,650	-	-	-	-
Contracts receivable	8,045,000	-	8,045,000	-	-	-	-
Other	12,560,770	232,224,154	244,784,924	1,528,286	-	15,878,482	15,878,482
Total	\$ 88,953,126	\$ 232,224,154	\$ 321,177,280	\$ 1,528,286	\$ 169,839,550	\$ 42,352,759	\$ 212,192,309

September 30, 2022

**Note 6 - Capital Assets**

Capital asset activity for the year ended September 30, 2022 of the County's governmental and business-type activities was as follows:

**Governmental Activities**

	Balance October 1, 2021	Reclassifications	Additions	Disposals and Adjustments	Balance September 30, 2022
Capital assets not being depreciated:					
Land	\$ 7,365,551	\$ -	\$ -	\$ -	\$ 7,365,551
Construction in progress	37,048,175	(15,328,065)	10,075,708	-	31,795,818
Subtotal	44,413,726	(15,328,065)	10,075,708	-	39,161,369
Capital assets being depreciated:					
Buildings and improvements	284,457,097	5,773,559	-	(550,000)	289,680,656
Equipment and vehicles	156,830,106	7,976,588	6,252,438	(3,265,578)	167,793,554
Infrastructure	38,470,983	1,577,918	-	-	40,048,901
Land improvements	1,675,941	-	-	-	1,675,941
Right-to-use asset	8,832,080	-	-	-	8,832,080
Subtotal	490,266,207	15,328,065	6,252,438	(3,815,578)	508,031,132
Accumulated depreciation:					
Buildings and improvements	146,131,735	-	6,894,999	(547,708)	152,479,026
Equipment and vehicles	129,196,620	-	7,195,663	(3,091,563)	133,300,720
Infrastructure	22,131,354	-	781,443	-	22,912,797
Land improvements	1,267,144	-	39,628	-	1,306,772
Right-to-use asset	-	-	1,172,464	-	1,172,464
Subtotal	298,726,853	-	16,084,197	(3,639,271)	311,171,779
Net capital assets being depreciated	191,539,354	15,328,065	(9,831,759)	(176,307)	196,859,353
Net governmental activities capital assets	\$ 235,953,080	\$ -	\$ 243,949	\$ (176,307)	\$ 236,020,722

September 30, 2022

**Note 6 - Capital Assets (Continued)*****Business-type Activities***

	Balance October 1, 2021	Reclassifications	Additions	Disposals and Adjustments	Balance September 30, 2022
Capital assets not being depreciated:					
Land	\$ 68,502,058	\$ 66,449	\$ 242,900	\$ -	\$ 68,811,407
Construction in progress	183,955,695	(65,932,937)	26,013,202	-	144,035,960
Other	12,000	-	-	-	12,000
Subtotal	252,469,753	(65,866,488)	26,256,102	-	212,859,367
Capital assets being depreciated:					
Buildings and improvements	106,847,854	9,816	52,150	-	106,909,820
Equipment and vehicles	91,735,465	1,416,134	676,301	(19,479)	93,808,421
Infrastructure	326,330,901	64,440,538	239,987	-	391,011,426
Land improvements	45,829,232	-	27,378	-	45,856,610
Right-to-use asset	192,395	-	-	-	192,395
Subtotal	570,935,847	65,866,488	995,816	(19,479)	637,778,672
Accumulated depreciation:					
Buildings and improvements	57,503,086	-	2,281,323	-	59,784,409
Equipment and vehicles	72,644,857	-	2,718,810	(5,857)	75,357,810
Infrastructure	268,087,218	-	4,677,888	-	272,765,106
Land improvements	34,029,811	-	1,542,335	-	35,572,146
Right-to-use asset	-	-	40,504	-	40,504
Subtotal	432,264,972	-	11,260,860	(5,857)	443,519,975
Net capital assets being depreciated	138,670,875	65,866,488	(10,265,044)	(13,622)	194,258,697
Net business-type activities capital assets	\$ 391,140,628	\$ -	\$ 15,991,058	\$ (13,622)	\$ 407,118,064

September 30, 2022

**Note 6 - Capital Assets (Continued)**

**Component Units**

Capital asset activity for the County's component units for the year ended September 30, 2022 was as follows:

	Balance October 1, 2021	Reclassifications	Additions	Disposals and Adjustments	Balance September 30, 2022
Capital assets not being depreciated:					
Land and other	\$ 239,345,708	\$ (408,041)	\$ 7,745,746	\$ -	\$ 246,683,413
Construction in progress	164,381,026	(101,187,967)	8,587,622	-	71,780,681
Subtotal	403,726,734	(101,596,008)	16,333,368	-	318,464,094
Capital assets being depreciated:					
Buildings and storage bins	94,204,463	3,222,492	25,108	-	97,452,063
Road equipment	82,215,730	14,514	1,214,785	(4,092,247)	79,352,782
Other equipment	9,849,073	346,793	576,962	-	10,772,828
Infrastructure	1,872,458,017	96,737,675	82,690,551	(30,477,452)	2,021,408,791
Brine wells and gravel pits	2,489,608	-	-	-	2,489,608
Land improvements	-	1,274,534	174,714	-	1,449,248
Subtotal	2,061,216,891	101,596,008	84,682,120	(34,569,699)	2,212,925,320
Accumulated depreciation:					
Buildings and storage bins	31,535,163	-	2,612,662	-	34,147,825
Road equipment	66,827,257	-	5,760,027	(4,092,247)	68,495,037
Other equipment	6,656,881	-	622,327	-	7,279,208
Infrastructure	694,231,711	-	72,555,740	(30,477,452)	736,309,999
Brine wells and gravel pits	2,078,392	-	110,058	-	2,188,450
Land improvements	-	-	366,292	-	366,292
Subtotal	801,329,404	-	82,027,106	(34,569,699)	848,786,811
Net capital assets being depreciated	1,259,887,487	101,596,008	2,655,014	-	1,364,138,509
Net component units - Capital assets	<u>\$ 1,663,614,221</u>	<u>\$ -</u>	<u>\$ 18,988,382</u>	<u>\$ -</u>	<u>\$ 1,682,602,603</u>

Depreciation expense was charged to functions of the primary government as follows:

Governmental activities:	
Public safety	\$ 4,214,232
Justice administration	1,909,980
Citizens services	806,976
Public infrastructure	167,290
Commerce and community development	36,173
Unallocated depreciation	3,270,176
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	5,679,370
Total governmental activities	<u>\$ 16,084,197</u>

September 30, 2022

**Note 6 - Capital Assets (Continued)**

Business-type activities:	
Airports	\$ 2,676,834
Community safety support	1,431,579
Community water and sewer	1,946,067
Recreation and leisure	3,377,703
Sewage disposal systems	1,828,677
Total business-type activities	<u>\$ 11,260,860</u>
Component units:	
Drainage Districts	\$ 14,252,432
Road Commission	67,774,674
Total component units	<u>\$ 82,027,106</u>

**Note 7 - Long-term Debt**

The County issues bonds and notes authorized by various state acts. Each act provides specific covenants for specific purposes. Long-term debt activity for the year ended September 30, 2022 is summarized as follows:

**Governmental Activities**

	Interest Rate Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year	General Obligation	With Governmental Commitment
Bonds payable:								
Direct borrowings:								
Retirees Health Care Bonds	3.62%	\$ 148,485,000	\$ -	\$ (27,585,000)	\$ 120,900,000	\$ 28,605,000	\$ 120,900,000	\$ -
Water supply - Act 342	3.34%	125,000	-	(20,000)	105,000	20,000	-	105,000
Michigan Bond Authority - Sewage Disposal Bonds	1.62% - 2.50%	29,767,312	-	(1,720,000)	28,047,312	1,765,000	-	28,047,312
Total direct borrowings principal outstanding		178,377,312	-	(29,325,000)	149,052,312	30,390,000	120,900,000	28,152,312
Other debt:								
Building authority - Act 31	2.00% - 3.375%	16,615,000	-	(2,790,000)	13,825,000	2,855,000	13,825,000	-
Building authority refunding	2.00% - 5.00%	16,130,000	-	(5,185,000)	10,945,000	2,610,000	2,900,000	8,045,000
Retiree Health Care Bonds	4.52%	34,000,000	-	-	34,000,000	-	34,000,000	-
Lake levels - Act 451	2.00%	421,200	820,648	(46,800)	1,195,048	128,865	-	1,195,048
Water supply - Act 342	2.00% - 4.25%	-	5,215,000	-	5,215,000	65,000	-	5,215,000
Sewage disposal - Act 342	1.70% - 3.25%	8,610,000	-	(650,000)	7,960,000	670,000	-	7,960,000
Water and sewer refunding bonds	1.50% - 5.00%	160,000	-	(160,000)	-	-	-	-
Water supply refunding	2.00% - 5.00%	9,200,000	-	(575,000)	8,625,000	595,000	-	8,625,000
Total other debt principal outstanding		85,136,200	6,035,648	(9,406,800)	81,765,048	6,923,865	50,725,000	31,040,048
Unamortized bond premiums		3,153,072	135,416	(389,656)	2,898,832	-	2,898,832	-
Total bonds payable		266,666,584	6,171,064	(39,121,456)	233,716,192	37,313,865	2,898,832	-
Lease liability		8,832,080	-	(849,961)	7,982,119	928,808	-	-
Compensated absences		16,691,974	2,016,241	(1,669,197)	17,039,018	1,703,902	-	-
Claims and judgments		28,106,395	51,763,081	(7,352,474)	72,517,002	48,689,911	-	-
Total governmental activities long-term debt		<u>\$ 320,297,033</u>	<u>\$ 59,950,386</u>	<u>\$ (48,993,088)</u>	<u>\$ 331,254,331</u>	<u>\$ 88,636,486</u>	<u>\$ 174,523,832</u>	<u>\$ 59,192,360</u>

September 30, 2022

**Note 7 - Long-term Debt (Continued)**

***Business-type Activities***

	Interest Rate Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year	General Obligation	With Governmental Commitment
Bonds payable:								
Direct borrowings -								
Michigan Bond Authority -								
Water and Sewage Disposal								
Bonds	2.50% - 6.00%	\$ 16,373,928	\$ 63,418	\$ (1,076,296)	\$ 15,361,050	\$ 1,109,296	\$ 15,361,050	\$ -
Other debt:								
BA refunding - County Airport	2.00% - 5.00%	4,030,000	-	(625,000)	3,405,000	660,000	3,405,000	-
BA - Act 31 - Radio	4.00% - 5.00%	14,140,000	-	(990,000)	13,150,000	1,040,000	13,150,000	-
Sewage disposal - Act 34	1.51% - 3.125%	10,470,000	-	(900,000)	9,570,000	925,000	9,570,000	-
Sewage disposal refunding	2.00% - 3.00%	2,465,000	-	(210,000)	2,255,000	220,000	2,255,000	-
Total other debt								
principal outstanding		31,105,000	-	(2,725,000)	28,380,000	2,845,000	28,380,000	-
Unamortized bond premiums		3,571,031	-	(340,358)	3,230,673	-	-	-
Total bonds payable		51,049,959	63,418	(4,141,654)	46,971,723	3,954,296	43,741,050	-
Lease liability		160,544	-	(3,031)	157,513	37,747	-	-
Total business-type								
activities long-term								
debt		\$ 51,210,503	\$ 63,418	\$ (4,144,685)	\$ 47,129,236	\$ 3,992,043	\$ 43,741,050	\$ -

***Component Unit - Drainage Districts and Road Commission***

	Interest Rate Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year	General Obligation	With Governmental Commitment
Bonds payable:								
Direct borrowings:								
Drain bonds - Act 40	1.00% - 2.45%	\$ 440,000	\$ -	\$ (85,000)	\$ 355,000	\$ 85,000	\$ 158,708	\$ 196,292
Michigan Bond Authority -								
Drain Bonds	1.625% - 6.00%	143,379,884	1,310,506	(14,997,400)	129,692,990	14,214,300	14,785,743	114,907,247
Total direct borrowings								
principal outstanding		143,819,884	1,310,506	(15,082,400)	130,047,990	14,299,300	14,944,451	115,103,539
Other debt:								
Drain bonds - Act 40	1.00% - 7.00%	66,960,000	-	(3,230,000)	63,730,000	2,880,000	898,146	62,831,854
Drain Refunding Bonds	1.85% - 3.00%	47,495,000	-	(4,530,000)	42,965,000	4,140,000	39,202,990	3,762,010
Total other debt								
principal outstanding		114,455,000	-	(7,760,000)	106,695,000	7,020,000	40,101,136	66,593,864
Unamortized bond premiums		8,239,769	-	(471,386)	7,768,383	471,386	7,768,383	-
Total bonds payable		266,514,653	1,310,506	(23,313,786)	244,511,373	21,790,686	55,045,587	181,697,403
Net pension liability - Road Commission		26,535,050	-	(22,280,970)	4,254,080	-	-	-
Net OPEB liability - Road Commission		121,981,535	-	(25,412,613)	96,568,922	-	-	-
Compensated absences - Road								
Commission		2,536,954	-	(86,128)	2,450,826	-	-	-
Claims and judgments - Road								
Commission		1,988,007	-	(60,641)	1,927,366	948,119	-	-
Total component unit								
long-term debt		\$ 419,556,199	\$ 1,310,506	\$ (71,154,138)	\$ 349,712,567	\$ 22,738,805	\$ 62,813,970	\$ 181,697,403



September 30, 2022

**Note 7 - Long-term Debt (Continued)*****Debt Service Requirements to Maturity***

The annual requirements to pay principal and interest on debt outstanding at September 30, 2022 (excluding the liabilities for leases, compensated absences, other postemployment benefits, pension liability, and uninsured losses for the County and Road Commission component unit) are as follows:

Years Ending September 30	Governmental Activities				
	Direct Borrowings		Other Debt		Total
	Principal	Interest	Principal	Interest	
2023	\$ 30,390,000	\$ 4,559,138	\$ 6,923,865	\$ 3,191,481	\$ 45,064,484
2024	31,485,000	3,460,623	4,508,865	2,948,593	42,403,081
2025	32,620,000	2,322,284	3,118,865	2,799,498	40,860,647
2026	33,805,000	1,142,548	3,168,865	2,683,504	40,799,917
2027	1,960,727	518,136	37,273,865	1,797,993	41,550,721
2028-2032	9,905,000	1,865,948	14,480,723	3,422,979	29,674,650
2033-2037	8,886,585	562,158	8,710,000	1,345,463	19,504,206
2038-2042	-	-	1,075,000	648,431	1,723,431
2043-2047	-	-	1,125,000	160,344	1,285,344
2048-2052	-	-	1,380,000	160,344	1,540,344
Total	\$ 149,052,312	\$ 14,430,835	\$ 81,765,048	\$ 19,158,630	\$ 264,406,825

Years Ending September 30	Business-type Activities				
	Direct Borrowings		Other Debt		Total
	Principal	Interest	Principal	Interest	
2023	\$ 1,109,296	\$ 377,067	\$ 2,845,000	\$ 1,038,423	\$ 5,369,786
2024	1,144,796	349,140	2,935,000	938,436	5,367,372
2025	1,170,196	320,328	2,615,000	833,468	4,938,992
2026	1,205,596	290,880	2,705,000	733,912	4,935,388
2027	1,245,996	260,548	2,805,000	630,493	4,942,037
2028-2032	6,354,900	819,066	13,780,000	1,449,470	22,403,436
2033-2037	2,992,474	185,260	695,000	10,859	3,883,593
2038-2042	137,796	3,442	-	-	141,238
2043-2047	-	-	-	-	-
2048-2052	-	-	-	-	-
Total	\$ 15,361,050	\$ 2,605,731	\$ 28,380,000	\$ 5,635,061	\$ 51,981,842

Years Ending September 30	Component Units - Drainage Districts				
	Direct Borrowings		Other Debt		Total
	Principal	Interest	Principal	Interest	
2023	\$ 14,299,300	\$ 2,936,365	\$ 7,020,000	\$ 2,914,327	\$ 27,169,992
2024	14,641,576	2,594,219	7,180,000	2,720,637	27,136,432
2025	9,578,500	2,311,190	6,880,000	2,525,249	21,294,939
2026	9,802,246	2,089,027	6,610,000	2,336,159	20,837,432
2027	9,842,700	1,862,263	6,770,000	2,121,485	20,596,448
2028-2032	48,867,110	5,861,717	34,915,000	7,224,739	96,868,566
2033-2037	21,595,000	1,291,432	25,505,000	2,557,438	50,948,870
2038-2042	1,421,558	35,539	11,815,000	475,700	13,747,797
2043-2047	-	-	-	-	-
2048-2052	-	-	-	-	-
Total	\$ 130,047,990	\$ 18,981,752	\$ 106,695,000	\$ 22,875,734	\$ 278,600,476

**September 30, 2022****Note 7 - Long-term Debt (Continued)**

The County has pledged its full faith and credit on debt totaling \$511,301,400. By statute, general obligation debt is limited to 10 percent of the state equalized value. As of September 30, 2022, the debt limit was \$8,973,575,513. 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, 2022, there were two issues outstanding totaling \$13,825,000, maturing in the years 2023-2035, 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 created by the County, under which contract the County is now obligated to maintain the funding in the VEBA Trust Fund in future years pursuant to the terms of that contract under a superseding plan that has superseded and supplanted the obligation of the County to maintain retiree health services by keeping the VEBA Trust Fund at full funding. As of September 30, 2022, there were two issues outstanding totaling \$154,900,000, maturing in the years 2023-2027. 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 that 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, 2022, there were six issues outstanding, totaling \$13,175,000, maturing in the years 2023-2053. This represents debt originally issued in the amount of \$11,250,000 issued in the years 2017-2018 and \$5,215,000 issued in 2022.

***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 the Building Authority's debt. At September 30, 2022, there were 11 issues outstanding totaling \$19,570,000, maturing in the years 2023-2040. This represents debt originally issued in the years 2010-2021 totaling \$48,875,000.

***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, which matures in the year 2030. In fiscal year 2022, an additional \$820,648 was issued for the Bald Eagle Lake drain, which matures in the year 2032. At September 30, 2022, there was a balance outstanding of \$1,195,048.

**September 30, 2022****Note 7 - Long-term Debt (Continued)*****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, 2022 for this issue is \$500,727, which matures in the years 2023-2027.

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, 2022, \$123,415 remains undrawn from the State Revolving Loan Fund. The amount outstanding at September 30, 2022 for this issue is \$27,546,585, which matures in the years 2023-2036.

***Business-type***

Two of the Building Authority's refunding bond issues for the County Airports Fund consist of the Airport T-Hangar Refunding in the amount outstanding as of September 30, 2022 of \$860,000 maturing in the years 2023-2024 and the Airport Terminal Building in the amount outstanding as of September 30, 2022 of \$2,545,000 maturing in the years 2023-2030. 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, 2022 was \$1,355,000, which matures in the years 2023-2032.

In August 2012, in conjunction with the transfer of operations of the City of Pontiac, Michigan 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, Michigan for Clean Water/Water Quality projects. The total authorized loan amount is \$8,220,720. In October 2014, the County authorized the issuance of bonds from the Michigan Municipal Bond Authority Revolving Loan fund for the City of Pontiac Water Supply System Improvements for an additional \$6,890,000. Further, in October 2014, 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 Improvements one for up to \$6,850,000, with \$1,762,500 principal forgiveness. As of September 30, 2021, a final total amount of \$5,998,006 was received from the State Revolving Loan fund. The amount outstanding at September 30, 2022 is \$3,020,006, which matures in the years 2023 through 2036. The second issuance for 2014 was for up to \$720,000. As of September 30, 2019, a final total amount of \$541,988 was received from the State Revolving Loan fund. The amount outstanding at September 30, 2022 is \$373,988, which matures in the years 2023 through 2036. Additionally, in October 2015, the County authorized the issuance of bonds from the Michigan Municipal Bond Authority Revolving Loan fund for the City of Pontiac Water Supply System Improvements for up to \$5,165,000 with \$1,000,000 principal forgiveness. As of September 30, 2022, a final total amount of \$3,085,832 was received from the State Revolving Loan fund. The amount outstanding at September 30, 2022 is \$1,590,832, which matures in the years 2023 through 2038. The total debt obligation related to the City of Pontiac, Michigan at September 30, 2022 is \$14,006,050.

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, 2022 was \$2,255,000, which matures in the years 2023-2031.

**September 30, 2022****Note 7 - Long-term Debt (Continued)**

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, 2022 was \$9,570,000, which matures in the years 2023-2033.

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, 2022 was \$13,150,000, which matures in the years 2023-2032.

***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's 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, 2022, there were 12 issues outstanding, totaling \$64,085,000, maturing in the years 2023-2040. This represents original debt issued for \$85,410,000 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, 2022, there were six issues outstanding, totaling \$42,965,000, maturing in the years 2023-2034. This represents debt originally issued in the years 2013-2021 in the amount of \$56,390,000.

***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, Michigan; Macomb County, Michigan; 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, and IV in the years 2012, 2013, and 2015, respectively, amounting to \$99,160,000. In August 2012, in conjunction with the transfer of operations of the City of Pontiac, Michigan wastewater treatment system to the County, the County's Drainage Districts assumed the debt obligations initiated by the City of Pontiac, Michigan 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 Facility Drainage District for \$31,995,000, with \$2,500,000 principal forgiveness. As of September 30, 2022, \$428,442 remains undrawn. At September 30, 2022, there were 14 issues outstanding, totaling \$129,692,990, maturing in the years 2023-2038.

September 30, 2022

**Note 8 - Interfund Receivables, Payables, and Transfers**

The composition of interfund balances is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor governmental funds	\$ 16,805,719
	ARP Local Fiscal Recovery Fund	5,144,611
	Parks and Recreation Fund	112,949
	Internal service funds	91,439
	Total General Fund	22,154,718
Nonmajor governmental funds	General Fund	22,235,599
	Nonmajor governmental funds	353,900
	ARP Local Fiscal Recovery Fund	450,613
	S.O.C.S.D.S. Fund	22,901
	Internal service funds	1,698,576
	Total nonmajor governmental funds	24,761,589
Parks and Recreation Fund	ARP Local Fiscal Recovery Fund	219
Internal service funds	General Fund	15,625,993
	ARP Local Fiscal Recovery Fund	197,085
	Nonmajor governmental funds	268,871
	Internal service funds	11,387
	Total internal service funds	16,103,336
Water and Sewer Trust Fund	Nonmajor enterprise funds	400,048
Evergreen-Farmington S.D.S.	Nonmajor enterprise funds	30,873
Nonmajor enterprise funds	General Fund	16,000
	Internal service funds	1,889,521
	Total nonmajor enterprise funds	1,905,521
	Total	\$ 65,356,304

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 \$2,607,980 to cover various funds with deficit cash balances at year end, return of excess funding of \$5,081,269 in the Child Care Fund, \$5,144,611 from the ARP Local Fiscal Recovery Fund, \$4,931,036 from the Friend of the Court Fund, and \$3,546,870 from the Project Work Order Fund covering the sale of the property at the Brown Road Animal Shelter. The receivable in the nonmajor governmental funds primarily consists of General Fund support of \$11,832,926 in IT Projects, \$6,447,932 Facility Projects, and \$3,336,200 in support of the Child Care Fund. The Building Liability internal service fund received General Fund support in the amount of \$5,500,000. Other interfund receivables/payables include charges from the Drain Commissioner Revolving Fund for amounts due from various drains and lake level funds, the Drain Equipment Fund, and the Information Technology Fund for charges for services and/or supplies.

September 30, 2022

**Note 8 - Interfund Receivables, Payables, and Transfers (Continued)**

The County has made the following long-term advances between funds:

Fund Borrowed From	Fund Loaned To	Amount
Nonmajor governmental funds	Nonmajor governmental funds	\$ 738,165
	Water and Sewer Trust Fund	165,000
	Total nonmajor governmental funds	<u>\$ 903,165</u>

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 balances of the loans from the Long-term Revolving Fund to the Water and Sewer Trust Fund for the Lake Orion Sewer SCADA Project, \$165,000; the Bush Lake Level Dam Project, \$38,638; construction of the Lower Pettibone Sanitary Drain, \$645,000; and \$54,327 for deficits from maintenance and repairs of two Chapter 4 Drains.

The balance of amounts loaned to (borrowed from) discretely presented component units is as follows:

Receivable	Payable	Amount
General Fund	Drainage Districts	\$ 61,641
	Road Commission	304
	Total General Fund	61,945
Nonmajor governmental funds	Drainage Districts	626,725
Evergreen-Farmington S.D.S. Fund	Drainage Districts	689,979
Nonmajor enterprise funds	Drainage Districts	3,741
Internal service funds	Drainage Districts	74
	Road Commission	56,012
	Total internal service funds	56,086
	Total	<u>\$ 1,438,476</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 and Evergreen Farmington Sewage Disposal System to the Drainage Districts component unit and administrative charges to the Road Commission component unit.



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**Note 8 - Interfund Receivables, Payables, and Transfers (Continued)**

Interfund transfers reported in the fund financial statements are composed of the following:

Receiving Fund (Transfer In)	Paying Fund (Transfer Out)	Amount
General Fund	Nonmajor governmental funds	\$ 873,702
	Internal service funds	43,645
	Delinquent Tax Revolving Fund	5,585,895
	Total General Fund	6,503,242
Nonmajor governmental funds	General Fund	43,572,093
	Nonmajor governmental funds	7,129,099
	Evergreen-Farmington S.D.S.	500,000
	Delinquent Tax Revolving Fund	4,521,894
	Total nonmajor governmental funds	55,723,086
Parks and Recreation Fund	General Fund	50,000
Nonmajor enterprise funds	General Fund	2,173,331
Internal service funds	General Fund	14,390,754
	Parks and Recreation Fund	31,648
	Nonmajor enterprise funds	286,000
	Water and Sewer Trust Fund	46,800
	Internal service funds	89,985
	Total internal service funds	14,845,187
Delinquent Tax Revolving Fund	Nonmajor governmental funds	5
	Total	\$ 79,294,851

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 General Fund's recording of transfers to fund operations of capital projects, the Child Care Fund, the Friend of the Court Fund, the Mandated Indigent Defense Fund, and various grants in the amounts of \$19,337,417, \$11,625,778, \$6,568,662, \$1,850,703, and \$1,656,594, respectively. Additionally, transfers in the amounts of \$8,616,324 and \$5,500,000 were made to fund operations of the Information Technology Fund and the Building and Liability Insurance Fund, respectively, along with \$1,644,186 transferred to the Court Law Enforcement Information System Fund. In the nonmajor governmental funds, a transfer was made in the amount of \$6,562,022 from the Building Improvement Fund to fund various work projects.

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**Note 9 - Fund Balance Constraints**

The detail of the various components of fund balance is as follows:

	Primary Government					Total
	General Fund	Water and Sewer Debt Act 342 Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	
Nonspendable:						
Inventory	\$ 172,929	\$ -	\$ -	\$ -	\$ -	\$ 172,929
Prepays	247,752	500	2,295	-	86,238	336,785
Long-term receivable	-	-	-	-	903,165	903,165
Total nonspendable	420,681	500	2,295	-	989,403	1,412,879
Restricted:						
Debt service	-	17,125	-	3,732,359	-	3,749,484
Specific programs	-	-	28,588,313	-	-	28,588,313
Total restricted	-	17,125	28,588,313	3,732,359	-	32,337,797
Committed - Capital projects	-	-	-	-	44,312,823	44,312,823
Assigned:						
Budget stabilization reserve	125,500,000	-	-	-	-	125,500,000
Property tax forfeiture activities	2,551,831	-	-	-	-	2,551,831
Strategic investment plan	32,000,000	-	-	-	-	32,000,000
Reserve for noneconomic budget risks	25,100,000	-	-	-	-	25,100,000
Future operating requirements 2023 and beyond	8,575,000	-	-	-	-	8,575,000
Carryforwards	17,971,071	-	-	-	-	17,971,071
Encumbrances	1,963,199	-	-	-	-	1,963,199
Marine safety patrol match	100,000	-	-	-	-	100,000
Secondary Township road repair program	2,000,000	-	-	-	-	2,000,000
Unused local road commitments	2,600,000	-	-	-	-	2,600,000
Oxford response	1,082,299	-	-	-	-	1,082,299
Total assigned	219,443,400	-	-	-	-	219,443,400
Unassigned	959,662	-	(4,006,227)	-	(30,581)	(3,077,146)
Total fund balance	<u>\$ 220,823,743</u>	<u>\$ 17,625</u>	<u>\$ 24,584,381</u>	<u>\$ 3,732,359</u>	<u>\$ 45,271,645</u>	<u>\$ 294,429,753</u>

**Note 10 - Pension Plans****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.

The financial statements of the pension system are included in these financial statements as a pension and other employee benefit trust fund (a fiduciary fund). PERS does not issue a separate financial report.

September 30, 2022

**Note 10 - Pension Plans (Continued)**

Management of PERS is vested with the Retirement and Deferred Compensation Board, which consists of nine voting members composed 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 elected employee members
- One elected retiree member
- One citizen member appointed by the board and confirmed by the Oakland County Board of Commissioners

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. The benefits are administered by the Oakland County Retirement and Deferred Compensation Board.

**Benefits Provided**

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 8 years of service. Members vest after 8 years of service.

Eligible employees under the county plan are provided benefits based on 2 percent, but 2.2 percent for years in excess of 14 years (sheriff's deputies, 2.2 percent for the first 14 years of service and 2.5 percent thereafter, command officers 2.5 percent), of the final average compensation times the number of years of credited service. Maximum county retirement is 75 percent of final average compensation, defined as the average of the highest 5 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 percent of final average compensation. Nonduty 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.

**Employees Covered by Benefit Terms**

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, 2021, the date of the latest actuarial valuation:

Inactive plan members or beneficiaries currently receiving benefits	1,967
Inactive plan members entitled to but not yet receiving benefits	45
Active plan members	75
	75
Total employees covered by the plan	2,087

**Contributions**

The County's 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, that are sufficient to accumulate assets to pay benefits when due. For fiscal year 2022, there was no annual contribution required, which was determined through actuarial valuations performed at September 30, 2020.

September 30, 2022

**Note 10 - Pension Plans (Continued)**

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 year ended September 30, 2022 amounted to \$61,977.

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, Michigan.

**Net Pension Liability (Asset)**

The County has chosen to use the September 30 measurement date as its measurement date for the net pension liability. The September 30, 2022 fiscal year end reported net pension liability was determined using a measure of the total pension liability and the pension net position as of the September 30, 2022 measurement date. The September 30, 2022 total pension liability was determined by an actuarial valuation performed as of September 30, 2021, which used update procedures to roll forward the estimated liability to September 30, 2022.

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

Changes in Net Pension Liability (Asset)	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension (Asset) Liability
<b>Balance at October 1, 2021</b>	\$ 718,911,003	\$ 790,825,096	\$ (71,914,093)
Changes for the year:			
Service cost	597,034	-	597,034
Interest	49,855,196	-	49,855,196
Differences between expected and actual experience	11,754,356	-	11,754,356
Contributions - Employee	-	61,977	(61,977)
Net investment income	-	(78,511,417)	78,511,417
Benefit payments, including refunds	(63,103,273)	(63,103,273)	-
Administrative expenses	-	(466,021)	466,021
Net changes	(896,687)	(142,018,734)	141,122,047
<b>Balance at September 30, 2022</b>	<u>\$ 718,014,316</u>	<u>\$ 648,806,362</u>	<u>\$ 69,207,954</u>

The plan's fiduciary net position represents 90.36 percent of the total pension liability.

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended September 30, 2022, the County reported pension expense of \$27,115,956.

At September 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 68,518,417

September 30, 2022

**Note 10 - Pension Plans (Continued)**

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

Years Ending September 30	Amount
2023	\$ 18,721,500
2024	13,381,507
2025	9,659,121
2026	26,756,289
Total	<u>\$ 68,518,417</u>

**Actuarial Assumptions**

The total pension liability in the September 30, 2021 actuarial valuation was determined using an inflation assumption of 2.5 percent, assumed salary increases (including inflation) of 3.25 percent to 9.25 percent, an investment rate of return (net of investment expenses) of 7.25 percent, and the RP-2014 Healthy Annuitant Mortality Table (unadjusted) projected to 2021 using a static projection based on the two-dimensional MP-2014 improvement scales. These assumptions were applied to all periods included in the measurement.

**Discount Rate**

The discount rate used to measure the total pension 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.

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.

**Investment Rate of Return**

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 plan's target asset allocation as of September 30, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	32.50 %	7.50 %
International equity	12.50	8.50
Domestic bonds	25.00	2.50
International bonds	5.00	3.50
Real estate	10.00	4.50
Alternative assets	15.00	5.59

September 30, 2022

**Note 10 - Pension Plans (Continued)*****Sensitivity of the Net Pension Liability to Changes in the Discount Rate***

The following presents the net pension liability of the County, calculated using the discount rate of 7.25 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.25%)	Current Discount Rate (7.25%)	1 Percentage Point Increase (8.25%)
Net pension liability	\$ 133,674,567	\$ 69,207,954	\$ 13,701,872

***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 board's adopted asset allocation policy as of October 30, 2018 is included in the investment rate of return table above.

***Rate of Return***

For the year ended September 30, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (11.75) percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

***Pension Plan Reserves***

Net position restricted for employees' pension benefits include legally required reserves.

The annuity reserve represents the cumulative contributions 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.



September 30, 2022

**Note 10 - Pension Plans (Continued)**

The balances of the reserve accounts at September 30, 2022 are as follows:

Annuity reserve	\$ (1,591,330)
Pension reserve	29,292,384
Pension accumulated reserve	<u>621,105,308</u>
Total	<u>\$ 648,806,362</u>

**Road Commission for Oakland County Retirement System**

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, 2020, the date of the most recent actuarial valuation, membership consisted of 616 inactive plan members or beneficiaries currently receiving benefits, 57 inactive plan members entitled to but not yet receiving benefits, and 435 active plan members. The Road Commission's net pension liability as of December 31, 2021 was \$4,254,080. The Road Commission has chosen to use December 31, 2021 as its measurement date for the net pension liability. The September 30, 2022 reported net pension liability was determined using a measure of the total pension liability and the pension net position as of December 31, 2021. The December 31, 2021 total pension liability was determined by an actuarial valuation performed as of December 31, 2020. For the year ended September 30, 2022, the Road Commission recognized pension recoveries of \$3,982,837. At September 30, 2022, the Road Commission reported total deferred outflows of resources of \$4,585,119 and deferred inflows of resources of \$25,106,151.

**Note 11 - Retirement 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 percent 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 percent of their salary, with the employer matching the contribution respectively with 6 or 9 percent for general employees or 7 or 10 percent for employees in certain bargaining units. For employees hired on or after July 1, 1994, the employer contributes 5 percent of the employee's salary. Effective December 1999, employees were offered an opportunity to increase their contribution with a county match of 2 percent for new hires and 1 percent for all others. In December 2000, the employee and county match were increased 1 percent. All employees are able to contribute up to 10 percent 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, 2022 was 3,458, which includes 167 employees who elected to transfer from the PERS in 1995 through 2000 and 3,291 current employees hired since July 1, 1994.

**September 30, 2022****Note 11 - Retirement Plans (Continued)**

The County's payroll for employees covered by the OPRS for the year ended September 30, 2022 was \$312,032,569. The required contributions, which matched those actually made, were \$11,068,747 by employees and \$23,721,786 by the County, representing 3.5 and 7.6 percent of covered payroll, respectively.

In 2008, the County offered a voluntary defined contribution plan for part-time noneligible 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 percent and employees contribute 6.2 percent of their earnings into a defined contribution plan. The employee would be immediately 100 percent 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 2022, the County contributed \$217,686 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.

**Note 12 - Other Postemployment Benefit Plan*****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 composed 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 elected employee members
- One elected retiree member
- One citizen member appointed by the board and confirmed by the Oakland County Board of Commissioners

***Benefits***

In 2022, there were 4,326 members covered under the OPEB plan: 2,756 retirees and beneficiaries; 189 inactive, nonretired members; and 1,381 active members.

September 30, 2022

**Note 12 - Other Postemployment Benefit Plan (Continued)**

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 on January 1, 2007. For general members hired on and after January 1, 1995 (May 27, 1995 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 Trust. The percentage increases 4.0 percent per 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 retirement health savings plan effective January 1, 2006 for general nonunion employees, March 5, 2009 for sheriff command officers, January 1, 2010 for sheriff corrections deputies, and February 9, 2012 for sheriff road patrol deputies. Employees will receive a cash payment upon retirement from which they can purchase their own health insurance.

**Plan Membership**

The Oakland County VEBA covers the majority of full-time employees of the County hired prior to September 21, 1985 having 8 or more years of service or hired between September 20, 1985 and January 1, 1995 with 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, 2021, the date of the latest actuarial valuation:

Inactive plan members or beneficiaries currently receiving benefits	2,756
Inactive plan members entitled to but not yet receiving benefits	189
Active plan members	1,381
	<hr/>
Total plan members	4,326
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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).

**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 overfunded divisions. For fiscal year 2022, there was no annual contribution required, which was determined through actuarial valuations performed at September 30, 2021, given the VEBA was fully funded. The insurance premiums are paid by the VEBA.

**Net OPEB Asset**

The County has chosen to use the September 30 measurement date as its measurement date for the net OPEB asset. The September 30, 2022 fiscal year end reported net OPEB asset was determined using a measure of the total OPEB liability and the OPEB net position as of the September 30, 2022 measurement date. The September 30, 2022 total OPEB liability was determined by an actuarial valuation performed as of September 30, 2021, which used update procedures to roll forward the estimated liability to September 30, 2022. The net OPEB asset has been recorded in the Fringe Benefits Fund, an internal service fund that is used to account for the County's employee fringe benefits.

September 30, 2022

**Note 12 - Other Postemployment Benefit Plan (Continued)**

Changes in the net OPEB asset during the measurement year were as follows:

Changes in Net OPEB Asset	Increase (Decrease)		
	Total OPEB Liability	Plan Net Position	Net OPEB Asset
<b>Balance at October 1, 2021</b>	\$ 949,693,489	\$ 1,567,956,854	\$ (618,263,365)
Changes for the year:			
Service cost	8,239,992	-	8,239,992
Interest	67,475,212	-	67,475,212
Differences between expected and actual experience	(73,242,187)	-	(73,242,187)
Changes in assumptions	36,161,530	-	36,161,530
Contributions - Employee	-	281,845	(281,845)
Net investment income	-	(186,768,437)	186,768,437
Benefit payments, including refunds	(46,030,738)	(46,030,738)	-
Administrative expenses	-	(380,004)	(380,146)
Member-financed benefit payments	-	(281,845)	281,845
Other income	-	7,784,725	(7,784,725)
Net changes	(7,396,191)	(225,394,454)	217,998,263
<b>Balance at September 30, 2022</b>	<u>\$ 942,297,298</u>	<u>\$ 1,342,562,400</u>	<u>\$ (400,265,102)</u>

The plan's fiduciary net position represents 142.48 percent of the total OPEB liability.

***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

For the year ended September 30, 2022, the County recognized a recovery of OPEB expense of \$37,070,643.

At September 30, 2022, the County reported deferred outflows of resources 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	\$ -	\$ (45,990,897)
Changes in assumptions	19,815,858	(1,604,227)
Net difference between projected and actual earnings on OPEB plan investments	157,311,771	-
Total	<u>\$ 177,127,629</u>	<u>\$ (47,595,124)</u>

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

Years Ending September 30	Amount
2023	\$ 16,427,318
2024	27,921,137
2025	25,374,017
2026	59,810,033
Total	<u>\$ 129,532,505</u>

September 30, 2022

**Note 12 - Other Postemployment Benefit Plan (Continued)*****Actuarial Assumptions***

The total OPEB liability in the September 30, 2021 actuarial valuation was determined using an inflation assumption of 2.5 percent; assumed salary increases (including inflation) of 3.25 to 9.25 percent; an investment rate of return (net of investment expenses) of 7.25 percent; a health care cost trend rate of 7.5 percent for 2022, decreasing to an ultimate rate of 3.5 percent years 10 and later years; and the RP-2014 Healthy Annuitant Mortality Table (unadjusted) projected to 2021 using a static projection based on the two-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.

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.

***Investment Rate of Return***

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).

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 table below includes the board's adopted asset allocation policy as of January 11, 2018.

For each major asset class that is included in the OPEB plans' target asset allocation as of September 30, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	32.50 %	7.50 %
International equity	12.50	8.50
Domestic bonds	25.00	2.50
International bonds	5.00	3.50
Real estate	10.00	4.50
Other assets	15.00	5.59

September 30, 2022

**Note 12 - Other Postemployment Benefit Plan (Continued)*****Sensitivity of the Net OPEB Asset to Changes in the Discount Rate***

The following presents the net OPEB asset of the County, calculated using the discount rate of 7.25 percent, as well as what the County's net OPEB asset would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.25%)	Current Discount Rate (7.25%)	1 Percentage Point Increase (8.25%)
Net OPEB asset	\$ (291,875,249)	\$ (400,265,102)	\$ (491,506,445)

***Sensitivity of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate***

The following presents the net OPEB asset of the County, calculated using the health care cost trend rate of 7.5 percent, as well as what the County's net OPEB asset would be if it were calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.5% Decreasing to 2.5%)	Current Health Care Cost Trend Rate (7.5% Decreasing to 3.5%)	1 Percentage Point Increase (8.5% Decreasing to 4.5%)
Net OPEB asset	\$ (503,578,792)	\$ (400,265,102)	\$ (276,843,880)

***OPEB Plan Fiduciary Net Position***

Detailed information about the plan's fiduciary net position is not available in a separately issued financial report. For the purpose of measuring the net OPEB asset, deferred outflows of resources and deferred inflows or resources related to OPEB, and OPEB expense, information about the plan's fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

***Assumption Changes***

The change in assumption is related to increasing Medicare Part B premiums.

**Rate of Return**

For the year ended September 30, 2022, the annual money-weighted rate of return on VEBA plan investments, net of VEBA plan investment expense, was (12.11) percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.



September 30, 2022

**Note 12 - Other Postemployment Benefit Plan (Continued)*****Road Commission for Oakland County Retiree Health Care Trust***

The Road Commission contributes to the Road Commission for Oakland County Retiree Health Care Trust (the "RHC Trust"). The RHC 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, 2020, the date of the most recent actuarial valuation, membership consisted of 430 inactive plan members or beneficiaries currently receiving benefits and 223 active plan members. For the year ended September 30, 2022, the Road Commission made payments for postemployment health benefit premiums of \$7,135,517 and advance-funding contributions of \$3,500,000. For the year ended September 30, 2022, the Road Commission recognized OPEB expense of \$1,887,623, deferred outflows of resources of \$7,412,749, deferred inflows of resources of \$18,615,665, and a net OPEB liability of \$96,568,922 at September 30, 2022.

**Note 13 - Pension and Other Employee Benefit Trust Funds**

The following are condensed financial statements for the pension plan and postemployment health care plan:

	Oakland County Employees' Retirement	VEBA Trust	Total
<b>Statement of Net Position</b>			
Cash and investments	\$ 647,770,758	\$ 1,343,537,346	\$ 1,991,308,104
Other assets	1,561,429	3,153,587	4,715,016
Liabilities	(525,825)	(4,128,532)	(4,654,357)
Net position	<u>\$ 648,806,362</u>	<u>\$ 1,342,562,401</u>	<u>\$ 1,991,368,763</u>
<b>Statement of Changes in Net Position</b>			
Net investment loss	\$ (78,511,417)	\$ (186,768,437)	\$ (265,279,854)
Contributions	61,977	281,845	343,822
Other additions	-	6,784,728	6,784,728
Benefit payments	(63,103,273)	(46,312,583)	(109,415,856)
Other deductions	(466,021)	(380,004)	(846,025)
Net change in net position	<u>\$ (142,018,734)</u>	<u>\$ (226,394,451)</u>	<u>\$ (368,413,185)</u>

**Note 14 - 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's financial statements. In 2022, the County and the Road Commission adopted the provisions of GASB Statement No. 97, paragraphs 6 through 9, and the County and the Road Commission determined that the 457 plans did not meet the definition of a fiduciary activity to be reported within the financial statements.

September 30, 2022

**Note 15 - 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 \$698,315,968, electronic data processing equipment in the amount of \$43,447,088, boats and motors in the amount of \$571,299, ATV/snowmobiles in the amount of \$82,692, 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 \$1,250,000 each occurrence, self-insured retention and employers' liability in the amount of \$1,000,000, parks facility rental liability in the amount of \$3,000,000, excess liability with limits of \$15,000,000 over auto liability, and \$15,000,000 over a \$15,000,000 SIR/deductible; cyber liability with limits of \$5,000,000; liquor liability insurance in the total amount of \$5,000,000 for parks and recreation facilities at Springfield Oaks and Lyon Oaks and \$3,000,000 at White Lake Oaks; and water resource commission CVT maintenance agreement liability coverage in the amount of \$15,000,000. 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, 2022, including both those claims that have been reported and 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.

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:

Primary Government	2022	2021
Liability - Beginning of period	\$ 28,106,395	\$ 21,948,793
Estimated claims incurred, claim adjustment expenses, and changes in estimates	112,329,351	58,996,187
Claim payments and claim adjustment expenses	(67,918,744)	(52,838,585)
Liability - End of period	<u>\$ 72,517,002</u>	<u>\$ 28,106,395</u>
Road Commission - Component Unit	2022	2021
Liability - Beginning of year	\$ 2,888,007	\$ 2,405,941
Estimated claims incurred and changes in estimates	13,590,523	14,484,214
Claim payments	(13,651,164)	(14,002,148)
Liability - End of year	<u>\$ 2,827,366</u>	<u>\$ 2,888,007</u>

September 30, 2022

**Note 16 - Leases**

The County leases certain assets from various third parties. The assets leased include buildings. Payments are generally fixed monthly rates with escalation in payments over the term of the lease.

Lease asset activity of the County is included in Note 6.

Future principal and interest payment requirements related to the County's lease liability at September 30, 2022 are as follows:

**Governmental Activities**

Years Ending	Principal	Interest	Total
2023	\$ 928,808	\$ 467,161	\$ 1,395,969
2024	1,076,019	406,461	1,482,480
2025	1,185,435	337,232	1,522,667
2026	1,084,724	263,654	1,348,378
2027	467,410	216,950	684,360
2028-2032	2,724,862	628,297	3,353,159
2033-2037	514,861	23,542	538,403
Total	<u>\$ 7,982,119</u>	<u>\$ 2,343,297</u>	<u>\$ 10,325,416</u>

**Water and Sewer Trust**

Years Ending	Principal	Interest	Total
2023	\$ 37,747	\$ 8,603	\$ 46,350
2024	40,742	6,208	46,950
2025	43,926	3,624	47,550
2026	35,098	902	36,000
Total	<u>\$ 157,513</u>	<u>\$ 19,337</u>	<u>\$ 176,850</u>

The County leases certain assets to various third parties. The assets leased include radio equipment. Payments are generally fixed monthly rates with escalation in payments over the term of the lease.

During the year ended September 30, 2022, the County recognized the following related to its lessor agreements:

	Radio Communications
Lease revenue	\$ 184,772
Interest income related to its leases	100,158

Future principal and interest payment requirements related to the County's lease receivable at September 30, 2022 are as follows:

Years Ending	Principal	Interest	Total
2023	\$ 119,740	\$ 93,458	\$ 213,198
2024	131,468	85,727	217,195
2025	154,595	76,662	231,257
2026	180,237	66,058	246,295
2027	192,330	54,688	247,018
2028-2032	724,784	112,932	837,716
2033-2037	161,577	24,256	185,833
Total	<u>\$ 1,664,731</u>	<u>\$ 513,781</u>	<u>\$ 2,178,512</u>

September 30, 2022

**Note 16 - Leases (Continued)*****Regulated Leases***

The County leases certain assets to various third parties that are considered regulated leases, as defined by GASB 87. Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings. For example, the U.S. Department of Transportation (DOT) and the Federal Aviation Administration regulate aviation leases between airport and air carriers and other aeronautical users through various policies and guidance, including the FAA's Rates and Charges Policy and Federal Grant Assurances. In accordance with GASB 87, the County does not recognize a lease receivable and a deferred inflow of resources for regulated leases. The regulated lease assets include terminal passenger holdrooms, operations space, baggage service areas, terminal apron areas, jet bridges, ticket counters, ticket offices, hangars, and land. Leased land and several of the terminal locations are considered exclusive use by the second parties to the agreement, while some terminal areas are considered either preferential or shared/joint use.

During the year ended September 30, 2022, the County recognized the following from regulated leases:

Lease revenue	\$ 1,114,489
Interest income related to its leases	1,001,956

Future expected minimum payments related to the County's regulated leases at September 30, 2022 are as follows:

Years Ending	Principal	Interest	Total
2023	\$ 753,662	\$ 956,838	\$ 1,710,500
2024	791,142	909,782	1,700,924
2025	840,984	859,941	1,700,925
2026	874,282	807,308	1,681,590
2027	822,550	754,144	1,576,694
2028-2032	4,135,834	3,044,607	7,180,441
2033-2037	3,751,770	1,777,791	5,529,561
2038-2042	2,499,527	806,982	3,306,509
2043-2046	1,265,946	211,246	1,477,192
2047-2052	230,155	18,030	248,185
Total	<u>\$ 15,965,852</u>	<u>\$ 10,146,669</u>	<u>\$ 26,112,521</u>

**Note 17 - 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 September 30, 2022, the County recorded an estimated liability in the amount of \$39,800,000 in the County's General Fund, based on an initial settlement, for the court case *Rafaeli, LLC v. Oakland County*. The County is a defendant in a lawsuit entitled *Rafaeli, LLC v. Oakland County*. The plaintiffs failed to pay their real estate taxes and the County foreclosed on their properties and sold them. At the auction, the County received more money than was owed for taxes and retained the surplus proceeds pursuant to statute.

**September 30, 2022****Note 17 - Commitments and Contingencies (Continued)**

As of year end, Oakland County and various of its government officials have been named as defendants in three federal civil lawsuits related to plaintiffs who claim they were wrongfully convicted and incarcerated (commonly referred to as "Reversed Conviction" cases). Because each of the pending lawsuits involve multiple defendants, Corporation Counsel has retained outside counsel to represent the defendants in these matters. While the cost of defending these claims is being paid out of the County's Building and Liability Insurance Fund, the county administration anticipates that any adverse judgments or negotiated settlements of these Reversed Conviction cases would be paid from the County's General Fund or other available operating funds. Because these lawsuits are still in the early stages of discovery, the potential financial liability to the County that may result from these suits cannot be reasonably estimated at this time.

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 revenue 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 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, 2022 as follows: Evergreen-Farmington S.D.S - Eight Mile Road Conveyance Project with a cost of \$2,266,254 with a balance of \$1,809,107 and the Evergreen-Farmington S.D.S - Evergreen Interceptor Rehabilitation Project with a cost of \$1,680,814 with a remaining balance of \$480,484. The Water and Sewer Trust Fund has entered into contracts as follows: a contract for the Pontiac Watermain Improvements with a cost of \$5,322,472 and a remaining balance of \$3,711,667 and a contract for a project to replace their billing system with a cost of \$2,000,000 and a remaining balance of \$2,000,000.

There are three contracts for Information Technology projects at September 30, 2022 as follows: P25 Radio Replacement Project with a cost of \$10,687,847 with a remaining balance of \$7,995,119 and two contracts for the New Financial Human Capital Management Program with a total cost of \$3,710,162 that have a remaining balance of \$1,569,217.

The Drainage Districts' component unit has construction contracts for northeast sanitary pump station electrical and mechanical upgrades for the Oakland Macomb Interceptor Drainage District Project with a total cost of \$31,815,153 with a remaining balance of \$24,796,489, a contract for north east sanitary pump station PCI rehabilitation for the Oakland Macomb Interceptor Drainage District Project with a total cost of \$9,252,146 with a remaining balance of \$7,743,509, and a contract for north east sanitary pump station pollution control solutions for the Oakland Macomb Interceptor Drainage District Project with a total cost of \$5,857,938 with a remaining balance of \$5,851,220 as of September 30, 2022.

The Road Commission for Oakland County component unit reports construction projects in progress at September 30, 2022 in the amount of \$114 million with remaining commitments of \$37 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 \$13 million.

**Note 18 - Tax Abatements**

The County received reduced property tax revenue during the year as a result of industrial facility taxes (IFTs), brownfield redevelopment agreements, Personal Property Tax (PA 328), and other agreements entered into by cities, villages, townships, and authorities within the County.

**September 30, 2022**

**Note 18 - Tax Abatements (Continued)**

The IFTs 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. IFTs provide a tax incentive to manufacturers to enable renovation and expansion of aging facilities, assist in building of new facilities, and promote the establishment of high-tech facilities. Properties qualifying for IFT status are taxed at both 100 and 50 percent of the millage rate applicable to other real and personal property in the County. The abatements amounted to \$626,216 for the County General Fund and \$54,139 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 \$983,439 for the County General Fund and \$85,022 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 \$679,913 for the County General Fund and \$58,781 for the County Parks and Recreation Fund for the year.

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 multifamily housing units. Under this program, the local governments establish ordinances and enter into agreements that allow the low to moderate multifamily 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 \$356,000 for the year.



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## Required Supplemental Information

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## Oakland County, Michigan

	2022	2021	2020	2019
<b>Total Pension Liability</b>				
Service cost	\$ 597,034	\$ 999,693	\$ 1,338,793	\$ 1,665,384
Interest	49,855,196	51,454,905	52,040,691	52,604,818
Differences between expected and actual experience	11,754,356	(11,723,351)	67,870	(1,895,454)
Changes in assumptions	-	-	-	-
Benefit payments, including refunds	(63,103,273)	(62,086,459)	(60,628,743)	(59,356,307)
<b>Net Change in Total Pension Liability</b>	(896,687)	(21,355,212)	(7,181,389)	(6,981,559)
<b>Total Pension Liability - Beginning of year</b>	718,911,003	740,266,215	747,447,604	754,429,163
<b>Total Pension Liability - End of year</b>	<b>\$ 718,014,316</b>	<b>\$ 718,911,003</b>	<b>\$ 740,266,215</b>	<b>\$ 747,447,604</b>
<b>Plan Fiduciary Net Position</b>				
Contributions - Employer	\$ -	\$ -	\$ -	\$ -
Contributions - Member	61,977	99,693	165,953	232,357
Net investment (loss) income	(78,511,417)	135,268,864	33,216,391	27,485,137
Administrative expenses	(466,021)	(225,652)	(179,361)	(218,956)
Benefit payments, including refunds	(63,103,273)	(62,086,459)	(60,628,743)	(59,356,307)
<b>Net Change in Plan Fiduciary Net Position</b>	(142,018,734)	73,056,446	(27,425,760)	(31,857,769)
<b>Plan Fiduciary Net Position - Beginning of year</b>	790,825,096	717,768,650	745,194,410	777,052,179
<b>Plan Fiduciary Net Position - End of year</b>	<b>\$ 648,806,362</b>	<b>\$ 790,825,096</b>	<b>\$ 717,768,650</b>	<b>\$ 745,194,410</b>
<b>County's Net Pension Liability (Asset) - Ending</b>	<b>\$ 69,207,954</b>	<b>\$ (71,914,093)</b>	<b>\$ 22,497,565</b>	<b>\$ 2,253,194</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	90.36 %	110.00 %	96.96 %	99.70 %
<b>Covered Payroll</b>	\$ 6,558,690	\$ 8,526,997	\$ 10,576,095	\$ 13,385,938
<b>County's Net Pension Liability as a Percentage of Covered Payroll</b>	1,055.21 %	(843.37)%	212.72 %	16.83 %

Required Supplemental Information

Schedule of Changes in the Net Pension Liability and Related Ratios

Last Nine Fiscal Years

2018	2017	2016	2015	2014
\$ 2,128,819	\$ 2,483,176	\$ 2,864,098	\$ 3,705,776	\$ 4,196,269
53,272,144	53,389,706	53,131,461	50,740,081	50,492,624
(5,905,800)	(607,861)	2,639,268	2,621,256	-
-	-	-	29,334,529	-
<u>(57,579,562)</u>	<u>(55,839,217)</u>	<u>(53,925,525)</u>	<u>(52,066,966)</u>	<u>(49,993,923)</u>
(8,084,399)	(574,196)	4,709,302	34,334,676	4,694,970
<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>
<b><u>\$ 754,429,163</u></b>	<b><u>\$ 762,513,562</u></b>	<b><u>\$ 763,087,758</u></b>	<b><u>\$ 758,378,456</u></b>	<b><u>\$ 724,043,780</u></b>
\$ -	\$ -	\$ -	\$ 4,554,832	\$ 5,770,835
301,807	372,273	443,238	473,247	560,091
49,559,010	83,094,349	65,710,783	5,099,460	70,247,939
(240,203)	(259,250)	(245,352)	(296,825)	(2,959,649)
<u>(57,579,562)</u>	<u>(55,839,217)</u>	<u>(53,925,525)</u>	<u>(52,066,966)</u>	<u>(49,993,923)</u>
(7,958,948)	27,368,155	11,983,144	(42,236,252)	23,625,293
<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>
<b><u>\$ 777,052,179</u></b>	<b><u>\$ 785,011,127</u></b>	<b><u>\$ 757,642,972</u></b>	<b><u>\$ 745,659,828</u></b>	<b><u>\$ 787,896,080</u></b>
<b><u>\$ (22,623,016)</u></b>	<b><u>\$ (22,497,565)</u></b>	<b><u>\$ 5,444,786</u></b>	<b><u>\$ 12,718,628</u></b>	<b><u>\$ (63,852,300)</u></b>
103.00 %	102.95 %	99.29 %	98.32 %	108.82 %
\$ 16,019,655	\$ 18,631,927	\$ 21,834,812	\$ 24,707,298	\$ 29,901,825
(141.22)%	(120.75)%	24.94 %	51.48 %	(213.54)%

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

**Required Supplemental Information  
Schedule of Pension Contributions**

<b>Last Ten Fiscal Years Years Ended September 30</b>										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Statutorily required contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,554,832	\$ 5,770,835	\$ 5,400,095
Contributions in relation to the statutorily required contribution	-	-	-	-	-	-	-	4,554,832	5,770,835	5,400,095
<b>Contribution Excess</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>County's Covered Payroll</b>	<b>\$ 6,558,690</b>	<b>\$ 8,526,997</b>	<b>\$ 10,576,095</b>	<b>\$ 13,385,938</b>	<b>\$ 16,019,655</b>	<b>\$ 18,631,927</b>	<b>\$ 21,834,812</b>	<b>\$ 24,707,298</b>	<b>\$ 29,901,825</b>	<b>\$ 33,706,963</b>
<b>Contributions as a Percentage of Covered Payroll</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>18.44 %</b>	<b>19.30 %</b>	<b>16.02 %</b>

**Notes to Schedule of Pension Contributions**

Actuarial valuation information relative to the determination of contributions:

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

Methods and assumptions used to determine contribution rates for the fiscal year ended September 30, 2022:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, open if 100 percent funded
Remaining amortization period	10 years
Asset valuation method	5-year smoothed market
Inflation	3.25 percent
Salary increase	3.25 percent wage inflation
Investment rate of return	7.25 percent net of investment and administrative expenses
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 based on the 2-dimensional MP-2014 improvement scales
Cost of living adjustments	Up to 1.5 percent noncompounding annually

## Oakland County, Michigan

### Required Supplemental Information Schedule of Pension Investment Returns

	Last Nine Fiscal Years								
	Years Ended September 30								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return - Net of investment expense	(11.75)%	20.12 %	4.79 %	3.79 %	6.43 %	11.58 %	9.20 %	0.35 %	8.74 %

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

**Required Supplemental Information**  
**Schedule of Changes in the Net OPEB Asset and Related Ratios**

**Last Six Fiscal Years**

	2022	2021	2020	2019	2018	2017
<b>Total OPEB Liability</b>						
Service cost	\$ 8,239,992	\$ 9,355,546	\$ 9,220,055	\$ 8,876,381	\$ 9,742,233	\$ 11,009,857
Interest	67,475,212	67,891,807	66,070,507	63,749,998	70,351,546	67,692,444
Differences between expected and actual experience	(73,242,187)	(29,755,582)	(17,653,479)	(53,355,110)	(82,048,924)	(6,799,845)
Changes in assumptions	36,161,530	(8,152,094)	7,578,642	50,056,376	(51,205,346)	-
Benefit payments, including refunds	(46,030,738)	(42,814,260)	(37,509,924)	(37,474,992)	(37,449,853)	(31,732,905)
<b>Net Change in Total OPEB Liability</b>	(7,396,191)	(3,474,583)	27,705,801	31,852,653	(90,610,344)	40,169,551
<b>Total OPEB Liability - Beginning of year</b>	949,693,489	953,168,072	925,462,271	893,609,618	984,219,962	944,050,411
<b>Total OPEB Liability - End of year</b>	<b>\$ 942,297,298</b>	<b>\$ 949,693,489</b>	<b>\$ 953,168,072</b>	<b>\$ 925,462,271</b>	<b>\$ 893,609,618</b>	<b>\$ 984,219,962</b>
<b>Plan Fiduciary Net Position</b>						
Contributions - Member	\$ 281,845	\$ 354,983	\$ 279,397	\$ 290,718	\$ 234,284	\$ 218,517
Net investment (loss) income	(186,768,437)	267,795,534	63,070,473	46,821,806	84,162,823	134,380,948
Administrative expenses	(380,004)	(380,146)	(399,973)	(251,109)	(234,935)	(204,115)
Employer-financed benefit payments	(46,030,738)	(42,814,260)	(37,509,924)	(37,474,992)	(37,449,853)	(31,732,905)
Member-financed benefit payments	(281,845)	(354,983)	(279,397)	(290,718)	(234,284)	(218,517)
Other income	7,784,725	5,849,415	4,767,201	2,959,477	3,465,258	3,332,028
<b>Net Change in Plan Fiduciary Net Position</b>	(225,394,454)	230,450,543	29,927,777	12,055,182	49,943,293	105,775,956
<b>Plan Fiduciary Net Position - Beginning of year</b>	1,567,956,854	1,337,506,311	1,307,578,534	1,295,523,352	1,245,580,059	1,139,804,203
<b>Plan Fiduciary Net Position - End of year</b>	<b>\$ 1,342,562,400</b>	<b>\$ 1,567,956,854</b>	<b>\$ 1,337,506,311</b>	<b>\$ 1,307,578,534</b>	<b>\$ 1,295,523,352</b>	<b>\$ 1,245,580,159</b>
<b>Net OPEB Asset - Ending</b>	<b>\$ (400,265,102)</b>	<b>\$ (618,263,365)</b>	<b>\$ (384,338,239)</b>	<b>\$ (382,116,263)</b>	<b>\$ (401,913,734)</b>	<b>\$ (261,360,197)</b>
<b>Plan Fiduciary Net Position as a Percentage of Total OPEB Liability</b>	142.48 %	165.10 %	140.32 %	141.29 %	144.98 %	126.56 %

Contributions to the OPEB plan are not based on a measure of pay; therefore, no covered payroll is presented.

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



## Oakland County, Michigan

### Required Supplemental Information Schedule of OPEB Contributions

**Last Ten Fiscal Years  
Years Ended September 30**

	2022*	2021*	2020*	2019*	2018*	2017*	2016*	2015*	2014*	2013*
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 800,184	\$ 818,930	\$ 35,236,330	\$ 36,969,985
Contributions in relation to the actuarially determined contribution	-	-	-	-	-	-	-	-	-	-
<b>Contribution Excess</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (800,184)</b>	<b>\$ (818,930)</b>	<b>\$ (35,236,330)</b>	<b>\$ (36,969,985)</b>
<b>Covered-employee Payroll</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 141,464,508</b>	<b>\$ 144,715,626</b>	<b>\$ 146,473,723</b>	<b>\$ 154,128,944</b>
<b>Contributions as a Percentage of Covered-employee Payroll</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>

\*The County fully funded the VEBA plan through the issuance of debt.

#### Notes to Schedule of Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date	Actuarially determined contribution rates are calculated as of September 30, two years prior to the end of the fiscal year in which the contributions are reported.
Actuarial cost method	Entry age normal
Amortization method	Level dollar, open if 100 percent funded
Remaining amortization period	10 years
Asset valuation method	5-year smoothed market
Inflation	3.25 percent
	Medical, Prescription Drug, Medicare Part B:
	Pre-65: 7.50% trend, gradually decreasing to 3.50% in year 12
	Post-65: 6.25% trend, gradually decreasing to 3.50% in year 12
	Dental and Vision: 3.50% trend for all years
Health care cost trend rates	
Salary increase	3.25 percent wage inflation
Investment rate of return	7.25 percent net of investment and administrative expenses
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 based on the 2-dimensional MP-2014 improvement scales
Other information	None

## Oakland County, Michigan

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### Required Supplemental Information Schedule of OPEB Investment Returns

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#### Last Six Fiscal Years Years Ended September 30

	2022	2021	2020	2019	2018	2017
Annual money-weighted rate of return - Net of investment expense	(12.11)%	20.34 %	5.20 %	3.72 %	6.50 %	12.10 %

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

**Required Supplemental Information**  
**Budgetary Comparison Schedule - General Fund**

**Year ended September 30, 2022**

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance with Amended Budget
<b>Revenues</b>				
Taxes				
Current property taxes	\$ 264,300,789	\$ 268,683,166	\$ 268,462,183	\$ (220,983)
Delinquent taxes - prior years	125,000	125,000	120,554	(4,446)
Marijuana tax	50,000	50,000	790,348	740,348
Trailer tax	85,000	85,000	97,332	12,332
Total	264,560,789	268,943,166	269,470,416	527,250
Other intergovernmental revenues				
Critical judges' salaries	914,480	914,480	902,547	(11,933)
Probate judges' salaries	622,464	622,464	683,237	60,773
District judges' salaries	457,240	457,240	457,240	-
State court fund - P.A. 189	4,500,000	4,500,000	4,030,069	(469,931)
Local comm stabilization share	2,400,000	2,400,000	4,277,659	1,877,659
Revenue sharing	27,414,529	27,414,529	27,902,012	487,483
Convention facility liquor tax	9,533,130	9,533,130	9,591,511	58,381
Other	315,350	306,900	234,159	(72,741)
Total	46,157,193	46,148,743	48,078,435	1,929,692
Charges for services				
County Executive	-	184,333	197,341	13,008
Management and Budget	4,303,765	4,336,765	4,313,213	(23,552)
Central Services	316,000	131,667	208,977	77,310
Human Services	4,754,115	4,678,847	3,823,392	(855,455)
Public Services	2,047,114	2,053,264	1,684,881	(368,383)
Community and Economic Development	416,708	421,785	414,267	(7,518)
Clerk/Register of Deeds	15,802,300	15,802,300	23,594,640	7,792,340
Treasurer	3,395,600	3,395,600	4,165,369	769,769
Circuit Court	2,783,500	2,837,500	3,210,809	373,309
District Court	12,746,021	12,746,021	8,655,548	(4,090,473)
Probate Court	561,600	641,600	779,860	138,260
Prosecuting Attorney	815,549	820,349	731,966	(88,383)
Sheriff	67,466,815	68,814,731	66,661,296	(2,153,435)
Legislative	7,200	7,200	3,645	(3,555)
Water Recourses Commissioner	3,446,278	3,446,278	4,064,286	618,008
Non-Departmental	918,565	918,565	1,094,713	176,148
Total	119,781,130	121,236,805	123,604,204	2,367,399

**Required Supplemental Information**  
**Budgetary Comparison Schedule - General Fund**

**Year ended September 30, 2022**

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance with Amended Budget
Investment income	3,154,700	3,154,700	(21,902,499)	(25,057,199)
Indirect cost recovery	9,100,000	9,100,000	9,068,263	(31,737)
Federal grants	925,211	8,687,745	1,289,020	(7,398,725)
State grants Contributions	6,585,607	6,578,275	6,822,297	244,022
Contributions	-	-	3,301	3,301
Other revenue	434,000	434,000	4,396,267	3,962,267
Total revenues	450,698,630	464,283,434	440,829,704	(23,453,730)
<b>Expenditures</b>				
County Executive				
Administration				
Personnel	5,466,869	5,690,996	4,987,156	703,840
Operating	671,055	970,824	688,818	282,006
Internal Support	856,280	1,138,566	1,097,437	41,129
Total Administration	6,994,204	7,800,386	6,773,411	1,026,975
Management and Budget				
Personnel	18,989,105	19,251,679	17,904,869	1,346,810
Operating	1,090,146	1,224,070	591,437	632,633
Internal Support	3,601,635	4,437,920	4,371,532	66,388
Total Management and Budget	23,680,886	24,913,669	22,867,838	2,045,831
Central Services				
Personnel	1,501,866	619,186	607,371	11,815
Operating	333,123	166,053	164,701	1,352
Internal Support	856,229	449,558	449,545	13
Total Central Services	2,691,218	1,234,797	1,221,617	13,180
Emergency Management & Homeland Security				
Personnel	1,023,712	1,011,350	1,011,329	21
Operating	309,337	7,395,137	3,243,572	4,151,565
Internal Support	571,177	780,161	777,956	2,205
Total Emergency Management & Homeland Security	1,904,226	9,186,648	5,032,857	4,153,791
Facilities Management				
Personnel	1,159,601	1,740,902	1,543,392	197,510
Operating	235,154	689,388	657,895	31,493
Internal Support	123,487	610,870	604,835	6,035
Total Facilities Management	1,518,242	3,041,160	2,806,121	235,039
Human Resources				
Personnel	3,430,780	3,369,208	2,706,630	662,578
Operating	565,601	1,065,239	745,871	319,368
Internal Support	1,133,723	1,407,329	1,405,325	2,004
Total Human Resources	5,130,104	5,841,776	4,857,826	983,950

**Required Supplemental Information**  
**Budgetary Comparison Schedule - General Fund**

**Year ended September 30, 2022**

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance with Amended Budget
Human Services				
Personnel	32,273,560	31,042,387	26,626,864	4,415,523
Operating	5,593,085	8,831,893	5,998,758	2,833,135
Internal Support	3,697,978	4,835,103	4,761,903	73,200
Total Human Services	41,564,623	44,709,383	37,387,525	7,321,858
Public Services				
Personnel	10,978,615	10,721,150	9,700,170	1,020,980
Operating	1,624,156	1,996,935	1,663,529	333,406
Internal Support	3,505,187	3,861,452	3,812,923	48,529
Total Public Services	16,107,958	16,579,537	15,176,622	1,402,915
Office of Public Communication				
Personnel	1,862,251	1,862,251	1,735,340	126,911
Operating	984,500	984,500	283,394	701,106
Internal Support	15,500	218,511	218,476	35
Total Office of Public Communication	2,862,251	3,065,262	2,237,211	828,051
Community and Economic Development				
Personnel	7,309,336	7,469,521	6,809,163	660,358
Operating	1,840,516	5,936,284	2,001,799	3,934,485
Internal Support	1,281,824	1,657,908	1,565,270	92,638
Total Community and Economic Development	10,431,676	15,063,713	10,376,231	4,687,481
Total County Executive	112,885,388	131,436,330	108,737,259	22,699,071
Clerk/Register of Deeds				
Personnel	7,831,807	7,831,807	6,683,809	1,147,998
Operating	1,522,412	1,545,815	1,002,024	543,791
Internal Support	1,371,889	1,954,025	1,942,835	11,190
Total Clerk/Register of Deeds	10,726,108	11,331,647	9,628,669	1,702,978
Treasurer				
Personnel	3,649,792	3,649,792	3,323,696	326,096
Operating	3,408,770	5,658,770	44,322,292	(38,663,522)
Internal Support	1,416,728	1,906,267	1,692,358	213,909
Total Treasurer	8,475,290	11,214,829	49,338,347	(38,123,518)
Justice Administration				
Circuit Court				
Personnel	24,431,462	24,600,035	22,872,866	1,727,169
Operating	3,981,443	4,635,953	2,626,580	2,009,373
Internal Support	5,278,813	7,110,328	7,100,190	10,138
Total Circuit Court	33,691,718	36,346,316	32,599,636	3,746,680
District Court				
Personnel	14,009,464	14,018,189	13,144,672	873,517
Operating	2,177,273	2,172,812	2,015,167	157,645
Internal Support	1,897,480	2,132,626	2,063,375	69,251
Total District Court	18,084,217	18,323,627	17,223,214	1,100,413

**Required Supplemental Information**  
**Budgetary Comparison Schedule - General Fund**

**Year ended September 30, 2022**

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance with Amended Budget
Probate Court				
Personnel	5,145,110	5,104,805	4,965,983	138,822
Operating	1,030,424	1,190,050	1,111,459	78,591
Internal Support	1,094,716	1,196,109	1,194,968	1,141
Total Probate Court	7,270,250	7,490,964	7,272,410	218,554
Total Justice Administration	59,046,185	62,160,907	57,095,260	5,065,647
Law Enforcement				
Prosecuting Attorney				
Personnel	19,896,050	20,647,827	18,502,383	2,145,444
Operating	600,111	1,741,265	757,170	984,095
Internal Support	2,247,165	2,640,968	2,590,762	50,206
Total Prosecuting Attorney	22,743,326	25,030,060	21,850,315	3,179,745
Sheriff				
Personnel	135,492,709	141,714,010	141,502,504	211,506
Operating	12,208,763	16,961,176	12,372,217	4,588,959
Internal Support	22,472,598	23,017,645	21,957,520	1,060,125
Total Sheriff	170,174,070	181,692,831	175,832,242	5,860,589
Total Law Enforcement	192,917,396	206,722,891	197,682,557	9,040,334
Legislative				
Board of Commissioners				
Personnel	3,227,687	3,253,643	3,133,190	120,453
Operating	1,206,710	2,956,213	1,396,625	1,559,588
Internal Support	765,548	805,127	767,511	37,616
Total Legislative	5,199,945	7,014,983	5,297,326	1,717,657
Water Resources Commissioner				
Personnel	226,282	226,282	217,418	8,864
Operating	287,975	287,975	209,488	78,487
Internal Support	7,248,891	7,640,599	7,640,600	(1)
Total Water Resources Commissioner	7,763,148	8,154,856	8,067,506	87,350
Non-departmental				
Personnel	(3,268,915)	(3,383,147)	1,965,499	(5,348,646)
Operating	19,575,577	19,698,452	18,424,491	1,273,961
Internal Support	11,919,456	3,675,681	2,035,999	1,639,682
Total Non-departmental	28,226,118	19,990,986	22,425,990	(2,435,004)
Total expenditures	425,239,578	458,027,428	458,272,912	(245,484)
<b>Excess of Revenues Over (Under) expenditures</b>	<b>25,459,052</b>	<b>6,256,006</b>	<b>(17,443,208)</b>	<b>(23,699,214)</b>



**Required Supplemental Information**  
**Budgetary Comparison Schedule - General Fund**

**Year ended September 30, 2022**

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance with Amended Budget
<b>Other Financing Sources (Uses)</b>				
Sale of capital assets	-	-	3,546,870	3,546,870
Transfers in				
Special Revenue				
Workforce Development	-	-	1,000	1,000
Restricted Funds	-	664,379	664,379	-
Total special revenue funds	-	664,379	665,379	1,000
Capital Projects				
Project Work Orders	-	-	208,324	208,324
Total capital projects funds	-	-	208,324	208,324
Internal Service Funds				
Information Technology	-	43,645	43,645	-
Total internal service funds	-	43,645	43,645	-
Enterprise Funds				
Delinquent Tax Revolving	5,300,000	5,300,000	5,585,895	285,895
Total enterprise funds	5,300,000	5,300,000	5,585,895	285,895
Total Transfers In	5,300,000	6,008,024	6,503,242	495,218
Transfers out				
Special Revenue				
Child Care	(18,949,745)	(19,083,785)	(11,625,778)	7,458,007
Social Welfare Foster Care	(1,000)	(1,000)	-	1,000
Mandated Indigent Defense Fund	(1,867,162)	(1,850,703)	(1,850,703)	(0)
Drains Act 40 Ch 4 18 maint	(56,165)	(56,165)	(54,340)	1,825
Friend of the Court Grant	(6,568,662)	(6,568,662)	(6,568,662)	-
Other Grants	-	(1,300,000)	-	1,300,000
Law Enforcement Grants	(1,344,653)	(2,105,137)	(1,644,161)	460,976
Housing Trust Fund	-	(40,000)	(40,000)	-
Housing Community Development	(625,822)	(609,538)	-	609,538
Multi-Organizational Grants	-	(12,433)	(12,433)	-
Restricted Funds	-	(10,000)	(10,000)	-
Total special revenue funds	(29,413,209)	(31,637,423)	(21,806,077)	9,831,346
Debt Service				
Building Authority Debt Act 31	(2,222,125)	(2,222,125)	(2,222,375)	(250)
Total debt service funds	(2,222,125)	(2,222,125)	(2,222,375)	(250)
Capital Projects				
Building Improvement	(3,000,000)	(3,000,000)	(3,000,000)	-
Project Work Orders	(1,220,000)	(4,687,932)	(4,710,714)	(22,782)
Major Dept Support Projects	(1,490,926)	(11,832,926)	(11,832,926)	-
Total capital projects funds	(5,710,926)	(19,520,858)	(19,543,640)	(22,782)

## Required Supplemental Information Budgetary Comparison Schedule - General Fund

Year ended September 30, 2022

	Original Budget (Unaudited)	Final Amended Budget (Unaudited)	Actual	Variance with Amended Budget
Internal Service Funds				
Facilities Maint and Operation	-	(12,500)	-	12,500
Information Technology	(7,805,164)	(8,619,734)	(8,616,324)	3,410
Motor Pool	-	(277,188)	(274,430)	2,758
Building and Liab Insurance	-	(5,500,000)	(5,500,000)	-
Total internal service funds	(7,805,164)	(14,409,422)	(14,390,754)	18,668
Enterprise Funds				
Parks and Recreation Fund	-	(50,000)	(50,000)	-
Fire Records Management	(507,699)	(507,699)	(505,146)	2,553
CLEMIS	(1,644,186)	(1,644,186)	(1,644,186)	-
Radio Communications	-	(32,000)	(24,000)	8,000
Total enterprise funds	(2,151,885)	(2,233,885)	(2,223,332)	10,553
Total Transfers Out	(47,303,309)	(70,023,713)	(60,186,178)	9,837,535
Insurance Recoveries	-	-	-	-
Total other financing sources (uses)	(42,003,309)	(64,015,689)	(50,136,066)	10,332,753
<b>Net Change in Fund Balances</b>	(16,544,257)	(57,759,683)	(67,579,274)	(13,366,461)
<b>Fund Balances - Beginning of year</b>	288,403,017	288,403,017	288,403,017	-
<b>Fund Balances - End of year</b>	<u>\$ 271,858,760</u>	<u>\$ 230,643,334</u>	<u>\$ 220,823,743</u>	<u>\$ (13,366,461)</u>

## Oakland County, Michigan

### Required Supplemental Information Budgetary Comparison Schedule - Major Special Revenue Fund ARP Local Fiscal Recovery Fund

Year Ended September 30, 2022

	Amended Budget	Actual	Variance With Amended Budget
<b>Revenue</b>			
Intergovernmental - Federal Grants	\$ 127,757,345	\$ 19,971,327	\$ (107,786,018)
Investment Income	\$ -	\$ 538,912	\$ 538,912
<b>Total Revenue</b>	<u>\$ 127,757,345</u>	<u>\$ 20,510,239</u>	<u>\$ (107,247,106)</u>
<b>Expenditures</b>			
Current Services:			
Personnel	\$ 491,039	\$ 277,287	\$ 213,752
Operating	\$ 112,520,273	\$ 18,449,078	\$ 94,071,195
Internal Services	\$ 9,350,405	\$ 1,783,874	\$ 7,566,531
<b>Total Expenditures</b>	<u>\$ 122,361,717</u>	<u>\$ 20,510,239</u>	<u>\$ 101,851,478</u>
<b>Excess of Revenue Over Expenditures</b>	\$ 5,395,628	\$ -	\$ (5,395,628)
Other Financial Uses - Transfers out	<u>\$ (5,395,628)</u>	<u>\$ -</u>	<u>\$ (5,395,628)</u>
<b>Net Change in Fund Balance</b>	\$ -	\$ -	\$ -
Fund Balance - beginning of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance - end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**September 30, 2022*****Budgetary Information***

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, Michigan 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 reappropriated 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 that 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: ARP Local Fiscal Recovery, Child Care, and Social Welfare Foster Care.

The County Board of Commissioners adopts a resolution that 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.

***Pension Information*****Benefit Changes**

There were no changes of benefit terms in 2022.

**Changes in Assumptions**

2015: For the calculation of net pension liability as of September 30, 2015, the mortality table used was updated to the RP-2014 Healthy Annuitant Mortality Table, projected to 2021 using a static projection based on the two-dimensional MP-2014 improvement scales. The wage inflation percentage was also updated to 3.25 percent. Additionally, the actuarial cost method was changed to the individual entry age method.

There were no changes of assumptions in 2022.

***OPEB Information*****Benefit Changes**

There were no changes of benefit terms in 2022.

**Changes in Assumptions**

2018 - The health care trend rates were updated to 9.00 percent, decreasing to 3.25 percent in 12 years.

2019 - The health care trend rates were updated to 8.25 percent, decreasing to 3.25 percent in 10 years.

2020 - The health care trend rates were updated to 8.25 percent, decreasing to 3.50 percent in 10 years.

2021 - The health care trend rates were updated to 7.50 percent, decreasing to 3.50 percent in 10 years.

2022 - The Medicare Part B premiums increased.

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## Other Supplemental Information

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#### ***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, noncapital grants, and other earmarked revenue not included within other fund categories.

#### **Indigent Defense Fund**

This 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, Michigan to provide indigent criminal defense services specified in Standards 1-4. This includes continuing legal education, counsel at first appearance, and obtaining experts and investigators for indigent defense.

#### **Child Care Fund (formerly the Juvenile Maintenance Fund)**

This fund is used to account for revenue 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.

#### **Register of Deeds Automation Fund**

This fund is used to account for revenue from additional fees, as authorized by the State of Michigan, to allow for technology improvements in Clerk/Register of Deeds offices.

#### **Oakland Enhancement Fund**

This fund is used to account for revenue received from various sources for the purpose of coordinating economic development within the County.

#### **Restricted Funds Fund**

This fund is used to account for donations made for various specific purposes or other amounts held for disbursement at a future date. This includes the following:

1. Donations made to, and their disbursements from, Oakland County Children's Village to benefit youths
2. Blind handicapped library gift accounts for donations made to the Blind/Handicapped Library
3. Oakland County sheriff's department seized funds is used to account for moneys relinquished to the sheriff's department as a result of investigation by the department and their disbursement pending trial
4. Prosecutor citizens' reward program is used to account for moneys received from public donations and awarded to citizens for their special assistance on major cases initiated by the prosecutor's office
5. Probate court trust is used to account for individual donations made to the court and their subsequent disbursement to assist youths
6. Donations for programs such as the medical examiner library and FSC; animal population control; and education, arts, culture, and film

#### **Waste Resource Management Fund**

This fund is used to account for administrative costs associated with brownfield plans.

#### **Water and Sewer Act 342 Fund**

This 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.



#### **Lake Levels Act 146 Fund**

This 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.

#### **Drains Act 40 Maintenance Chapters 4 and 18 Fund**

This 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.

#### **Lake Improvements Act 345 Fund**

This fund is used to account for funds held for lake improvement boards remaining from a phase-out that began in 2004, awaiting action by the improvement boards to transfer responsibility to the respective local municipality.

#### **Friend of the Court Fund**

This 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.

#### **Multi-Organizational Grants Fund**

This fund accounts for costs in the following grants:

1. Community Corrections, which utilizes state funds to increase utilization of community-based sanctions and services for nonviolent offenders
2. Juvenile Accountability Block Grant, which utilizes federal and county funds to develop programs to promote greater accountability in the juvenile justice system
3. 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.

#### **Workforce Development Grants Fund**

This 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.

#### **Law Enforcement Grants Fund**

This fund consists of grants used to record costs of various law enforcement programs utilizing federal, state, and local funds.

#### **Housing and Community Development Fund**

This 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.

#### **Human Service Grants Fund**

This fund accounts for the cost of various health-related/grant-funded programs.

#### **Other Grants Fund**

This fund consists of grants where the function does not relate specifically to one of the other areas:

1. Clerk/Register of Deeds Survey/Remonumentation, which utilizes state funds to locate, verify, replace, or reposition corners within the County, per Public Act 345 of 199
2. Tornado Siren, which utilizes county and municipal funds in the procurement and installation of tornado siren units used in the tornado warning system
3. 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
4. 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

#### **Judicial Grants Fund**

This fund accounts for drug court programs through Oakland County Circuit and 52nd Division District Courts.

#### **Oakland Brownfield Initiative Fund**

This fund is used to account for grant revenue 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, Michigan plus cities to perform environmental investigations on parcels throughout the County, with special focus on the cities included in this consortium.

#### **Concealed Pistol Licensing Fund**

This fund was 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.

#### **Housing Trust Fund**

This fund accounts for funding to assist in the creation of additional affordable housing in Oakland County.

#### **Debt Service Funds**

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

#### **Building Authority Debt Act 31 Fund**

This 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.

#### **Building Authority Debt Refunding Fund**

This 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. It also includes refunding debt issued as assistance in obtaining favorable lending rates for other units of government within Oakland County.

#### **Lake Levels Debt Fund**

This 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.

#### **Water and Sewer Debt Refunding Fund**

This 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.

#### **Capital Project Funds**

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

#### **Building Improvement Fund**

This fund was established as a holding account for moneys transferred from the County's General Fund for future funding of major county building programs.

#### **Project Work Orders Fund**

This fund was established to account for the costs of various improvement projects for county facilities.

#### **Facilities Management Infrastructure and IT Projects Fund**

This 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.

#### **Animal Control and Pet Adoption Center Construction Fund**

This 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.

#### **Major Departmental Support Projects Fund**

This 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.

#### **Lake Levels Act 146 Fund**

This 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.

#### **Lake Improvements Act 345 Fund**

This 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.

#### **Chapter 4 Drain Construction Fund**

This 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.

#### **Drain Commissioner Revolving Fund**

This fund was established to provide funds for preliminary costs of various drains (including component unit drainage districts), lake level projects, and lake improvements.

**Long-term Revolving Fund**

This 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.

Other Supplemental Information  
Combining Balance Sheet  
Nonmajor Governmental Funds

September 30, 2022

	Special Revenue Funds										
	Indigent Defense	Child Care	Register of Deeds Automation	Oakland Enhancement	Restricted Funds	Waste Resource Management	Water and Sewer Act 342	Lake Levels Act 146	Drains - Act 40 Maintenance Chapters 4 and 18	Lake Improvements Act 345	Friend of the Court
Assets											
Pooled cash and investments	\$ 1,690,894	\$ -	\$ 5,300,229	\$ 25,296	\$ 4,889,159	\$ 4,065,154	\$ 9,383,131	\$ 925,169	\$ 3,869,021	\$ 52	\$ 2,088,426
Receivables:											
Special assessments receivable	-	-	-	-	-	-	-	-	31,210	-	-
Accrued interest receivable	-	-	21,587	551	4,840	-	25,987	-	31,502	-	-
Due from other governments	-	5,799,594	-	-	-	-	-	17,262	5,500	-	1,653,256
Other	-	17,924	-	7,615	35,849	-	2,604,280	176	21,667	-	38,899
Contracts receivable	-	-	-	-	-	-	-	-	-	-	-
Due from component units	-	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	3,337,053	-	-	-	-	-	11,951	829	-	479,411
Advances to other funds	-	-	-	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 1,690,894	\$ 9,154,571	\$ 5,321,816	\$ 33,462	\$ 4,929,848	\$ 4,065,154	\$ 12,013,398	\$ 954,558	\$ 3,959,729	\$ 52	\$ 4,259,992
Liabilities											
Accounts payable	\$ 338,987	\$ 210,130	\$ 3,425	\$ -	\$ -	\$ 3,074,081	\$ 235,918	\$ 67,577	\$ 486,180	\$ -	\$ 21,883
Due to other governmental units	-	110,092	40	-	-	-	-	-	270	-	1,170
Due to other funds	-	5,081,269	-	-	505,759	-	-	17,679	280,185	-	4,931,036
Advances from other funds	-	-	-	-	-	-	-	-	577	-	-
Accrued liabilities and other	43,986	416,880	8,488	7,330	21,008	386	-	44,835	1,562,716	-	627,107
Unearned revenue	1,307,921	-	-	-	-	-	-	-	-	-	-
Total liabilities	1,690,894	5,818,371	11,953	7,330	526,767	3,074,467	235,918	130,091	2,329,928	-	5,581,196
Deferred Inflows of Resources - Unavailable revenue	-	3,336,200	-	-	-	-	-	-	31,210	-	1,267,057
Total liabilities and deferred inflows of resources	1,690,894	9,154,571	11,953	7,330	526,767	3,074,467	235,918	130,091	2,361,138	-	6,848,253
Fund Balances (Deficit)											
Nonspendable	-	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	5,309,863	26,132	4,403,081	990,687	11,777,480	824,467	1,598,591	52	-
Committed	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	(2,588,261)
Total fund balances (deficit)	-	-	5,309,863	26,132	4,403,081	990,687	11,777,480	824,467	1,598,591	52	(2,588,261)
Total liabilities, deferred inflows of resources, and fund balances (deficit)	\$ 1,690,894	\$ 9,154,571	\$ 5,321,816	\$ 33,462	\$ 4,929,848	\$ 4,065,154	\$ 12,013,398	\$ 954,558	\$ 3,959,729	\$ 52	\$ 4,259,992

Other Supplemental Information  
Combining Balance Sheet (Continued)  
Nonmajor Governmental Funds

September 30, 2022

	Special Revenue Funds									
	Multi-Organizational Grants	Workforce Development Grants	Law Enforcement Grants	Housing and Community Development	Human Service Grants	Other Grants	Judicial Grants	Oakland Brownfield Initiative	Concealed Pistol Licensing	Housing Trust Fund
<b>Assets</b>										
Pooled cash and investments	\$ -	\$ 150	\$ -	\$ 7,853,547	\$ 7,196,746	\$ -	\$ -	\$ 791,250	\$ 2,951,877	\$ -
Receivables:										
Special assessments receivable	-	-	-	-	-	-	-	-	-	-
Accrued interest receivable	-	-	-	25,472	-	-	-	-	908	-
Due from other governments	517,974	1,237,191	1,634,898	4,839,496	192,567	400,431	230,436	6,626	-	-
Other	7,879	1,912,078	456,148	2,165,879	91,095	-	23,566	-	-	-
Contracts receivable	-	-	-	-	-	-	-	-	-	-
Due from component units	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	194,322	-	6,880	322	-	-	-	40,000
Advances to other funds	-	-	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	675	7,500	1,000	-	620	-	-	-	-	-
<b>Total assets</b>	<b>\$ 526,528</b>	<b>\$ 3,156,919</b>	<b>\$ 2,286,368</b>	<b>\$ 14,884,394</b>	<b>\$ 7,487,908</b>	<b>\$ 400,753</b>	<b>\$ 254,002</b>	<b>\$ 797,876</b>	<b>\$ 2,952,785</b>	<b>\$ 40,000</b>
<b>Liabilities</b>										
Accounts payable	\$ 20,989	\$ 2,818,716	\$ 160,253	\$ 1,175,970	\$ 235,177	\$ 63,857	\$ 29,047	\$ 91,830	\$ 43,038	\$ -
Due to other governmental units	-	-	-	24,974	7,066,858	-	-	-	-	-
Due to other funds	465,887	33,483	1,459,290	-	20,372	563,866	182,936	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-	-
Accrued liabilities and other	32,567	27,474	123,061	100,743	122,741	7,019	14,109	-	1,727	-
Unearned revenue	-	153,730	-	12,206,230	-	-	-	2,500	-	-
<b>Total liabilities</b>	<b>519,443</b>	<b>3,033,403</b>	<b>1,742,604</b>	<b>13,507,917</b>	<b>7,445,148</b>	<b>634,742</b>	<b>226,092</b>	<b>94,330</b>	<b>44,765</b>	<b>-</b>
<b>Deferred Inflows of Resources - Unavailable revenue</b>	<b>-</b>	<b>153,690</b>	<b>945,666</b>	<b>1,498,782</b>	<b>153,251</b>	<b>368,757</b>	<b>176,638</b>	<b>16</b>	<b>-</b>	<b>-</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>519,443</b>	<b>3,187,093</b>	<b>2,688,270</b>	<b>15,006,699</b>	<b>7,598,399</b>	<b>1,003,499</b>	<b>402,730</b>	<b>94,346</b>	<b>44,765</b>	<b>-</b>
<b>Fund Balances (Deficit)</b>										
Nonspendable	675	-	1,000	-	620	-	-	-	-	-
Restricted	6,410	-	-	-	-	-	-	703,530	2,908,020	40,000
Committed	-	-	-	-	-	-	-	-	-	-
Unassigned	-	(30,174)	(402,902)	(122,305)	(111,111)	(602,746)	(148,728)	-	-	-
<b>Total fund balances (deficit)</b>	<b>7,085</b>	<b>(30,174)</b>	<b>(401,902)</b>	<b>(122,305)</b>	<b>(110,491)</b>	<b>(602,746)</b>	<b>(148,728)</b>	<b>703,530</b>	<b>2,908,020</b>	<b>40,000</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficit)</b>	<b>\$ 526,528</b>	<b>\$ 3,156,919</b>	<b>\$ 2,286,368</b>	<b>\$ 14,884,394</b>	<b>\$ 7,487,908</b>	<b>\$ 400,753</b>	<b>\$ 254,002</b>	<b>\$ 797,876</b>	<b>\$ 2,952,785</b>	<b>\$ 40,000</b>

Other Supplemental Information  
Combining Balance Sheet (Continued)  
Nonmajor Governmental Funds

September 30, 2022

	Special Revenue Funds	Debt Service Funds				Capital Project Funds				
	Total Special Revenue Funds	Building Authority Debt Act 31	Building Authority Debt Refunding	Lake Levels Debt	Water and Sewer Debt Refunding	Total Debt Service Funds	Building Improvement	Project Work Orders	Facilities Management Infrastructure and IT Projects	Animal Control and Pet Adoption Center Construction
<b>Assets</b>										
Pooled cash and investments	\$ 51,030,101	\$ 2,785,293	\$ 1,273	\$ 109,226	\$ 424,999	\$ 3,320,791	\$ 4,914,380	\$ 15,157,742	\$ 5	\$ 500,024
Receivables:										
Special assessments receivable	31,210	-	-	1,195,048	8,625,000	9,820,048	-	-	-	-
Accrued interest receivable	110,847	15,917	-	187	-	16,104	-	-	13,608	25,583
Due from other governments	16,535,231	-	136,392	-	-	136,392	-	-	-	-
Other	7,383,055	-	684,618	-	-	684,618	-	-	-	-
Contracts receivable	-	-	8,045,000	-	-	8,045,000	-	-	-	-
Due from component units	-	-	-	-	-	-	-	-	-	-
Due from other funds	4,070,768	-	-	-	-	-	3,000,000	3,447,932	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	9,795	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 79,171,007</b>	<b>\$ 2,801,210</b>	<b>\$ 8,867,283</b>	<b>\$ 1,304,461</b>	<b>\$ 9,049,999</b>	<b>\$ 22,022,953</b>	<b>\$ 7,914,380</b>	<b>\$ 18,605,674</b>	<b>\$ 13,613</b>	<b>\$ 525,607</b>
<b>Liabilities</b>										
Accounts payable	\$ 9,077,058	\$ -	\$ -	\$ -	\$ 421,650	\$ 421,650	\$ -	\$ 681,879	\$ -	\$ -
Due to other governmental units	7,203,404	-	-	-	-	-	-	-	-	-
Due to other funds	13,541,762	-	-	-	-	-	3,546,870	75,000	-	-
Advances from other funds	577	-	-	-	-	-	-	-	-	-
Accrued liabilities and other	3,162,177	-	3,050	-	846	3,896	-	283,447	-	-
Unearned revenue	13,670,381	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>46,655,359</b>	<b>-</b>	<b>3,050</b>	<b>-</b>	<b>422,496</b>	<b>425,546</b>	<b>3,546,870</b>	<b>1,040,326</b>	<b>-</b>	<b>-</b>
<b>Deferred Inflows of Resources - Unavailable revenue</b>	<b>7,931,267</b>	<b>-</b>	<b>8,045,000</b>	<b>1,195,048</b>	<b>8,625,000</b>	<b>17,865,048</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>54,586,626</b>	<b>-</b>	<b>8,048,050</b>	<b>1,195,048</b>	<b>9,047,496</b>	<b>18,290,594</b>	<b>3,546,870</b>	<b>1,040,326</b>	<b>-</b>	<b>-</b>
<b>Fund Balances (Deficit)</b>										
Nonspendable	2,295	-	-	-	-	-	-	-	-	-
Restricted	28,588,313	2,801,210	819,233	109,413	2,503	3,732,359	-	-	-	-
Committed	-	-	-	-	-	-	4,367,510	17,565,348	13,613	525,607
Unassigned	(4,006,227)	-	-	-	-	-	-	-	-	-
<b>Total fund balances (deficit)</b>	<b>24,584,381</b>	<b>2,801,210</b>	<b>819,233</b>	<b>109,413</b>	<b>2,503</b>	<b>3,732,359</b>	<b>4,367,510</b>	<b>17,565,348</b>	<b>13,613</b>	<b>525,607</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficit)</b>	<b>\$ 79,171,007</b>	<b>\$ 2,801,210</b>	<b>\$ 8,867,283</b>	<b>\$ 1,304,461</b>	<b>\$ 9,049,999</b>	<b>\$ 22,022,953</b>	<b>\$ 7,914,380</b>	<b>\$ 18,605,674</b>	<b>\$ 13,613</b>	<b>\$ 525,607</b>



Other Supplemental Information  
Combining Balance Sheet (Continued)  
Nonmajor Governmental Funds

September 30, 2022

	Capital Project Funds							
	Major Departmental Support Projects	Lake Levels Act 146	Lake Improvements Act 345	Chapter 4 Drain Construction	Drain Commissioner Revolving	Long-term Revolving Fund	Total Capital Project Funds	Total
<b>Assets</b>								
Pooled cash and investments	\$ 4,691,274	\$ 35,574	\$ 9,622	\$ 1,073,267	\$ 931,538	\$ 1,529,464	\$ 28,842,890	\$ 83,193,782
Receivables:								
Special assessments receivable	-	-	-	493,886	-	-	493,886	10,345,144
Accrued interest receivable	-	-	-	1,719	-	-	40,910	167,861
Due from other governments	-	-	-	60,084	-	-	60,084	16,731,707
Other	-	-	-	-	-	-	-	8,067,673
Contracts receivable	-	-	-	-	-	59,200	59,200	8,104,200
Due from component units	-	-	-	-	626,725	-	626,725	626,725
Due from other funds	13,976,152	-	-	-	266,737	-	20,690,821	24,761,589
Advances to other funds	-	-	-	-	-	903,165	903,165	903,165
Prepaid expenses and other assets	86,238	-	-	-	-	-	86,238	96,033
<b>Total assets</b>	<b>\$ 18,753,664</b>	<b>\$ 35,574</b>	<b>\$ 9,622</b>	<b>\$ 1,628,956</b>	<b>\$ 1,825,000</b>	<b>\$ 2,491,829</b>	<b>\$ 51,803,919</b>	<b>\$ 152,997,879</b>
<b>Liabilities</b>								
Accounts payable	\$ 134,054	\$ 644	\$ -	\$ 303,104	\$ -	\$ -	\$ 1,119,681	\$ 10,618,389
Due to other governmental units	-	-	-	-	-	-	-	7,203,404
Due to other funds	248,300	15,729	-	-	-	829	3,886,728	17,428,490
Advances from other funds	-	38,838	-	698,750	-	-	737,588	738,165
Accrued liabilities and other	-	10,944	-	-	-	-	294,391	3,460,464
Unearned revenue	-	-	-	-	-	-	-	13,670,381
<b>Total liabilities</b>	<b>382,354</b>	<b>66,155</b>	<b>-</b>	<b>1,001,854</b>	<b>-</b>	<b>829</b>	<b>6,038,388</b>	<b>53,119,293</b>
<b>Deferred Inflows of Resources - Unavailable revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>493,886</b>	<b>-</b>	<b>-</b>	<b>493,886</b>	<b>26,290,201</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>382,354</b>	<b>66,155</b>	<b>-</b>	<b>1,495,740</b>	<b>-</b>	<b>829</b>	<b>6,532,274</b>	<b>79,409,494</b>
<b>Fund Balances (Deficit)</b>								
Nonspendable	86,238	-	-	-	-	903,165	989,403	991,698
Restricted	-	-	-	-	-	-	-	32,320,672
Committed	18,285,072	-	9,622	133,216	1,825,000	1,587,835	44,312,823	44,312,823
Unassigned	-	(30,581)	-	-	-	-	(30,581)	(4,036,808)
<b>Total fund balances (deficit)</b>	<b>18,371,310</b>	<b>(30,581)</b>	<b>9,622</b>	<b>133,216</b>	<b>1,825,000</b>	<b>2,491,000</b>	<b>45,271,645</b>	<b>73,588,385</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficit)</b>	<b>\$ 18,753,664</b>	<b>\$ 35,574</b>	<b>\$ 9,622</b>	<b>\$ 1,628,956</b>	<b>\$ 1,825,000</b>	<b>\$ 2,491,829</b>	<b>\$ 51,803,919</b>	<b>\$ 152,997,879</b>

# Oakland County, Michigan

## Other Supplemental Information Combining Statement of Revenue, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds

Year Ended September 30, 2022

	Special Revenue Funds										
	Indigent Defense	Child Care	Register of Deeds Automation	Oakland Enhancement	Restricted Funds	Waste Resource Management	Water and Sewer Act 342	Lake Levels Act 146	Drains - Act 40 Maintenance Chapters 4 and 18	Lake Improvements Act 345	Friend of the Court
Revenue											
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 954,962	\$ 1,036,272	\$ -	\$ -
Intergovernmental:											
Federal grants	-	181,329	-	-	-	-	-	-	-	-	-
State sources	4,491,729	10,280,957	-	-	-	-	-	-	-	-	10,445,832
Charges for services	-	5,895,492	1,091,100	361,380	488,391	-	-	-	36,019	-	1,219,588
Investment income	10,730	-	28,921	191	17,428	11,257	34,128	4,653	19,928	-	-
Other revenue	-	201,969	-	-	1,285,633	-	4,038,281	-	-	-	571
Total revenue	4,502,459	16,559,747	1,120,021	361,571	1,791,452	11,257	4,072,409	959,615	1,092,219	-	11,665,991
Expenditures											
Current services:											
Salaries	737,976	12,466,694	252,696	243,282	-	-	-	-	-	-	10,452,046
Fringe benefits	390,180	6,178,333	133,767	116,958	-	-	-	-	-	-	5,216,418
Contractual services	4,943,416	5,917,529	1,020,870	10,036	-	143,233	1,003,232	321,153	682,407	-	1,149,897
Commodities	23,159	508,497	582	-	-	-	83	1,209	8,803	-	80,000
Internal services	82,406	3,159,951	234,355	1,105	-	-	51,306	269,218	555,118	-	2,253,995
Capital outlay	1,838	16,712	-	-	-	-	-	-	500	-	-
Debt service:											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	6,178,975	28,247,716	1,642,270	371,381	-	143,233	1,054,621	591,580	1,246,828	-	19,152,356
Excess of Revenue (Under) Over Expenditures	(1,676,516)	(11,687,969)	(522,249)	(9,810)	1,791,452	(131,976)	3,017,788	368,035	(154,609)	-	(7,486,365)
Other Financing Sources (Uses)											
Transfers in	1,850,703	11,631,989	-	-	10,000	-	500,000	-	54,340	-	6,568,662
Transfers out	(174,187)	-	-	-	(860,860)	-	-	-	-	-	-
New debt issued	-	-	-	-	-	-	5,215,000	-	-	-	-
Debt premium	-	-	-	-	-	-	135,416	-	-	-	-
Total other financing sources (uses)	1,676,516	11,631,989	-	-	(850,860)	-	5,850,416	-	54,340	-	6,568,662
Net Change in Fund Balances	-	(55,980)	(522,249)	(9,810)	940,592	(131,976)	8,868,204	368,035	(100,269)	-	(917,703)
Fund Balances (Deficit) - Beginning of year	-	55,980	5,832,112	35,942	3,462,489	1,122,663	2,909,276	456,432	1,698,860	52	(1,670,558)
Fund Balances (Deficit) - End of year	\$ -	\$ -	\$ 5,309,863	\$ 26,132	\$ 4,403,081	\$ 990,687	\$ 11,777,480	\$ 824,467	\$ 1,598,591	\$ 52	\$ (2,588,261)

Other Supplemental Information  
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances (Continued)  
Nonmajor Governmental Funds

Year Ended September 30, 2022

	Special Revenue Funds									
	Multi-Organizational Grants	Workforce Development Grants	Law Enforcement Grants	Housing and Community Development	Human Service Grants	Other Grants	Judicial Grants	Oakland Brownfield Initiative	Concealed Pistol Licensing	Housing Trust Fund
<b>Revenue</b>										
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental:										
Federal grants	48,752	15,116,168	890,069	10,351,116	10,387,527	526,555	-	136,827	-	-
State sources	1,851,811	3,198,703	3,325,802	15,000	1,803,798	415,431	638,260	121,900	-	-
Charges for services	-	-	782	1,326,802	79,879	-	-	-	592,214	-
Investment income	-	-	-	19,085	-	-	-	-	14,601	-
Other revenue	-	26,011	106,316	-	546,078	7,181	-	-	-	-
<b>Total revenue</b>	<b>1,900,563</b>	<b>18,340,882</b>	<b>4,322,969</b>	<b>11,712,003</b>	<b>12,817,282</b>	<b>949,167</b>	<b>638,260</b>	<b>258,727</b>	<b>606,815</b>	<b>-</b>
<b>Expenditures</b>										
Current services:										
Salaries	1,119,144	853,762	3,213,930	1,680,837	4,634,044	231,615	361,223	-	54,498	-
Fringe benefits	561,183	377,050	1,576,268	873,141	2,250,897	105,668	179,801	-	30,191	-
Contractual services	148,280	16,994,750	807,017	9,111,289	8,405,193	699,648	197,352	261,992	11,362	-
Commodities	5,031	6,088	130,068	8,483	432,473	73,525	11,876	-	23,054	-
Internal services	72,273	138,406	404,169	193,966	768,449	33,239	-	-	36,119	-
Capital outlay	-	-	-	-	-	40	-	-	-	-
Debt service:										
Principal	-	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>1,905,911</b>	<b>18,370,056</b>	<b>6,131,452</b>	<b>11,867,716</b>	<b>16,491,056</b>	<b>1,143,735</b>	<b>750,252</b>	<b>261,992</b>	<b>155,224</b>	<b>-</b>
<b>Excess of Revenue (Under) Over Expenditures</b>	<b>(5,348)</b>	<b>(29,174)</b>	<b>(1,808,483)</b>	<b>(155,713)</b>	<b>(3,673,774)</b>	<b>(194,568)</b>	<b>(111,992)</b>	<b>(3,265)</b>	<b>451,591</b>	<b>-</b>
<b>Other Financing Sources (Uses)</b>										
Transfers in	12,433	-	1,737,135	-	-	-	-	-	-	40,000
Transfers out	-	(1,000)	-	-	-	(30,000)	-	-	-	-
New debt issued	-	-	-	-	-	-	-	-	-	-
Debt premium	-	-	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>12,433</b>	<b>(1,000)</b>	<b>1,737,135</b>	<b>-</b>	<b>-</b>	<b>(30,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,000</b>
<b>Net Change in Fund Balances</b>	<b>7,085</b>	<b>(30,174)</b>	<b>(71,348)</b>	<b>(155,713)</b>	<b>(3,673,774)</b>	<b>(224,568)</b>	<b>(111,992)</b>	<b>(3,265)</b>	<b>451,591</b>	<b>40,000</b>
<b>Fund Balances (Deficit) - Beginning of year</b>	<b>-</b>	<b>-</b>	<b>(330,554)</b>	<b>33,408</b>	<b>3,563,283</b>	<b>(378,178)</b>	<b>(36,736)</b>	<b>706,795</b>	<b>2,456,429</b>	<b>-</b>
<b>Fund Balances (Deficit) - End of year</b>	<b>\$ 7,085</b>	<b>\$ (30,174)</b>	<b>\$ (401,902)</b>	<b>\$ (122,305)</b>	<b>\$ (110,491)</b>	<b>\$ (602,746)</b>	<b>\$ (148,728)</b>	<b>\$ 703,530</b>	<b>\$ 2,908,020</b>	<b>\$ 40,000</b>

# Oakland County, Michigan

## Other Supplemental Information Combining Statement of Revenue, Expenditures, and Changes in Fund Balances (Continued) Nonmajor Governmental Funds

Year Ended September 30, 2022

	Special Revenue Funds	Debt Service Funds					Capital Project Funds			
	Total Special Revenue Funds	Building Authority Debt Act 31	Building Authority Debt Refunding	Lake Levels Debt	Water and Sewer Debt Refunding	Total Debt Service Funds	Building Improvement	Project Work Orders	Facilities Management Infrastructure and IT Projects	Animal Control and Pet Adoption Center Construction
Revenue										
Special assessments	\$ 1,991,234	\$ -	\$ 1,326,654	\$ 55,224	\$ 1,106,006	\$ 2,487,884	\$ -	\$ -	\$ -	\$ -
Intergovernmental:										
Federal grants	37,638,343	-	-	-	-	-	-	-	-	-
State sources	36,589,223	-	-	-	-	-	-	-	-	-
Charges for services	11,091,647	-	-	1,167	14	1,181	-	-	-	-
Investment income	160,922	15,703	297	138	429	16,567	-	-	-	2,660
Other revenue	6,212,040	-	-	-	-	-	-	-	-	-
Total revenue	93,683,409	15,703	1,326,951	56,529	1,106,449	2,505,632	-	-	-	2,660
Expenditures										
Current services:										
Salaries	36,301,747	-	-	-	-	-	-	-	-	-
Fringe benefits	17,989,855	-	-	-	-	-	-	-	-	-
Contractual services	51,828,656	-	-	-	-	-	-	-	-	-
Commodities	1,312,931	-	-	-	-	-	-	594	-	-
Internal services	8,254,075	-	-	-	-	-	-	-	-	-
Capital outlay	19,090	-	-	-	-	-	-	5,949,964	-	-
Debt service:										
Principal	-	2,790,000	5,185,000	46,800	735,000	8,756,800	-	-	-	-
Interest and fiscal charges	-	467,330	650,818	8,923	372,256	1,499,327	-	-	-	-
Total expenditures	115,706,354	3,257,330	5,835,818	55,723	1,107,256	10,256,127	-	5,950,558	-	-
Excess of Revenue (Under) Over Expenditures	(22,022,945)	(3,241,627)	(4,508,867)	806	(807)	(7,750,495)	-	(5,950,558)	-	2,660
Other Financing Sources (Uses)										
Transfers in	22,405,262	2,222,375	4,521,895	-	-	6,744,270	3,467,892	11,272,736	-	-
Transfers out	(1,066,047)	-	(5)	-	-	(5)	(6,254,328)	(682,426)	-	-
New debt issued	5,215,000	-	-	-	-	-	-	-	-	-
Debt premium	135,416	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	26,689,631	2,222,375	4,521,890	-	-	6,744,265	(2,786,436)	10,590,310	-	-
Net Change in Fund Balances	4,666,686	(1,019,252)	13,023	806	(807)	(1,006,230)	(2,786,436)	4,639,752	-	2,660
Fund Balances (Deficit) - Beginning of year	19,917,695	3,820,462	806,210	108,607	3,310	4,738,589	7,153,946	12,925,596	13,613	522,947
Fund Balances (Deficit) - End of year	\$ 24,584,381	\$ 2,801,210	\$ 819,233	\$ 109,413	\$ 2,503	\$ 3,732,359	\$ 4,367,510	\$ 17,565,348	\$ 13,613	\$ 525,607

# Oakland County, Michigan

## Other Supplemental Information Combining Statement of Revenue, Expenditures, and Changes in Fund Balances (Continued) Nonmajor Governmental Funds

Year Ended September 30, 2022

	Capital Project Funds							
	Major Departmental Support Projects	Lake Levels Act 146	Lake Improvements Act 345	Chapter 4 Drain Construction	Drain Commissioner Revolving	Long-term Revolving Fund	Total Capital Project Funds	Total
<b>Revenue</b>								
Special assessments	\$ -	\$ 82,950	\$ -	\$ 282,015	\$ -	\$ -	\$ 364,965	\$ 4,844,083
Intergovernmental:								
Federal grants	5,395,628	-	-	-	-	-	5,395,628	43,033,971
State sources	-	-	-	-	-	-	-	36,589,223
Charges for services	-	4,553	-	15,243	-	-	19,796	11,112,624
Investment income	-	(239)	-	2,937	-	-	5,358	182,847
Other revenue	-	-	-	-	-	-	-	6,212,040
Total revenue	5,395,628	87,264	-	300,195	-	-	5,785,747	101,974,788
<b>Expenditures</b>								
Current services:								
Salaries	-	-	-	-	-	-	-	36,301,747
Fringe benefits	-	-	-	-	-	-	-	17,989,855
Contractual services	2,870	55,724	-	290,103	-	-	348,697	52,177,353
Commodities	-	-	-	-	-	-	594	1,313,525
Internal services	-	-	-	-	-	-	-	8,254,075
Capital outlay	6,236,375	40,673	-	95,473	-	-	12,322,485	12,341,575
Debt service:								
Principal	-	-	-	-	-	-	-	8,756,800
Interest and fiscal charges	-	-	-	-	-	-	-	1,499,327
Total expenditures	6,239,245	96,397	-	385,576	-	-	12,671,776	138,634,257
<b>Excess of Revenue (Under) Over Expenditures</b>	(843,617)	(9,133)	-	(85,381)	-	-	(6,886,029)	(36,659,469)
<b>Other Financing Sources (Uses)</b>								
Transfers in	11,832,926	-	-	-	-	-	26,573,554	55,723,086
Transfers out	-	-	-	-	-	-	(6,936,754)	(8,002,806)
New debt issued	-	-	-	820,648	-	-	820,648	6,035,648
Debt premium	-	-	-	-	-	-	-	135,416
Total other financing sources (uses)	11,832,926	-	-	820,648	-	-	20,457,448	53,891,344
<b>Net Change in Fund Balances</b>	10,989,309	(9,133)	-	735,267	-	-	13,571,419	17,231,875
<b>Fund Balances (Deficit) - Beginning of year</b>	7,382,001	(21,448)	9,622	(602,051)	1,825,000	2,491,000	31,700,226	56,356,510
<b>Fund Balances (Deficit) - End of year</b>	<u>\$ 18,371,310</u>	<u>\$ (30,581)</u>	<u>\$ 9,622</u>	<u>\$ 133,216</u>	<u>\$ 1,825,000</u>	<u>\$ 2,491,000</u>	<u>\$ 45,271,645</u>	<u>\$ 73,588,385</u>

Other Supplemental Information  
 Budgetary Comparison Schedule - Non-Major Special Revenue Funds  
 Social Welfare Foster Care  
 Year Ended September 30, 2022

	Social Welfare Foster Care		
	Final Amended Budget (Unaudited)	Actual	Variance with Amended Budget
<b>Revenue</b>			
State grants	1,000.00	-	(1,000.00)
Total revenue	1,000.00	-	(1,000.00)
<b>Expenditures</b>			
County Executive			
Human Services			
Operating	2,000.00	-	2,000.00
Total Human Services	2,000.00	-	2,000.00
Total County Executive	2,000.00	-	2,000.00
Total expenditures	2,000.00	-	2,000.00
<b>Excess of Revenue Over (Under) Expenditures</b>	(1,000.00)	-	1,000.00
<b>Other Financing Sources (Uses)</b>			
Transfers in	1,000.00	-	(1,000.00)
Total other financing sources (uses)	1,000.00	-	(1,000.00)
<b>Net Change in Fund Balances</b>	-	-	-
<b>Fund Balances - Beginning of year</b>	-	-	-
<b>Fund Balances - End of year</b>	\$ -	\$ -	\$ -

Other Supplemental Information  
Budgetary Comparison Schedule - Nonmajor Special Revenue Funds  
Child Care

Year Ended September 30, 2022

	Child Care		
	Final Amended Budget (Unaudited)	Actual	Variance with Amended Budget
<b>Revenue</b>			
Federal grants	\$ 306,693	\$ 181,329	\$ (125,364)
State grants	14,701,560	10,280,957	(4,420,603)
Charges for services	4,542,764	5,895,492	1,352,728
Contributions	-	25	25
Planned Use of Fund Balance	55,981	-	(55,981)
Other Revenue	-	201,944	201,944
Total revenue	19,606,998	16,559,747	(3,047,251)
<b>Expenditures</b>			
County Executive			
Public Services			
Personnel	19,187,120	16,768,686	2,418,434
Operating	4,001,853	3,437,036	564,817
Internal Support	3,152,049	3,132,292	19,757
Total Public Services	26,341,022	23,338,014	3,003,008
Human Services			
Operating	2,986,182	738,338	2,247,844
Internal Support	-	1,721	(1,721)
Total Human Services	2,986,182	740,059	2,246,123
Total County Executive	29,327,204	24,078,073	5,249,131
Justice Administration			
Circuit Court			
Personnel	1,833,118	1,876,341	(43,223)
Operating	7,504,738	2,267,301	5,237,437
Internal Support	25,723	26,001	(278)
Total Circuit Court	9,363,579	4,169,643	5,193,936
Total Justice Administration	9,363,579	4,169,643	5,193,936
Total expenditures	38,690,783	28,247,716	10,443,067
<b>Excess of Revenue Over (Under) Expenditures</b>	(19,083,785)	(11,687,969)	7,395,816
<b>Other Financing Sources (Uses)</b>			
Transfers in	19,083,785	11,631,989	(7,451,796)
Total other financing sources (uses)	19,083,785	11,631,989	(7,451,796)
<b>Net Change in Fund Balances</b>	-	(55,980)	(55,980)
<b>Fund Balances - Beginning of year</b>	-	55,980	55,980
<b>Fund Balances - End of year</b>	\$ -	\$ -	\$ -



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.

#### ***Facilities Maintenance and Operations Fund***

This 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.

#### ***Information Technology Fund***

This 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.

#### ***Drain Equipment Fund***

This 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.

#### ***Motor Pool Fund***

This fund accumulates the costs of purchasing, servicing, and operating county-owned vehicles. The fund recovers these costs by developing rates and billing user departments.

#### ***Telephone Communications Fund***

This 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.

#### ***Building and Liability Insurance Fund***

This fund was established to accumulate moneys that 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 moneys accumulated for self-insurance.

#### ***Fringe Benefits Fund***

This fund is used to account for the County's employee fringe benefits. Moneys 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 moneys 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 Benefits Fund.

## Oakland County, Michigan

	Facilities Maintenance and Operations	Information Technology	Drain Equipment	Motor Pool
<b>Assets</b>				
Current assets:				
Pooled cash and investments	\$ 8,205,739	\$ 16,123,660	\$ 22,874,906	\$ 4,536,234
Investments	-	-	-	-
Receivables:				
Accrued interest receivable	44,372	69,924	13,551	12,003
Due from other governments	1,025	67,387	7,008	10,342
Other	42,117	197,917	388,599	5,193
Due from component units	12,374	17,728	13,824	-
Due from other funds	7,803	3,355,873	20,249	-
Inventories and supplies	287,721	20,909	1,357,361	411,361
Prepaid expenses and other assets	-	1,898,216	-	3,878
Total current assets	8,601,151	21,751,614	24,675,498	4,979,011
Noncurrent assets:				
Net OPEB asset	-	-	-	-
Capital assets:				
Assets not subject to depreciation	-	21,141,176	6,229,152	-
Assets subject to depreciation - Net	1,205,972	4,970,982	5,723,859	7,141,101
Total noncurrent assets	1,205,972	26,112,158	11,953,011	7,141,101
Total assets	9,807,123	47,863,772	36,628,509	12,120,112
<b>Deferred Outflows of Resources</b>				
Deferred pension costs	-	-	-	-
Deferred OPEB costs	-	-	-	-
Total deferred outflows of resources	-	-	-	-
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	865,647	1,831,911	947,742	29,277
Due to other governmental units	-	21,966	-	-
Due to other funds	6,841	3,671,173	-	-
Accrued liabilities and other	298,849	338,657	1,541,536	29,583
Unearned revenue	691	5,625	-	-
Compensated absences	-	-	-	-
Provision for claims and judgments	-	-	-	-
Current portion of bonds payable	-	-	-	-
Total current liabilities	1,172,028	5,869,332	2,489,278	58,860
Noncurrent liabilities:				
Compensated absences	-	-	-	-
Provision for claims and judgments	-	-	-	-
Net pension liability	-	-	-	-
Bonds and leases payable - Net of current portion	-	-	-	-
Total noncurrent liabilities	-	-	-	-
Total liabilities	1,172,028	5,869,332	2,489,278	58,860
Deferred Inflows of Resources - Deferred OPEB costs	-	-	-	-
<b>Net Position</b>				
Net investment in capital assets	1,205,972	26,112,158	11,953,011	7,141,101
Restricted - Superseding trust - OPEB	-	-	-	-
Unrestricted	7,429,123	15,882,282	22,186,220	4,920,151
Total net position	\$ 8,635,095	\$ 41,994,440	\$ 34,139,231	\$ 12,061,252

Other Supplemental Information  
Combining Statement of Net Position  
Internal Service Funds

**September 30, 2022**

Telephone Communications	Building and Liability Insurance	Fringe Benefits	Total Internal Service Funds
\$ 2,111,495	\$ 4,263,389	\$ 59,528,012	\$ 117,643,435
-	-	16,788,721	16,788,721
21,420	160,393	804,818	1,126,481
8,988	-	200	94,950
381	348	3,075,456	3,710,011
-	-	12,160	56,086
-	12,511,387	208,024	16,103,336
-	-	-	2,077,352
115,125	2,206,760	1,019,867	5,243,846
2,257,409	19,142,277	81,437,258	162,844,218
-	-	400,265,102	400,265,102
-	-	-	27,370,328
-	-	-	19,041,914
-	-	400,265,102	446,677,344
2,257,409	19,142,277	481,702,360	609,521,562
-	-	68,518,417	68,518,417
-	-	177,127,629	177,127,629
-	-	245,646,046	245,646,046
135,134	702,885	5,009,139	9,521,735
-	-	123,696	145,662
-	-	12,909	3,690,923
2,842	15,553	477,908	2,704,928
-	-	-	6,316
-	-	1,703,902	1,703,902
-	4,912,029	3,937,882	8,849,911
-	-	28,605,000	28,605,000
137,976	5,630,467	39,870,436	55,228,377
-	-	15,335,116	15,335,116
-	13,176,863	10,650,228	23,827,091
-	-	69,207,954	69,207,954
-	-	126,295,000	126,295,000
-	13,176,863	221,488,298	234,665,161
137,976	18,807,330	261,358,734	289,893,538
-	-	47,595,124	47,595,124
-	-	-	46,412,242
-	-	16,829,466	16,829,466
2,119,433	334,947	401,565,082	454,437,238
<b>\$ 2,119,433</b>	<b>\$ 334,947</b>	<b>\$ 418,394,548</b>	<b>\$ 517,678,946</b>

## Oakland County, Michigan

	Facilities Maintenance and Operations	Information Technology	Drain Equipment	Motor Pool
<b>Operating Revenue</b>				
Charges for services	\$ 27,949,628	\$ 39,507,258	\$ 48,323,100	\$ 8,906,087
Other	3,533	24,892	6,049	3,539
Total operating revenue	27,953,161	39,532,150	48,329,149	8,909,626
<b>Operating Expenses</b>				
Salaries	9,760,129	11,524,554	24,845,539	1,026,770
Fringe benefits	5,064,345	5,134,984	12,354,635	493,389
Fringe benefits - Pension	-	-	-	-
Fringe benefits - OPEB	-	-	-	-
Contractual services	9,906,690	27,381,518	1,536,645	1,708,914
Commodities	1,620,274	2,894,637	1,653,810	3,805,433
Internal services	1,360,817	1,556,076	6,318,832	263,129
Depreciation	317,698	2,040,561	661,005	2,654,838
Total operating expenses	28,029,953	50,532,330	47,370,466	9,952,473
<b>Operating (Loss) Income</b>	(76,792)	(11,000,180)	958,683	(1,042,847)
<b>Nonoperating Revenue (Expense)</b>				
Investment income (loss)	37,403	17,427	107,250	26,334
Interest expense	-	-	-	-
Gain on sale of assets	-	-	15,176	978,649
Total nonoperating revenue (expense)	37,403	17,427	122,426	1,004,983
<b>(Loss) Income - Before capital contributions</b>	(39,389)	(10,982,753)	1,081,109	(37,864)
<b>Capital Contributions</b>	-	6,005,459	-	-
<b>Transfers In</b>	-	8,902,324	46,800	396,063
<b>Transfers Out</b>	-	(43,645)	(89,985)	-
<b>Change in Net Position</b>	(39,389)	3,881,385	1,037,924	358,199
<b>Net Position - Beginning of year</b>	8,674,484	38,113,055	33,101,307	11,703,053
<b>Net Position - End of year</b>	<u>\$ 8,635,095</u>	<u>\$ 41,994,440</u>	<u>\$ 34,139,231</u>	<u>\$ 12,061,252</u>

Other Supplemental Information

Combining Statement of Revenue, Expenses, and Changes in Net Position

Internal Service Funds

Year Ended September 30, 2022

Telephone Communications	Building and Liability Insurance	Fringe Benefits	Total Internal Service Funds
\$ 4,033,248	\$ 7,513,510	\$ 151,471,921	\$ 287,704,752
1,005	-	19,997	59,015
4,034,253	7,513,510	151,491,918	287,763,767
92,239	529,043	1,275,393	49,053,667
44,560	234,820	643,392	23,970,125
-	-	27,115,956	27,115,956
-	-	(37,070,644)	(37,070,644)
3,034,420	11,823,402	135,530,961	190,922,550
84,910	54,310	7,620	10,120,994
572,202	160,277	509,870	10,741,203
5,268	-	-	5,679,370
3,833,599	12,801,852	128,012,548	280,533,221
200,654	(5,288,342)	23,479,370	7,230,546
10,193	18,330	(5,013,833)	(4,796,896)
-	-	(6,412,669)	(6,412,669)
-	-	-	993,825
10,193	18,330	(11,426,502)	(10,215,740)
210,847	(5,270,012)	12,052,868	(2,985,194)
-	-	-	6,005,459
-	5,500,000	-	14,845,187
-	-	-	(133,630)
210,847	229,988	12,052,868	17,731,822
1,908,586	104,959	406,341,680	499,947,124
<b>\$ 2,119,433</b>	<b>\$ 334,947</b>	<b>\$ 418,394,548</b>	<b>\$ 517,678,946</b>

# Oakland County, Michigan

	Facilities Maintenance and Operations	Information Technology	Drain Equipment	Motor Pool
<b>Cash Flows from Operating Activities</b>				
Receipts from customers	\$ 28,764,090	\$ 42,700,959	\$ 48,564,043	\$ 8,922,844
Payments to suppliers	(11,554,812)	(26,507,355)	(2,266,516)	(5,596,174)
Payments to employees and fringes	(14,739,014)	(16,576,509)	(37,081,555)	(1,513,361)
(Payments to) receipts from other funds	(1,360,817)	618,503	(6,318,832)	(263,129)
Net cash and cash equivalents provided by operating activities	1,109,447	235,598	2,897,140	1,550,180
<b>Cash Flows from Noncapital Financing Activities</b>				
Transfers from other funds	-	8,902,324	46,800	396,063
Transfers to other funds	-	(43,645)	(89,985)	-
Net cash and cash equivalents provided by (used in) noncapital financing activities	-	8,858,679	(43,185)	396,063
<b>Cash Flows from Capital and Related Financing Activities</b>				
Proceeds from sale of capital assets	-	-	15,176	1,047,231
Purchase of capital assets	(265,522)	(832,902)	(988,899)	(4,064,342)
Principal and interest paid on capital debt	-	-	-	-
Net cash and cash equivalents used in capital and related financing activities	(265,522)	(832,902)	(973,723)	(3,017,111)
<b>Cash Flows from Investing Activities</b>				
Interest received on investments	38,092	10,709	99,465	24,256
Purchases of investment securities	-	-	-	-
Sale of investment securities	-	-	-	-
Net cash and cash equivalents provided by (used in) investing activities	38,092	10,709	99,465	24,256
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	882,017	8,272,084	1,979,697	(1,046,612)
<b>Cash and Cash Equivalents - Beginning of year</b>	7,323,722	7,851,576	20,895,209	5,582,846
<b>Cash and Cash Equivalents - End of year</b>	<b>\$ 8,205,739</b>	<b>\$ 16,123,660</b>	<b>\$ 22,874,906</b>	<b>\$ 4,536,234</b>
<b>Classification of Cash and Cash Equivalents - Cash and investments</b>	<b>\$ 8,205,739</b>	<b>\$ 16,123,660</b>	<b>\$ 22,874,906</b>	<b>\$ 4,536,234</b>
<b>Reconciliation of Operating (Loss) Income to Net Cash from Operating Activities</b>				
Operating (loss) income	\$ (76,792)	\$ (11,000,180)	\$ 958,683	\$ (1,042,847)
Adjustments to reconcile operating (loss) income to net cash from operating activities:				
Depreciation	317,698	2,040,561	661,005	2,654,838
Changes in assets and liabilities:				
Receivables	810,075	3,168,597	234,894	13,218
Due to and from other funds	854	2,174,579	-	-
Inventories	(110,364)	(7,000)	(365,446)	(98,090)
Prepaid and other assets	258	3,522,926	4,228	(113)
Net pension liability or OPEB asset	-	-	-	-
Accounts payable	80,642	252,874	1,285,157	16,376
Deferrals related to pension or OPEB	-	-	-	-
Accrued and other liabilities	87,076	83,241	118,619	6,798
Total adjustments	1,186,239	11,235,778	1,938,457	2,593,027
Net cash and cash equivalents provided by operating activities	<b>\$ 1,109,447</b>	<b>\$ 235,598</b>	<b>\$ 2,897,140</b>	<b>\$ 1,550,180</b>
<b>Significant Noncash Transactions - Capital contribution</b>	\$ -	\$ 6,005,459	\$ -	\$ -

Other Supplemental Information  
Combining Statement of Cash Flows  
Internal Service Funds

Year Ended September 30, 2022

Telephone Communications	Building and Liability Insurance	Fringe Benefits	Total Internal Service Funds
\$ 4,030,599	\$ 7,574,695	\$ 150,958,275	\$ 291,515,505
(3,301,156)	(6,521,298)	(3,352,138)	(59,099,449)
(136,031)	(760,039)	(135,514,395)	(206,320,904)
(572,795)	(160,277)	(508,858)	(8,566,205)
20,617	133,081	11,582,884	17,528,947
-	-	-	9,345,187
-	-	-	(133,630)
-	-	-	9,211,557
-	-	-	1,062,407
-	-	-	(6,151,665)
-	-	(33,997,669)	(33,997,669)
-	-	(33,997,669)	(39,086,927)
9,340	18,187	(5,068,159)	(4,868,110)
-	-	(500,000)	(500,000)
-	-	3,455,356	3,455,356
9,340	18,187	(2,112,803)	(1,912,754)
29,957	151,268	(24,527,588)	(14,259,177)
2,081,538	4,112,121	84,055,600	131,902,612
<b>\$ 2,111,495</b>	<b>\$ 4,263,389</b>	<b>\$ 59,528,012</b>	<b>\$ 117,643,435</b>
<b>\$ 2,111,495</b>	<b>\$ 4,263,389</b>	<b>\$ 59,528,012</b>	<b>\$ 117,643,435</b>
\$ 200,654	\$ (5,288,342)	\$ 23,479,370	\$ 7,230,546
5,268	-	-	5,679,370
(3,654)	61,185	(534,733)	3,749,582
-	-	-	2,175,433
-	-	-	(580,900)
(97,974)	(159,085)	98,816	3,369,056
-	-	245,114,219	245,114,219
(84,445)	5,515,499	(549,814)	6,516,289
-	-	(255,068,907)	(255,068,907)
768	3,824	(956,067)	(655,741)
(180,037)	5,421,423	(11,896,486)	10,298,401
<b>\$ 20,617</b>	<b>\$ 133,081</b>	<b>\$ 11,582,884</b>	<b>\$ 17,528,947</b>
\$ -	\$ -	\$ -	\$ 6,005,459



These funds account for operations and services provided for county residents and are financed primarily through user charges.

#### ***Delinquent Personal Property Tax Administration Fund***

This 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's General Fund.

#### ***Fire Records Management Fund***

This fund was established to accumulate revenue 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.

#### ***CLEMIS (Courts and Law Enforcement Management Information System) Fund***

This fund was established to accumulate revenue 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.

#### ***Radio Communications Fund***

This 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.

#### ***Huron-Rouge 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 Wayne County 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.

#### ***County Airports Fund***

This fund was established to account for the county airports.

## Oakland County, Michigan

	Delinquent Personal Property Tax Administration	Fire Records Management	CLEMIS	Radio Communications
<b>Assets</b>				
Current assets:				
Pooled cash and investments	\$ 1,297,898	\$ 731,792	\$ 4,538,566	\$ 19,884,627
Receivables:				
Accrued interest receivable	59,146	3,846	50,454	176,529
Leases receivable	-	-	-	1,664,731
Due from other governments	-	91,927	1,271,987	16,555
Other	-	-	200,656	1,084,505
Contracts receivable	-	-	-	-
Due from component units	-	-	-	-
Due from other funds	-	-	1,889,521	16,000
Inventories and supplies	-	-	-	58,197
Prepaid expenses and other assets	-	591	825,727	641,522
Total current assets	1,357,044	828,156	8,776,911	23,542,666
Noncurrent assets:				
Capital assets:				
Assets not subject to depreciation	-	-	967,114	42,540,895
Assets subject to depreciation - Net	-	593,215	1,158,699	981,572
Total noncurrent assets	-	593,215	2,125,813	43,522,467
Total assets	1,357,044	1,421,371	10,902,724	67,065,133
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	1,620	17,093	431,359	1,340,083
Due to other governmental units	-	-	567,396	21,355
Due to other funds	-	-	-	-
Accrued liabilities and other	4,128	4,686	75,061	290,211
Unearned revenue	-	-	342,800	13,900
Current portion of bonds payable	-	-	-	1,040,000
Total current liabilities	5,748	21,779	1,416,616	2,705,549
Noncurrent liabilities - Bonds payable - Net of current portion	-	-	-	14,825,407
Total liabilities	5,748	21,779	1,416,616	17,530,956
Deferred Inflows of Resources - Leases	-	-	-	1,583,043
<b>Net Position</b>				
Net investment in capital assets	-	593,215	2,125,813	27,657,060
Restricted - Public works	-	-	-	-
Unrestricted	1,351,296	806,377	7,360,295	20,294,074
Total net position	<u>\$ 1,351,296</u>	<u>\$ 1,399,592</u>	<u>\$ 9,486,108</u>	<u>\$ 47,951,134</u>

Other Supplemental Information  
Combining Statement of Net Position  
Nonmajor Enterprise Funds

September 30, 2022

Huron-Rouge S.D.S.	Clinton-Oakland S.D.S.	County Airports	Total Nonmajor Enterprise Funds
\$ 10,932,962	\$ 15,724,069	\$ 16,125,827	\$ 69,235,741
30,735	167,917	113,310	601,937
-	-	-	1,664,731
821,198	4,244,876	625	6,447,168
400	-	679,811	1,965,372
-	-	496,054	496,054
-	3,741	-	3,741
-	-	-	1,905,521
-	-	-	58,197
-	-	297,281	1,765,121
11,785,295	20,140,603	17,712,908	84,143,583
12,085,373	6,560,888	36,669,165	98,823,435
347,324	24,295,685	28,910,570	56,287,065
12,432,697	30,856,573	65,579,735	155,110,500
24,217,992	50,997,176	83,292,643	239,254,083
370,164	330,174	204,603	2,695,096
-	3,304	-	592,055
-	430,921	-	430,921
503,335	13,305	652,919	1,543,645
-	-	1,008,784	1,365,484
-	-	660,000	1,700,000
873,499	777,704	2,526,306	8,327,201
-	-	3,260,266	18,085,673
873,499	777,704	5,786,572	26,412,874
-	-	-	1,583,043
12,432,697	30,856,573	61,659,469	135,324,827
8,867,845	16,314,415	-	25,182,260
2,043,951	3,048,484	15,846,602	50,751,079
<b>\$ 23,344,493</b>	<b>\$ 50,219,472</b>	<b>\$ 77,506,071</b>	<b>\$ 211,258,166</b>

## Oakland County, Michigan

	Delinquent Personal Property Tax Administration	Fire Records Management	CLEMIS	Radio Communications
<b>Operating Revenue</b>				
Charges for services	\$ 535,075	\$ 341,102	\$ 6,778,524	\$ 9,931,976
Other	-	-	579	150
Total operating revenue	535,075	341,102	6,779,103	9,932,126
<b>Operating Expenses</b>				
Salaries	119,886	234,159	2,525,107	723,986
Fringe benefits	62,936	118,523	1,239,525	408,969
Contractual services	87,870	210,390	5,112,389	2,081,204
Commodities	1,620	-	13,736	243,502
Internal services	51,296	167,308	768,288	1,133,708
Intergovernmental	-	-	-	-
Depreciation	-	263,651	962,757	205,171
Total operating expenses	323,608	994,031	10,621,802	4,796,540
<b>Operating Income (Loss)</b>	211,467	(652,929)	(3,842,699)	5,135,586
<b>Nonoperating Revenue (Expense)</b>				
Investment income (loss)	6,357	3,610	34,221	214,630
Interest expense	-	-	-	(364,592)
Operating grants	-	-	-	-
Total nonoperating revenue (expense)	6,357	3,610	34,221	(149,962)
<b>Income (Loss) - Before transfers</b>	217,824	(649,319)	(3,808,478)	4,985,624
<b>Transfers In</b>	-	505,145	1,644,186	24,000
<b>Transfers Out</b>	-	-	-	(286,000)
<b>Change in Net Position</b>	217,824	(144,174)	(2,164,292)	4,723,624
<b>Net Position - Beginning of year</b>	1,133,472	1,543,766	11,650,400	43,227,510
<b>Net Position - End of year</b>	<u>\$ 1,351,296</u>	<u>\$ 1,399,592</u>	<u>\$ 9,486,108</u>	<u>\$ 47,951,134</u>

Other Supplemental Information

Combining Statement of Revenue, Expenses, and Changes in Net Position

Nonmajor Enterprise Funds

Year Ended September 30, 2022

Huron-Rouge S.D.S.	Clinton-Oakland S.D.S.	County Airports	Total Nonmajor Enterprise Funds
\$ 9,749,820	\$ 37,501,319	\$ 5,660,506	\$ 70,498,322
-	402,661	100	403,490
9,749,820	37,903,980	5,660,606	70,901,812
-	-	1,528,930	5,132,068
-	-	739,621	2,569,574
7,877,979	26,950,648	1,760,843	44,081,323
-	12,642	135,457	406,957
213,951	1,009,541	372,368	3,716,460
-	6,764,158	-	6,764,158
42,940	904,425	2,676,834	5,055,778
8,134,870	35,641,414	7,214,053	67,726,318
1,614,950	2,262,566	(1,553,447)	3,175,494
61,243	86,853	87,339	494,253
-	-	(95,987)	(460,579)
-	-	23,000	23,000
61,243	86,853	14,352	56,674
1,676,193	2,349,419	(1,539,095)	3,232,168
-	-	-	2,173,331
-	-	-	(286,000)
1,676,193	2,349,419	(1,539,095)	5,119,499
21,668,300	47,870,053	79,045,166	206,138,667
<b>\$ 23,344,493</b>	<b>\$ 50,219,472</b>	<b>\$ 77,506,071</b>	<b>\$ 211,258,166</b>

## Oakland County, Michigan

	Delinquent Personal Property Tax Administration	Fire Records Management	CLEMIS	Radio Communications
<b>Cash Flows from Operating Activities</b>				
Receipts from customers	\$ 535,075	\$ 331,748	\$ 4,740,375	\$ 10,147,491
Payments to suppliers	(89,008)	(259,507)	(5,232,751)	(905,362)
Payments to employees and fringes	(181,762)	(352,591)	(3,751,125)	(1,126,874)
Payments to other funds	(51,296)	(167,308)	(753,888)	(1,133,708)
Net cash and cash equivalents provided by (used in) operating activities	213,009	(447,658)	(4,997,389)	6,981,547
<b>Cash Flows from Noncapital Financing Activities</b>				
Operating grants and subsidies	-	-	-	-
Transfers from other funds	-	505,145	1,644,186	24,000
Transfers to other funds	-	-	-	(286,000)
Net cash and cash equivalents provided by (used in) noncapital financing activities	-	505,145	1,644,186	(262,000)
<b>Cash Flows from Capital and Related Financing Activities</b>				
Purchase of capital assets	-	-	(9,166)	(6,804,803)
Principal and interest paid on capital debt	-	-	-	(1,737,810)
Net cash and cash equivalents used in capital and related financing activities	-	-	(9,166)	(8,542,613)
<b>Cash Flows Provided by Investing Activities - Interest received on investments</b>	5,145	3,330	32,077	206,086
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	218,154	60,817	(3,330,292)	(1,616,980)
<b>Cash and Cash Equivalents - Beginning of year</b>	1,079,744	670,975	7,868,858	21,501,607
<b>Cash and Cash Equivalents - End of year</b>	<b>\$ 1,297,898</b>	<b>\$ 731,792</b>	<b>\$ 4,538,566</b>	<b>\$ 19,884,627</b>
<b>Classification of Cash and Cash Equivalents - Cash and investments</b>	<b>\$ 1,297,898</b>	<b>\$ 731,792</b>	<b>\$ 4,538,566</b>	<b>\$ 19,884,627</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities</b>				
Operating income (loss)	\$ 211,467	\$ (652,929)	\$ (3,842,699)	\$ 5,135,586
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation	-	263,651	962,757	205,171
Changes in assets and liabilities:				
Receivables	-	(9,354)	(2,038,728)	215,365
Due to and from other funds	-	-	-	-
Inventories	-	-	-	66,116
Prepaid and other assets	-	(591)	(302,792)	302,147
Accounts payable	482	(48,526)	210,566	1,051,081
Accrued and other liabilities	1,060	91	13,507	6,081
Total adjustments	1,542	205,271	(1,154,690)	1,845,961
Net cash and cash equivalents provided by (used in) operating activities	<b>\$ 213,009</b>	<b>\$ (447,658)</b>	<b>\$ (4,997,389)</b>	<b>\$ 6,981,547</b>

Other Supplemental Information  
Combining Statement of Cash Flows  
Nonmajor Enterprise Funds

Year Ended September 30, 2022

Huron-Rouge S.D.S.	Clinton-Oakland S.D.S.	County Airports	Total
\$ 10,543,695	\$ 37,525,597	\$ 5,386,248	\$ 69,210,229
(8,620,860)	(33,695,788)	(1,765,339)	(50,568,615)
-	-	(2,257,014)	(7,669,366)
(213,951)	(578,620)	(372,368)	(3,271,139)
1,708,884	3,251,189	991,527	7,701,109
-	-	23,000	23,000
-	-	-	2,173,331
-	-	-	(286,000)
-	-	23,000	1,910,331
(3,857,647)	(93,903)	(545,325)	(11,310,844)
-	-	(784,815)	(2,522,625)
(3,857,647)	(93,903)	(1,330,140)	(13,833,469)
57,480	78,963	81,368	464,449
(2,091,283)	3,236,249	(234,245)	(3,757,580)
13,024,245	12,487,820	16,360,072	72,993,321
<b>\$ 10,932,962</b>	<b>\$ 15,724,069</b>	<b>\$ 16,125,827</b>	<b>\$ 69,235,741</b>
<b>\$ 10,932,962</b>	<b>\$ 15,724,069</b>	<b>\$ 16,125,827</b>	<b>\$ 69,235,741</b>
\$ 1,614,950	\$ 2,262,566	\$ (1,553,447)	\$ 3,175,494
42,940	904,425	2,676,834	5,055,778
793,875	(378,383)	(274,358)	(1,691,583)
-	430,921	-	430,921
-	-	-	66,116
-	222	(59,325)	(60,339)
(742,881)	31,438	190,286	692,446
-	-	11,537	32,276
93,934	988,623	2,544,974	4,525,615
<b>\$ 1,708,884</b>	<b>\$ 3,251,189</b>	<b>\$ 991,527</b>	<b>\$ 7,701,109</b>



### ***Pension Trust Funds***

Employee pension trust funds accept payments made by the County, invest fund resources, and calculate and pay pensions and retirees' health care to beneficiaries.

#### **Oakland County Employees' Retirement Fund**

This 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.

#### **VEBA (Voluntary Employees' Beneficiary Association) Trust Fund**

The OPEB (other postemployment benefits) trust plan is funded through the VEBA Trust Fund.

This 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, Michigan, and subsequent disbursement for postemployment medical benefits.

### ***Investment Trust Fund***

The investment trust fund accounts for resources of external units of government that are pooled in an investment portfolio for the benefit of the participants.

#### **Local Governmental Investment Pool Fund**

This fund was established as a trust with cities, townships, and villages in 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.

### ***Custodial 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.

#### **Undistributed Taxes Fund**

This fund is a conglomerate of various current year tax funds that receive tax moneys and disburse them to municipalities, school districts, and other governmental units.

#### **Register of Deeds Trust Fund**

This fund is used to account for redemption moneys received from the sale of real estate by the sheriff's department and their subsequent disbursement.

#### **Sheriff's NET (Narcotics Enforcement Team) Forfeiture Fund**

This 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 moneys are distributed to local, state, or federal police agencies that participate in the NET program.

#### **Circuit Court Trust Fund**

This fund is used to account for moneys received and disbursed by the clerk's office per circuit court order.

#### **Escheats Trust Fund**

This fund is used to account for moneys that have not been claimed. This includes payroll, retirement, and other checks issued by the County and moneys from the Legatee Trust and Special Trust funds. All moneys go to the State of Michigan after a prescribed length of time.

**Legatee Trust Fund**

This fund is used to account for estate assets that remain unclaimed. After five years, these moneys are transferred to the Oakland County Escheats Trust Fund.

**Special Trust Fund**

This fund is used to account for moneys 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.

**Public Library Trust Fund**

This fund is used to account for moneys received by district and circuit courts for court fines and disbursed to public libraries based on a percentage of the current census.

**District Court Trust Account**

This fund is used to account for appearance bonds and other trust moneys in the four divisions of the County's district court system.

**Jail Inmate Trust Account**

This fund is used to hold moneys 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).

## Oakland County, Michigan

	Pension and Other Postemployment Benefits Trust Funds			Investment Trust Fund	Custodial Funds		
	Oakland County Employees' Retirement	VEBA Trust	Total	Local Government Investment Pool	Undistributed Taxes	Register of Deeds Trust	Sheriff's NET Forfeiture
<b>Assets</b>							
Pooled cash and investments	\$ 26,641,562	\$ 34,397,517	\$ 61,039,079	\$ 608,754,597	\$ 256,046,221	\$ 222,519	\$ 916,295
Investments:							
U.S. government securities	89,301,310	213,495,613	302,796,923	-	-	-	-
Other fixed income	6,562,293	12,915,781	19,478,074	-	-	-	-
Commercial mortgage-backed securities	7,156,372	14,526,450	21,682,822	-	-	-	-
International common stock	169,337,286	324,433,986	493,771,272	-	-	-	-
Common, preferred, and convertible stocks	91,800,189	159,420,915	251,221,104	-	-	-	-
Corporate bonds	71,709,561	161,694,339	233,403,900	-	-	-	-
Real estate	79,562,862	173,977,174	253,540,036	-	-	-	-
Partnerships	59,128,103	109,357,447	168,485,550	-	-	-	-
Hedge funds	46,571,220	139,318,124	185,889,344	-	-	-	-
Receivables - Accrued interest receivable	1,556,228	2,938,370	4,494,598	129,812	-	-	23,977
Prepaid expenses and other assets	5,201	215,217	220,418	-	-	-	-
Total assets	649,332,187	1,346,690,933	1,996,023,120	608,884,409	256,046,221	222,519	940,272
<b>Liabilities</b>							
Accounts payable	516,037	2,277,226	2,793,263	-	-	-	-
Due to other governmental units	-	-	-	-	256,046,221	-	-
Refundable deposits and bonds	-	-	-	-	-	-	-
Accrued liabilities and other	9,788	1,851,306	1,861,094	-	-	-	-
Total liabilities	525,825	4,128,532	4,654,357	-	256,046,221	-	-
<b>Net Position</b>							
Restricted:							
Pension	648,806,362	-	648,806,362	-	-	-	-
Postemployment benefits other than pension	-	1,342,562,401	1,342,562,401	-	-	-	-
Pool participants	-	-	-	608,884,409	-	-	-
Individuals, organizations, and other governments	-	-	-	-	-	222,519	940,272
Total net position	<u>\$ 648,806,362</u>	<u>\$ 1,342,562,401</u>	<u>\$ 1,991,368,763</u>	<u>\$ 608,884,409</u>	<u>\$ -</u>	<u>\$ 222,519</u>	<u>\$ 940,272</u>

Other Supplemental Information  
Combining Statement of Fiduciary Net Position  
Fiduciary Funds

**September 30, 2022**

Custodial Funds									Total Custodial Funds	Total Fiduciary Funds
Circuit Court Trust	Sheriff Bond Deposits	Escheats Trust	Legatee Trust	Special Trust	Public Library Trust	District Court Trust Account	Jail Inmate Trust Account			
\$ 157,710	\$ -	\$ 23,901	\$ 1,008,406	\$ -	\$ 515,679	\$ -	\$ 1,362,334	\$ 260,253,065	\$	930,046,741
-	-	-	-	-	-	-	-	-		302,796,923
-	-	-	-	-	-	-	-	-		19,478,074
-	-	-	-	-	-	-	-	-		21,682,822
-	-	-	-	-	-	-	-	-		493,771,272
-	-	-	-	-	-	-	-	-		251,221,104
-	-	-	-	-	-	-	-	-		233,403,900
-	-	-	-	-	-	-	-	-		253,540,036
-	-	-	-	-	-	-	-	-		168,485,550
-	-	-	-	-	-	-	-	-		185,889,344
-	-	-	136	-	10,182	-	-	34,295		4,658,705
-	-	-	-	-	-	-	-	-		220,418
157,710	-	23,901	1,008,542	-	525,861	-	1,362,334	260,287,360		2,865,194,889
-	-	-	-	-	-	-	-	-		2,793,263
-	-	-	-	-	-	-	-	256,046,221		256,046,221
-	-	-	-	-	-	-	980,833	980,833		980,833
-	-	-	-	-	-	-	-	-		1,861,094
-	-	-	-	-	-	-	980,833	257,027,054		261,681,411
-	-	-	-	-	-	-	-	-		648,806,362
-	-	-	-	-	-	-	-	-		1,342,562,401
-	-	-	-	-	-	-	-	-		608,884,409
157,710	-	23,901	1,008,542	-	525,861	-	381,501	3,260,306		3,260,306
<b>\$ 157,710</b>	<b>\$ -</b>	<b>\$ 23,901</b>	<b>\$ 1,008,542</b>	<b>\$ -</b>	<b>\$ 525,861</b>	<b>\$ -</b>	<b>\$ 381,501</b>	<b>\$ 3,260,306</b>	<b>\$</b>	<b>2,603,513,478</b>

## Oakland County, Michigan

	Pension and Other Postemployment Benefits Trust Funds			Investment Trust Fund	Custodial Funds		
	Oakland County Employees' Retirement	VEBA Trust	Total	Local Government Investment Pool	Undistributed Taxes	Register of Deeds Trust	Sheriff's NET Forfeiture
<b>Additions</b>							
Investment income (loss):							
Interest and dividends	\$ 9,420,509	\$ 20,370,869	\$ 29,791,378	\$ 4,460,814	\$ -	\$ -	\$ 450
Net decrease in fair value of investments	(86,323,893)	(203,715,839)	(290,039,732)	(24,282,054)	-	-	-
Investment-related expenses	(1,608,033)	(3,423,467)	(5,031,500)	-	-	-	-
Net investment (loss) income	(78,511,417)	(186,768,437)	(265,279,854)	(19,821,240)	-	-	450
Contributions - Employee contributions	61,977	281,845	343,822	-	-	-	-
New investments by participating municipalities	-	-	-	431,078,818	-	-	-
Property tax collections	-	-	-	-	,446,428,251	-	-
Other revenue	-	6,784,728	6,784,728	-	-	-	-
Forfeitures, escheats, and deposits	-	-	-	-	-	4,354,827	1,066,099
Total additions	(78,449,440)	(179,701,864)	(258,151,304)	411,257,578	,446,428,251	4,354,827	1,066,549
<b>Deductions</b>							
Benefit payments	63,103,273	46,312,583	109,415,856	-	-	-	-
Redemptions of investments by participating municipalities	-	-	-	849,161,682	-	-	-
Administrative expenses	466,021	380,004	846,025	-	-	-	-
Taxes disbursed	-	-	-	-	,446,428,251	-	-
Release of funds	-	-	-	-	-	4,497,416	541,337
Court-ordered funds	-	-	-	-	-	-	-
Total deductions	63,569,294	46,692,587	110,261,881	849,161,682	,446,428,251	4,497,416	541,337
<b>Net (Decrease) Increase in Fiduciary Net Position</b>	(142,018,734)	(226,394,451)	(368,413,185)	(437,904,104)	-	(142,589)	525,212
<b>Net Position - Beginning of year (as restated)</b>	790,825,096	1,568,956,852	2,359,781,948	1,046,788,513	-	365,108	415,060
<b>Net Position - End of year</b>	<b>\$ 648,806,362</b>	<b>\$ 1,342,562,401</b>	<b>\$ 1,991,368,763</b>	<b>\$ 608,884,409</b>	<b>\$ -</b>	<b>\$ 222,519</b>	<b>\$ 940,272</b>

Other Supplemental Information  
Combining Statement of Changes in Fiduciary Net Position  
Fiduciary Funds

**Year Ended September 30, 2022**

Custodial Funds									
Circuit Court Trust	Sheriff Bond Deposits	Escheats Trust	Legatee Trust	Special Trust	Public Library Trust	District Court Trust Account	Jail Inmate Trust Account	Total Custodial Funds	Total Fiduciary Funds
\$ -	\$ -	\$ -	\$ 136	\$ -	\$ 964	\$ -	\$ -	\$ 1,550	\$ 34,253,742
-	-	-	-	-	-	-	-	-	(314,321,786)
-	-	-	-	-	-	-	-	-	(5,031,500)
-	-	-	136	-	964	-	-	1,550	(285,099,544)
-	-	-	-	-	-	-	-	-	343,822
-	-	-	-	-	-	-	-	-	431,078,818
-	-	-	-	-	-	-	-	1,446,428,251	1,446,428,251
-	-	-	-	-	-	-	-	-	6,784,728
-	-	41,116	526,876	-	1,987,245	-	2,117,200	10,093,363	10,093,363
-	-	41,116	527,012	-	1,988,209	-	2,117,200	1,456,523,164	1,609,629,438
-	-	-	-	-	-	-	-	-	109,415,856
-	-	-	-	-	-	-	-	-	849,161,682
-	-	-	-	-	-	-	-	-	846,025
-	-	-	-	-	-	-	-	1,446,428,251	1,446,428,251
-	-	22,565	508,692	-	-	530,348	2,057,301	8,157,659	8,157,659
5,116,775	-	-	-	3,580,083	2,079,356	-	-	10,776,214	10,776,214
5,116,775	-	22,565	508,692	3,580,083	2,079,356	530,348	2,057,301	1,465,362,124	2,424,785,687
(5,116,775)	-	18,551	18,320	(3,580,083)	(91,147)	(530,348)	59,899	(8,838,960)	(815,156,249)
5,274,485	-	5,350	990,222	3,580,083	617,008	530,348	321,602	12,099,266	3,418,669,727
<b>\$ 157,710</b>	<b>\$ -</b>	<b>\$ 23,901</b>	<b>\$ 1,008,542</b>	<b>\$ -</b>	<b>\$ 525,861</b>	<b>\$ -</b>	<b>\$ 381,501</b>	<b>\$ 3,260,306</b>	<b>\$ 2,603,513,478</b>

# Statement of Net Position and Governmental Funds Balance Sheet

## Drainage Districts

September 30, 2022

	Governmental Funds				Full Accrual Adjustments	Statement of Net Position
	Special Revenue	Debt Service	Capital Projects	Total		
<b>Assets</b>						
Pooled cash and investments	\$ 37,516,178	\$ 1,221,315	\$ 9,408,422	\$ 48,145,915	\$ -	\$ 48,145,915
Receivables						
Special assessments receivable	508,622	187,886,822	-	188,395,444	-	188,395,444
Accrued interest receivable	187,746	28,731	-	216,477	-	216,477
Due from other governments	6,134,088	43,202	-	6,177,290	-	6,177,290
Other	49,437	2,290	-	51,727	-	51,727
Prepaid expenses and other assets	1,214,969	1,050	104,167	1,320,186	-	1,320,186
Restricted assets	-	-	31,404,276	31,404,276	-	31,404,276
Capital assets:						
Assets not subject to depreciation	-	-	-	-	68,286,357	68,286,357
Assets subject to depreciation - Net	-	-	-	-	588,656,618	588,656,618
Total assets	<u>\$ 45,611,040</u>	<u>\$ 189,183,410</u>	<u>\$ 40,916,865</u>	<u>\$ 275,711,315</u>	<u>\$ 656,942,975</u>	<u>\$ 932,654,290</u>
<b>Liabilities</b>						
Accounts payable	\$ 9,353,490	\$ 624,266	\$ 61,603	\$ 10,039,359	\$ -	\$ 10,039,359
Due to other governmental units	6,641,125	129,228	-	6,770,353	-	6,770,353
Due to primary government	1,352,430	3,741	25,989	1,382,160	-	1,382,160
Accrued liabilities and other	413,454	2,060	138,605	554,119	-	554,119
Unearned revenue	51,139	18,569,867	7,904,410	26,525,416	-	26,525,416
Noncurrent liabilities						
Due within one year:						
Payable from restricted assets	-	-	5,918,751	5,918,751	-	5,918,751
Current portion of bonds payable	-	-	-	-	21,790,686	21,790,686
Due in more than one year:						
Bonds payable - Net of current portion	-	-	-	-	222,720,687	222,720,687
Total liabilities	17,811,638	19,329,162	14,049,358	51,190,158	244,511,373	295,701,531
<b>Deferred Inflows of Resources</b>						
Unavailable revenue - special assessments	508,622	169,330,928	-	169,839,550	(169,839,550)	-
<b>Fund Balance</b>						
Nonspendable	1,214,969	1,050	104,167	1,320,186		
Restricted	26,075,811	522,270	26,763,340	53,361,421		
Total fund balance	<u>27,290,780</u>	<u>523,320</u>	<u>26,867,507</u>	<u>54,681,607</u>	<u>(54,681,607)</u>	<u>-</u>
<b>Net Position</b>						
Net investment in capital assets					437,917,127	437,917,127
Restricted					144,354,025	199,035,632
Unrestricted					-	-
Total fund balances/net position	<u>27,290,780</u>	<u>523,320</u>	<u>26,867,507</u>	<u>54,681,607</u>	<u>582,271,152</u>	<u>636,952,759</u>
Total liabilities, deferred inflows of resources, and fund balances/net position	<u>\$ 45,611,040</u>	<u>\$ 189,183,410</u>	<u>\$ 40,916,865</u>	<u>\$ 275,711,315</u>	<u>\$ 656,942,975</u>	<u>\$ 932,654,290</u>



# Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balance Drainage Districts

For the Year Ended September 30, 2022

	Governmental Funds				Full Accrual Adjustments	Statement of Activities
	Special Revenue	Debt Service	Capital Projects	Total		
<b>Revenue</b>						
Special assessments	\$ 17,832,827	\$ 29,279,843	\$ 4,775,001	\$ 51,887,671	\$ 2,273,290	\$ 54,160,961
State grants	-	-	-	-	-	-
Charges for services	76,193,527	5,604	-	76,199,131	-	76,199,131
Investment income (loss)	225,592	11,478	(1,289,416)	(1,052,346)	-	(1,052,346)
Other revenue	<u>235,880</u>	<u>-</u>	<u>146,666</u>	<u>382,546</u>	<u>-</u>	<u>382,546</u>
Total revenue	94,487,826	29,296,925	3,632,251	127,417,002	2,273,290	129,690,292
<b>Expenses</b>						
Current:						
Salaries	400	-	13	413	-	413
Contractual services	84,514,123	-	23,884,547	108,398,670	(6,238,013)	102,160,657
Commodities	1,726,740	-	-	1,726,740	-	1,726,740
Internal services	6,013,407	-	340,799	6,354,206	-	6,354,206
Depreciation	-	-	-	-	14,252,432	14,252,432
Debt service:						
Principal	-	22,842,400	-	22,842,400	(22,842,400)	-
Interest	<u>-</u>	<u>6,408,860</u>	<u>-</u>	<u>6,408,860</u>	<u>(471,386)</u>	<u>5,937,474</u>
Total expenses	<u>92,254,670</u>	<u>29,251,260</u>	<u>24,225,359</u>	<u>145,731,289</u>	<u>(15,299,367)</u>	<u>130,431,922</u>
<b>Excess of Revenues Over Expenses</b>	2,233,156	45,665	(20,593,108)	(18,314,287)	17,572,657	(741,630)
<b>Other Financing Sources (Uses)</b>						
Transfers in	500,000	-	-	500,000	-	500,000
Transfers out	(500,000)	-	-	(500,000)	-	(500,000)
Issuance of refunding bonds	-	-	-	-	-	-
New debt issued	-	-	1,310,506	1,310,506	(1,310,506)	-
Debt premium	-	-	-	-	-	-
Payment to bond refunding escrow agent	-	-	-	-	-	-
Insurance recoveries	<u>5,626</u>	<u>-</u>	<u>-</u>	<u>5,626</u>	<u>-</u>	<u>5,626</u>
Total other financing sources (uses)	<u>5,626</u>	<u>-</u>	<u>1,310,506</u>	<u>1,316,132</u>	<u>(1,310,506)</u>	<u>5,626</u>
<b>Net Change in Fund Balances</b>	2,238,782	45,665	(19,282,602)	(16,998,155)	16,262,151	(736,004)
<b>Fund Balances/Net Position - Beginning of year</b>	<u>25,051,998</u>	<u>477,655</u>	<u>46,150,109</u>	<u>71,679,762</u>	<u>566,009,001</u>	<u>637,688,763</u>
<b>Fund Balances/Net Position - End of year</b>	<u>\$ 27,290,780</u>	<u>\$ 523,320</u>	<u>\$ 26,867,507</u>	<u>\$ 54,681,607</u>	<u>\$ 582,271,152</u>	<u>\$ 636,952,759</u>

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## Statistical Section

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# Statistical Section

This part of the annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

The statistical section is organized into the following main categories:

## Financial trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

## Revenue capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

## Debt capacity

These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future.

## Demographic and economic information

These schedules help the reader understand the environment within which the government's financial activities take place.

## Operating information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

## Oakland County, Michigan

	As of September 30,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016(1)</u>
<b>Governmental Activities:</b>				
Net investment in capital assets	\$ 137,512,571	\$ 145,910,667	\$ 156,456,894	\$ 147,744,764
Restricted	72,467,130	53,896,914	39,591,712	35,931,987
Unrestricted	191,318,485	180,545,856	228,425,269	304,822,163
Total net position	<b>\$ 401,298,186</b>	<b>\$ 380,353,437</b>	<b>\$ 424,473,875</b>	<b>\$ 488,498,914</b>
<b>Business Type Activities:</b>				
Net investment in capital assets	\$ 264,682,840	\$ 268,982,184	\$ 284,732,715	\$ 299,224,229
Restricted	73,813,076	78,286,471	89,643,864	98,337,169
Unrestricted	367,673,527	354,280,212	333,831,563	345,130,207
Total net position	<b>\$ 706,169,443</b>	<b>\$ 701,548,867</b>	<b>\$ 708,208,142</b>	<b>\$ 742,691,605</b>
<b>Primary government in total:</b>				
Net investment in capital assets	\$ 402,195,411	\$ 414,892,851	\$ 441,189,609	\$ 446,968,993
Restricted	146,280,206	132,183,385	129,235,576	134,269,156
Unrestricted	558,992,012	534,826,068	562,256,832	649,952,370
Total net position	<b>\$ 1,107,467,629</b>	<b>\$ 1,081,902,304</b>	<b>\$ 1,132,682,017</b>	<b>\$ 1,231,190,519</b>

(1) Implementation of GASB Statement No. 75 resulted in restatement of Net Position as of September 30, 2016.

## Net Position by Component

Last Ten Fiscal Years

September 30, 2022

As of September 30,					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 168,617,536	\$ 181,610,977	\$ 183,757,890	\$ 199,348,222	\$ 203,351,000	\$ 208,414,771
40,952,520	43,329,877	51,872,513	52,511,443	60,070,038	54,650,291
336,663,951	432,498,567	522,810,577	625,617,223	745,669,223	739,889,415
<b>\$ 546,234,007</b>	<b>\$ 657,439,421</b>	<b>\$ 758,440,980</b>	<b>\$ 877,476,888</b>	<b>\$ 1,009,090,261</b>	<b>\$ 1,002,954,477</b>
\$ 298,608,145	\$ 293,504,939	\$ 304,042,430	\$ 327,109,356	\$ 339,898,274	\$ 359,988,828
96,499,021	97,172,136	111,130,441	122,316,499	120,542,462	123,206,475
351,717,949	365,217,051	363,905,686	356,849,937	367,574,466	361,762,146
<b>\$ 746,825,115</b>	<b>\$ 755,894,126</b>	<b>\$ 779,078,557</b>	<b>\$ 806,275,792</b>	<b>\$ 828,015,202</b>	<b>\$ 844,957,449</b>
\$ 467,225,681	\$ 475,115,916	\$ 487,800,320	\$ 526,457,578	\$ 543,249,274	\$ 568,403,599
137,451,541	140,502,013	163,002,954	174,827,942	180,612,500	177,856,766
688,381,900	797,715,618	886,716,263	982,467,160	1,113,243,689	1,101,651,561
<b>\$ 1,293,059,122</b>	<b>\$ 1,413,333,547</b>	<b>\$ 1,537,519,537</b>	<b>\$ 1,683,752,680</b>	<b>\$ 1,837,105,463</b>	<b>\$ 1,847,911,926</b>

## Oakland County, Michigan

As of September 30,				
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Expenses</b>				
Governmental activities:				
General government, administrative	\$ 24,802,464	\$ 23,850,091	\$ 69,539,633	\$ 36,922,795
Public safety	195,275,037	201,580,810	186,050,353	186,368,098
Justice administration	90,873,460	93,496,165	86,238,778	88,190,032
Citizen services	82,502,384	87,214,484	83,738,255	77,513,361
Public works	29,008,606	42,267,177	38,300,439	53,585,849
Recreation and leisure	1,551,035	1,448,875	1,322,395	1,346,384
Commerce and community development	48,895,303	48,411,360	44,364,348	42,667,769
Unallocated depreciation	1,911,473	2,083,460	3,164,143	3,527,266
Interest on debt	2,626,856	3,244,225	3,273,505	3,222,007
Total governmental activities expenses	<u>477,446,618</u>	<u>503,596,647</u>	<u>515,991,849</u>	<u>493,343,561</u>
Business- type activities:				
Airports	6,653,186	6,910,625	7,023,922	6,630,136
Community safety support	17,084,677	21,277,821	21,312,944	20,772,663
Community tax financing	1,399,607	1,278,589	1,230,707	988,159
Community water and sewer	77,371,824	77,684,287	81,572,797	82,330,145
Recreation and leisure	21,181,725	22,860,691	23,741,356	23,460,676
Sewage disposal systems	126,797,005	128,252,681	129,927,356	132,107,791
Total business- type activities expenses	<u>250,488,024</u>	<u>258,264,694</u>	<u>264,809,082</u>	<u>266,289,570</u>
Total primary government expenses	<u>\$ 727,934,642</u>	<u>\$ 761,861,341</u>	<u>\$ 780,800,931</u>	<u>\$ 759,633,131</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General government, administrative	\$ 28,230,087	\$ 25,879,090	\$ 24,225,570	\$ 23,078,190
Public safety	60,741,916	63,007,666	64,625,234	64,274,890
Justice administration	31,730,104	31,711,482	31,830,801	32,064,235
Citizen services	6,448,453	7,310,429	8,414,435	9,488,715
Public works	22,030,824	19,090,066	12,855,569	34,566,771
Recreation and leisure	38,154	39,934	14,686	15,468
Commerce and community development	18,967,967	17,158,997	17,646,879	18,361,879
Operating grants and contributions:				
General government, administrative	812,900	786,094	4,448,510	600,500
Public safety	23,147,123	17,770,136	17,630,677	18,302,689
Justice administration	456,013	508,391	741,357	680,004
Citizen services	21,776,402	23,545,171	14,728,273	15,731,575
Public works	930,304	261,174	362,098	1,069,022
Recreation and leisure	72,414	14,965	-	8,000
Commerce and community development	24,638,978	23,443,405	22,065,499	20,163,033
Capital grants and contributions:				
General government, administrative	-	-	-	-
Public safety	965,065	193,234	163,231	282,049
Justice administration	-	-	-	39,190
Citizen services	-	-	-	-
Public works	-	3,557,413	5,761,319	1,207,474
Total governmental activities program revenues	<u>\$ 240,986,704</u>	<u>\$ 234,277,647</u>	<u>\$ 225,514,138</u>	<u>\$ 239,933,684</u>

## Changes in Net Position

Last Ten Fiscal Years

September 30, 2022

As of September 30,					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 7,210,199	\$ 35,548,340	\$ 35,091,684	\$ 45,235,354	\$ 68,097,576	\$ 70,138,155
198,159,722	169,208,509	175,918,304	181,218,780	170,165,901	213,302,224
91,193,006	78,025,038	82,205,431	83,420,779	82,680,325	103,693,297
80,436,567	73,510,309	75,939,004	166,218,189	197,192,575	116,822,520
44,539,179	27,336,927	26,120,398	12,162,537	20,629,427	44,105,238
1,368,297	1,294,311	1,097,813	958,837	959,961	771,777
42,558,106	40,532,530	40,338,245	38,828,613	44,925,802	47,126,228
3,825,781	3,557,676	3,791,283	3,287,405	2,928,922	3,270,176
3,568,860	3,609,194	3,295,856	3,089,502	2,292,741	1,997,323
<u>472,859,717</u>	<u>432,622,834</u>	<u>443,798,018</u>	<u>534,419,996</u>	<u>589,873,230</u>	<u>601,226,938</u>
6,587,495	6,316,381	6,557,528	7,101,012	6,906,947	7,310,040
19,648,350	18,114,764	18,374,698	19,678,111	23,091,421	16,776,965
970,801	1,423,477	1,126,127	838,789	855,232	886,342
85,734,595	100,192,304	89,291,813	90,362,472	97,253,386	102,062,666
25,050,628	26,891,978	26,267,157	23,046,773	26,284,570	28,290,154
138,073,377	138,558,969	138,973,982	149,057,323	147,564,346	141,959,078
<u>276,065,246</u>	<u>291,497,873</u>	<u>280,591,305</u>	<u>290,084,480</u>	<u>301,955,902</u>	<u>297,285,245</u>
<b><u>\$ 748,924,963</u></b>	<b><u>\$ 724,120,707</u></b>	<b><u>\$ 724,389,323</u></b>	<b><u>\$ 824,504,476</u></b>	<b><u>\$ 891,829,132</u></b>	<b><u>\$ 898,512,183</u></b>
\$ 28,420,204	\$ 27,513,139	\$ 23,675,763	\$ 20,723,525	\$ 20,623,894	\$ 21,647,745
65,792,333	69,089,611	71,255,942	69,317,706	71,808,818	71,593,604
31,447,605	31,538,861	31,330,523	25,999,629	29,203,725	14,894,634
9,315,993	9,710,756	11,072,215	7,678,391	10,534,209	9,690,233
30,265,391	16,873,895	16,102,696	16,194,572	14,928,777	16,436,978
16,046	14,527	11,085	3,968	-	-
21,023,719	20,968,785	21,319,207	21,372,375	28,015,186	24,759,678
614,012	722,999	675,071	772,768	1,519,615	987,164
18,934,764	21,820,828	20,709,746	18,573,921	17,455,018	18,840,945
854,996	571,023	2,559,438	5,784,960	3,528,424	20,096,453
15,028,275	16,820,290	18,311,577	140,807,013	171,747,027	57,727,223
400,203	1,000	-	-	42,541	5,533,677
7,004	-	-	-	-	-
19,855,509	20,652,246	20,338,952	18,118,102	25,446,301	18,267,516
161,669	23,273	-	-	-	-
-	45,046	71,241	47,165	-	-
-	-	119,100	1,176,908	-	-
-	-	13,054	512,800	15,756	-
<u>2,158,419</u>	<u>2,187,532</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>\$ 244,296,142</u></b>	<b><u>\$ 238,553,811</u></b>	<b><u>\$ 237,565,610</u></b>	<b><u>\$ 347,083,803</u></b>	<b><u>\$ 394,869,291</u></b>	<b><u>\$ 280,475,850</u></b>

(Continued)

## Oakland County, Michigan

	As of September 30,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Program Revenues (Continued)</b>				
Business- type activities:				
Charges for services:				
Airports	\$ 4,381,999	\$ 4,294,902	\$ 4,421,496	\$ 4,624,215
Community safety support	11,417,222	13,085,553	12,833,963	14,293,818
Community tax financing	21,845,093	18,306,142	16,657,070	15,872,925
Community water and sewer	80,223,019	80,597,277	80,058,849	92,591,784
Recreation and leisure	8,430,978	8,525,094	9,978,385	9,981,419
Sewage disposal systems	121,781,246	126,670,775	137,441,935	133,611,778
Operating grants and contributions:				
Airports	-	-	287,991	-
Community water and sewer	-	48,319	807,591	1,398,631
Recreation and leisure	96,241	92,689	69,032	77,079
Sewage disposal systems	21,783	-	518,864	727,072
Capital grants and contributions:				
Airports	778,548	1,252,591	485,207	915,522
Community safety support	2,189,506	2,255,765	761,013	77,563
Community water and sewer	-	1,206,737	1,294,332	1,057,973
Recreation and leisure	288,141	-	308,000	-
Sewage disposal systems	1,476,762	93,399	8,219,302	27,520,966
Total business- type activities program revenues	<u>252,930,538</u>	<u>256,429,243</u>	<u>274,143,030</u>	<u>302,750,745</u>
Total primary government program revenues	<u><b>\$ 493,917,242</b></u>	<u><b>\$ 490,706,890</b></u>	<u><b>\$ 499,657,168</b></u>	<u><b>\$ 542,684,429</b></u>
<b>Net (Expenses) / Revenues</b>				
Governmental activities	(253,723,367)	(236,459,914)	(269,319,000)	(290,477,711)
Business- type activities	35,437,232	2,442,514	(1,835,451)	9,333,948
Total primary government net expenses	<u><b>\$ (218,286,135)</b></u>	<u><b>\$ (234,017,400)</b></u>	<u><b>\$ (271,154,451)</b></u>	<u><b>\$ (281,143,763)</b></u>
<b>General Revenue and Other Changes in Net Position</b>				
Governmental activities:				
Property taxes	\$ 199,808,014	\$ 206,256,326	\$ 204,218,641	\$ 210,219,877
State- shared revenue (unrestricted)	12,789,988	14,066,100	39,238,141	42,849,430
Unrestricted investment earnings (loss)	2,553,617	4,917,507	3,589,453	3,894,824
Gain on sale of capital assets	270,885	205,284	135,786	435,178
Other revenues	3,752,043	3,397,021	5,623,075	3,765,977
Transfers in (out)	19,803,672	19,532,013	17,940,753	17,841,687
Total governmental activities	<u><b>\$ 238,978,219</b></u>	<u><b>\$ 248,374,251</b></u>	<u><b>\$ 270,745,849</b></u>	<u><b>\$ 279,006,973</b></u>



## Changes in Net Position (continued)

Last Ten Fiscal Years

September 30, 2022

As of September 30,					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 4,671,073	\$ 4,711,066	\$ 4,972,876	\$ 4,622,299	\$ 4,906,182	\$ 5,660,606
13,775,015	14,601,037	15,168,426	17,066,500	17,418,475	17,052,331
13,613,000	12,723,395	11,712,916	12,293,716	12,991,268	11,971,091
95,595,194	98,234,422	95,637,473	104,098,318	102,406,475	111,098,682
10,022,384	10,424,470	10,375,407	6,365,194	10,339,377	11,008,520
138,190,001	142,048,906	145,549,376	148,678,133	154,498,320	152,067,468
96,254	92,761	87,823	297,432	-	23,000
339,060	50,227	575,779	32,458	142,884	301,703
80,928	660,093	159,458	274,351	168,633	294,750
1,197,809	1,212,675	772,439	535,493	139,092	-
995,851	-	7,713,316	22,106	621,213	-
-	-	-	2,114,445	-	-
227,084	772,916	-	-	-	-
82,700	68,469	53,810	2,923	366,975	267,900
14,654,105	8,809,512	834,483	10,773,357	138,765	614,557
293,540,458	294,409,949	293,613,582	307,176,725	304,137,659	310,360,608
<b>\$ 537,836,600</b>	<b>\$ 532,963,760</b>	<b>\$ 531,179,192</b>	<b>\$ 654,260,528</b>	<b>\$ 699,006,950</b>	<b>\$ 590,836,458</b>
(253,409,877)	(228,563,575)	(194,069,023)	(206,232,408)	(187,336,193)	(320,751,088)
36,461,175	17,475,212	2,912,076	13,022,277	17,092,245	13,075,363
<b>\$ (216,948,702)</b>	<b>\$ (211,088,363)</b>	<b>\$ (191,156,947)</b>	<b>\$ (193,210,131)</b>	<b>\$ (170,243,948)</b>	<b>\$ (307,675,725)</b>
\$ 221,228,539	\$ 227,384,489	\$ 238,804,207	\$ 247,883,604	\$ 256,727,921	\$ 272,180,505
44,185,407	45,299,918	44,691,290	38,533,633	44,943,661	45,801,251
3,417,064	5,743,583	12,661,175	11,238,804	4,257,864	(25,976,167)
407,829	478,887	472,207	432,430	795,382	4,538,403
1,808,840	1,543,368	1,503,877	220,576	16,214,433	9,322,411
15,250,989	12,156,434	9,101,211	8,063,054	3,678,051	8,748,901
<b>\$ 286,298,668</b>	<b>\$ 292,606,679</b>	<b>\$ 307,233,967</b>	<b>\$ 306,372,101</b>	<b>\$ 326,617,312</b>	<b>\$ 314,615,304</b>

(Continued)

## Oakland County, Michigan

	As of September 30,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>General Revenues and Other Changes in Net Position (Continued)</b>				
Business- type activities:				
Property taxes	\$ 11,398,103	\$ 11,567,251	\$ 11,832,814	\$ 12,246,824
State- shared revenue (unrestricted)	-	-	-	-
Unrestricted investment earnings (loss)	1,758,041	5,179,637	2,914,365	3,617,151
Special items	6,471,638	-	-	-
Transfers in (out)	(19,803,672)	(19,532,013)	(17,940,753)	(17,841,687)
Total business- type activities	(175,890)	(2,785,125)	(3,193,574)	(1,977,712)
Total primary government	<u><b>\$ 238,802,329</b></u>	<u><b>\$ 245,589,126</b></u>	<u><b>\$ 267,552,275</b></u>	<u><b>\$ 277,029,261</b></u>
<b>Change in Net Position</b>				
Governmental activities	2,518,305	(20,944,749)	(19,731,862)	25,597,096
Business- type activities	2,266,624	(4,620,576)	6,140,374	34,483,463
Total primary government	<u><b>\$ 4,784,929</b></u>	<u><b>\$ (25,565,325)</b></u>	<u><b>\$ (13,591,488)</b></u>	<u><b>\$ 60,080,559</b></u>

## Changes in Net Position (continued)

Last Ten Fiscal Years

September 30, 2022

As of September 30,					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 12,393,806	\$ 12,707,412	\$ 13,197,395	\$ 13,735,450	\$ 21,580,908	\$ 22,148,124
271,123	323,212	296,449	301,929	327,989	223,310
4,440,196	5,282,745	10,939,806	7,475,187	2,452,090	(9,760,599)
(15,195,838)	-	(5,170,285)	(3,344,522)	(1,125,283)	4,950
(15,250,989)	(12,156,434)	(9,101,211)	(8,063,054)	(3,678,051)	(8,748,901)
(13,341,702)	6,156,935	10,162,154	10,104,990	19,557,653	3,866,884
<b>\$ 272,956,966</b>	<b>\$ 298,763,614</b>	<b>\$ 317,396,121</b>	<b>\$ 316,477,091</b>	<b>\$ 346,174,965</b>	<b>\$ 318,482,188</b>
57,735,093	98,537,656	101,001,559	119,035,908	131,613,373	(6,135,784)
4,133,510	9,069,011	23,184,431	27,197,235	21,739,410	16,942,247
<b>\$ 61,868,603</b>	<b>\$ 107,606,667</b>	<b>\$ 124,185,990</b>	<b>\$ 146,233,143</b>	<b>\$ 153,352,783</b>	<b>\$ 10,806,463</b>

## Oakland County, Michigan

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	As of September 30,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Fund:				
Nonspendable	\$ 258,647	\$ 221,975	\$ 490,499	\$ 534,766
Restricted	20,201,133	28,453,511	15,190,786	5,884,980
Assigned	221,222,041	222,979,095	242,777,177	245,859,255
Unassigned	1,091,218	2,329,993	1,745,931	2,962,467
Total General Fund	<u><b>\$ 242,773,039</b></u>	<u><b>\$ 253,984,574</b></u>	<u><b>\$ 260,204,393</b></u>	<u><b>\$ 255,241,468</b></u>
All Other Governmental Funds:				
Nonspendable	\$ 441,135	\$ 991,206	\$ 1,176,207	\$ 1,102,916
Restricted	51,418,485	25,443,403	19,294,296	25,721,135
Committed	46,332,071	39,973,683	27,813,859	51,423,615
Assigned	-	-	-	-
Unassigned	(606,542)	(2,708,371)	(4,080,095)	(3,010,629)
Total all other governmental funds	<u><b>\$ 97,585,149</b></u>	<u><b>\$ 63,699,921</b></u>	<u><b>\$ 44,204,267</b></u>	<u><b>\$ 75,237,037</b></u>

## Fund Balances, Governmental Funds

Last Ten Fiscal Years

September 30, 2022

As of September 30,					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 353,124	\$ 306,104	\$ 246,786	\$ 491,034	\$ 403,635	\$ 420,681
10,401,084	12,860,936	9,795,577	-	-	
251,021,647	230,412,909	248,479,921	264,217,322	272,232,679	219,443,400
3,004,232	1,464,988	1,212,494	2,317,556	15,766,703	959,662
<b><u>\$ 264,780,087</u></b>	<b><u>\$ 245,044,937</u></b>	<b><u>\$ 259,734,778</u></b>	<b><u>\$ 267,025,912</u></b>	<b><u>\$ 288,403,017</u></b>	<b><u>\$ 220,823,743</u></b>
\$ 1,150,421	\$ -	\$ -	\$ -	\$ 62,399	\$ 992,198
26,218,607	24,737,155	23,218,412	22,239,848	27,089,599	32,337,797
33,562,352	44,273,743	41,684,723	32,815,999	32,266,214	44,312,823
-	-	-	-	-	
(3,294,277)	(3,492,780)	(999,133)	(5,509,165)	(3,043,793)	(4,036,808)
<b><u>\$ 57,637,103</u></b>	<b><u>\$ 65,518,118</u></b>	<b><u>\$ 63,904,002</u></b>	<b><u>\$ 49,546,682</u></b>	<b><u>\$ 56,374,419</u></b>	<b><u>\$ 73,606,010</u></b>

## Oakland County, Michigan

	As of September 30,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Revenues</b>				
Property taxes	\$ 200,842,221	\$ 207,034,582	\$ 206,368,131	\$ 214,229,960
Special assessments	24,639,181	5,712,490	19,429,154	5,384,564
Federal grants	43,875,848	37,110,198	32,135,507	29,637,348
State grants	28,716,151	28,778,014	27,853,475	26,846,548
Other intergovernmental revenue	26,724,815	26,659,052	53,124,504	56,868,569
Charges for services	121,147,370	117,882,404	120,992,621	123,644,292
Contributions	207,200	373,184	276,151	221,578
Investment income	1,862,818	3,604,765	2,580,784	2,772,483
Indirect cost recovery	7,610,932	8,415,107	7,946,958	7,846,289
Other	3,637,920	2,498,909	1,019,667	930,308
Total revenues	<u>459,264,456</u>	<u>438,068,705</u>	<u>471,726,952</u>	<u>468,381,939</u>
<b>Expenditures</b>				
County Executive	\$ 177,867,738	\$ 177,990,015	\$ 152,940,829	\$ 150,905,047
Clerk/ Register of Deeds	11,504,787	11,478,209	10,688,410	10,844,437
Treasurer	8,371,074	8,715,059	8,897,706	8,286,497
Justice administration	74,360,297	76,112,761	75,627,179	75,811,521
Law enforcement	154,364,056	159,070,684	159,354,251	164,741,810
Legislative	4,073,210	3,955,467	3,864,960	3,960,835
Water resource commissioner	12,362,273	15,737,892	14,748,645	35,142,209
Non- departmental	18,778,041	18,528,670	29,905,627	21,079,507
Capital outlay	3,154,872	1,668,488	16,394,718	13,469,248
No Cost Center	-	-	-	-
Intergovernmental	107,184	24,718	13,592	4,508
Debt service:				
Principal payments	24,095,000	11,215,000	19,730,000	8,610,000
Interest and fiscal charges	4,096,185	3,406,901	3,301,677	3,070,416
Total expenditures	<u>493,134,717</u>	<u>487,903,864</u>	<u>495,467,594</u>	<u>495,926,035</u>
Excess of revenues over (under) expenditures	<u>(33,870,261)</u>	<u>(49,835,159)</u>	<u>(23,740,642)</u>	<u>(27,544,096)</u>

## Changes in Fund Balances, Governmental Funds

**Last Ten Fiscal Years**

**September 30, 2022**

As of September 30,					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 216,562,738	\$ 228,013,169	\$ 239,485,107	\$ 247,512,190	\$ 258,448,312	\$ 269,470,417
10,020,057	8,128,190	8,931,750	8,656,068	8,047,693	8,211,026
28,522,404	31,027,408	30,791,227	144,452,173	180,408,987	64,294,317
26,808,928	28,546,713	32,438,244	31,054,827	95,838,340	91,489,956
58,545,962	59,860,852	61,536,812	50,736,797	-	-
131,191,772	131,851,162	132,380,869	121,181,006	132,809,500	134,717,328
149,441	127,213	116,386	615,362	-	-
2,230,403	2,803,018	8,400,757	7,090,634	602,630	(21,179,267)
8,216,061	9,145,652	9,027,123	9,372,744	9,084,669	9,068,444
1,395,893	872,212	1,187,006	182,643	14,375,745	10,611,426
<u>483,643,659</u>	<u>500,375,589</u>	<u>524,295,281</u>	<u>620,854,444</u>	<u>699,615,876</u>	<u>566,683,647</u>
\$ 154,409,494	\$ 162,066,148	\$ 160,675,873	\$ 219,190,171	\$ 206,402,901	\$ 195,983,050
10,884,241	10,661,568	10,287,033	11,778,970	11,843,534	11,896,879
8,103,102	7,643,131	7,566,638	16,578,419	7,082,824	49,338,347
77,509,465	80,614,403	83,938,183	81,524,860	83,083,140	79,801,223
172,460,663	180,920,178	183,331,101	194,939,665	193,785,872	208,002,913
4,172,103	4,944,629	4,531,874	4,712,556	6,059,647	5,313,965
24,420,433	14,866,155	11,005,656	10,675,269	10,780,720	11,387,281
21,568,122	21,825,031	23,187,856	50,330,260	98,376,608	44,417,417
28,082,057	24,264,758	16,532,348	18,153,107	1,720,851	759,785
-	-	-	-	-	205,197
12,500	1,834	220,675	3,054,017	29,263,540	55,724
10,685,000	11,225,000	10,880,000	32,590,000	10,562,621	11,146,800
3,626,631	3,649,126	3,337,262	2,993,819	2,724,071	2,478,027
<u>515,933,811</u>	<u>522,681,961</u>	<u>515,494,499</u>	<u>646,521,113</u>	<u>661,686,329</u>	<u>620,786,608</u>
<u>(32,290,152)</u>	<u>(22,306,372)</u>	<u>8,800,782</u>	<u>(25,666,669)</u>	<u>37,929,547</u>	<u>(54,102,961)</u>

(Continued)

## Oakland County, Michigan

	As of September 30,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Other Financing (Uses)</b>				
Transfers in	\$ 79,499,398	\$ 88,060,822	\$ 67,778,233	\$ 75,470,868
Transfers out	(64,468,826)	(75,126,053)	(59,866,546)	(62,329,852)
Insurance recoveries		183,718	222,022	-
Payment to bond escrow agent	(348,800,000)	-	-	-
Issuance of bonds	33,825,000	10,126,377	2,331,098	40,475,488
Issuance of refunding bonds	350,000,000	2,875,000	-	-
Premiums on bonds sold	1,702,443	206,732	-	20,870
Sale of capital assets	-	-	-	-
Discount on bonds sold	-	(12,642)	-	(23,433)
Total other financing sources (uses)	<u>51,758,015</u>	<u>26,313,954</u>	<u>10,464,807</u>	<u>53,613,941</u>
Net change in fund balances	<u><b>\$ 17,887,754</b></u>	<u><b>\$ (23,521,205)</b></u>	<u><b>\$ (13,275,835)</b></u>	<u><b>\$ 26,069,845</b></u>

Debt service as a percentage of noncapital expenditures (1)	5.73%	3.05%	4.72%	2.40%
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(1) Noncapital expenditures are total governmental expenditures less capital expenditures.  
(Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances)



## Changes in Fund Balances, Governmental Funds (continued)

**Last Ten Fiscal Years  
September 30, 2022**

As of September 30,					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 60,850,931	\$ 82,037,565	\$ 57,258,755	\$ 59,897,924	\$ 50,000,797	\$ 62,226,328
(52,137,819)	(75,031,735)	(53,244,682)	(63,193,039)	(61,410,949)	(68,188,984)
765,010	857,096	130,000	-	62,595	-
-	-	-	-	(11,394,179)	-
14,732,205	2,589,311	130,870	470,633	1,843,603	6,035,648
-	-	-	19,496,000	9,460,000	-
18,510	-	-	2,028,965	1,613,428	135,416
-	-	-	-	-	3,546,870
-	-	-	-	-	-
24,228,837	10,452,237	4,274,943	18,700,483	(9,824,705)	3,755,278
<b>\$ (8,061,315)</b>	<b>\$ (11,854,135)</b>	<b>\$ 13,075,725</b>	<b>\$ (6,966,186)</b>	<b>\$ 28,104,842</b>	<b>\$ (50,347,683)</b>

2.89%

2.93%

2.79%

5.54%

2.03%

2.21%

## Taxable Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

September 30, 2022

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
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
2021	64,781,503,832	49,073,505,006	13,588,906,280	10,599,175,014	2,608,937,140	1,973,439,019	83,644,500	51,964,260
2022	68,274,369,769	52,116,908,871	14,614,165,290	11,420,390,043	2,896,770,040	2,190,437,432	87,150,370	54,208,080

Fiscal Year	Personal Property		Total Property		Total Direct Tax Rate (3)
	Assessed and Equalized Value	Taxable Value	Assessed and Equalized Value	Taxable Value	
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
2021	3,721,556,729	3,721,570,829	84,784,548,481	65,419,654,128	4.3632
2022	3,863,299,665	3,863,319,745	89,735,755,134	69,645,264,171	4.3156

**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

## Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

September 30, 2022

	As of September 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>County direct rates</b>										
County operating	4.1900	4.1900	4.0900	4.0400	4.0400	4.0400	4.0400	4.0200	4.0132	3.9686
Parks and Recreation	0.2415	0.2415	0.2415	0.2410	0.2392	0.2368	0.2349	0.2329	0.3500	0.3470
Total rate	4.4315	4.4315	4.3315	4.2810	4.2792	4.2768	4.2749	4.2529	4.3632	4.3156
<b>Overlapping rates</b>										
Huron- Clinton Metro Authority (a)	0.2146	0.2146	0.2146	0.2146	0.2146	0.2140	0.2129	0.2117	0.2104	0.2089
Intermediate school districts (5)										
Median rate	3.3690	3.3690	3.3633	3.3398	3.3079	3.2813	3.2539	3.7457	3.7207	3.6950
Low range	2.9295	2.9295	2.9295	2.9115	2.8915	2.8798	2.8744	2.8573	2.8320	2.8010
High range	3.5341	3.5341	3.5341	5.4643	5.4643	5.4643	5.4643	5.4643	5.4520	5.4275
Community colleges (3)										
Median rate	1.7967	1.7967	1.7967	1.7880	1.7766	1.7662	2.2700	2.2877	2.7472	2.2700
Low range	1.5844	1.5844	1.5819	1.5707	1.5555	1.5431	1.5303	1.5184	1.5057	1.4891
High range	2.8596	2.8596	2.8596	2.8096	2.8096	2.8047	2.8019	2.7605	2.7472	2.6638
Cities (31)										
Median rate	16.7929	17.5856	17.5854	16.8995	17.2076	17.1311	18.4133	18.0833	17.5522	16.8611
Low range	7.3600	7.8600	7.8600	7.8332	7.8270	8.3229	8.3212	8.3189	8.3590	8.3540
High range	37.4634	38.1191	39.2669	39.1859	39.2861	39.0343	38.3265	37.4707	36.5895	34.5157
Villages (11)										
Median rate	15.2286	15.9168	15.6106	15.4412	15.3816	15.1381	15.0275	14.5747	14.8989	14.4327
Low range	8.8900	9.5000	8.8020	7.8250	9.9863	10.0000	9.9927	9.6658	9.2996	8.7300
High range	17.9756	18.5025	18.4701	18.4744	18.4043	19.3535	18.7295	19.5172	19.2841	18.9862
Townships (21)										
Median rate	7.2786	7.9168	7.6106	8.1787	8.0907	8.0064	7.9721	7.9030	7.8442	8.0811
Low range	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
High range	13.8002	15.1064	14.6712	14.6987	14.6799	14.6784	14.0745	14.0669	14.0583	13.0818
School districts (35) (b)										
Homestead:										
Median rate	13.9513	14.3880	15.4086	15.3000	15.0000	14.9991	14.1984	14.1670	14.4658	14.1018
Low range	9.8700	9.8700	6.0000	8.8700	8.8700	9.2700	9.2700	9.2700	9.1132	9.2230
High range	26.8868	26.8868	26.2068	26.2618	26.1868	26.6868	24.5077	24.6808	23.7940	23.6957
Non- Homestead:										
Median rate	31.0000	31.0000	31.0000	31.0000	30.2450	30.9693	30.2779	30.1038	29.9773	30.0098
Low range	26.4420	25.6974	24.0000	25.6739	25.6665	25.6165	25.6103	26.6500	25.4600	25.6562
High range	35.3610	37.4500	41.0000	40.8512	40.5603	40.9516	41.9463	41.8741	41.7944	41.6957
DDAs (10)										
Median rate	1.8978	1.8978	1.8787	1.8046	1.7142	1.8525	1.8411	1.7853	1.7853	1.7802
Low range	1.3794	1.3794	1.3794	1.3549	1.3326	1.3072	1.2958	1.2958	1.2860	1.2763
High range	1.9734	1.9734	1.9732	1.9516	1.9514	1.9685	1.9510	1.9510	1.9510	1.9459
Public Transportation Authority (c)	0.5900	1.0000	1.0000	0.9998	0.9941	0.9863	1.0000	0.9927	0.9851	0.9765
Zoological Authority	0.1000	0.1000	0.1000	0.0998	0.0990	0.0980	0.0982	0.0973	0.0965	0.0956
Art Institute Authority (d)	0.2000	0.2000	0.2000	0.1996	0.1981	0.1961	0.1945	0.1929	0.1913	0.1897

## Notes

The County's maximum allowable operating millage levy for 2022 was 3.9686.

(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.

# Principal Tax Payers

Current and Nine Years Ago  
September 30, 2022

Taxpayer	2022		% of total	2013		% of total
	2022 Taxable Value*	Rank		2013 Taxable Value	Rank	
1 Detroit Edison Company/DTE	\$ 745,794,558	1	1.07%	\$ 400,145,352	1	0.81%
2 Consumers Energy	631,434,268	2	0.91%	197,563,439	4	0.40%
3 FCA Auburn Hills Owner LLC ( formerly Chrysler)	175,333,130	3	0.25%	235,405,963	2	0.48%
4 International Transmission ( ITC)	173,624,634	4	0.25%	88,490,106	7	0.18%
5 Amazon	160,788,020	5	0.23%			
6 Taubman/ Great Lakes/ 12 Oaks Mall	150,474,920	6	0.22%	116,032,721	5	0.24%
7 SighCidermill Village	141,317,610	7	0.20%	-	-	-
8 Edward Rose/ Occidental Dev	120,377,050	8	0.17%	-	-	-
9 Enbridge Energy	120,044,760	9	0.17%	-	-	-
10 General Motors	118,356,000	10	0.17%	220,501,420	3	0.45%
Comcast	87,573,001	11	0.13%	73,200,373	9	0.15%
Ramco Lion Venture	86,311,489	12	0.12%	85,790,304	8	0.17%
Redico	84,193,671	13	0.12%	-	-	-
SL Town Etal	81,120,868	14	0.12%	68,828,235	11	0.14%
( Bre Southfield, Town Centre)						
Meijer/ Goodwill Co	73,746,370	15	0.11%	55,331,935	12	0.11%
Oakland Management	72,086,380	16	0.10%	-	-	-
Redwood- ERC Novi LLC	71,342,890	17	0.10%	42,084,188	15	0.09%
Kroger	65,647,930	18	0.09%	28,958,030	18	0.06%
Somerset Collection LTD PTN ( Frankel/ Forbes/ Cohn)	62,624,480	19	0.09%	115,364,126	6	0.23%
LITHIA Motors	62,294,850	20	0.09%	-	-	-
Total	<b>\$ 3,284,486,879</b>		4.72%	<b>\$ 1,727,696,192</b>		3.51%

\* 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 Operating Property Tax Levies and Collections

**Last Ten Fiscal Years  
September 30, 2022**

Fiscal Year	Tax Levy (1)	Collected within the Fiscal Year of the Levy (2)		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2013	\$ 201,089,193	\$ 179,700,449	89.36%	\$ 21,384,238	\$ 201,084,687	100.00%
2014	204,966,211	181,910,042	88.75%	22,977,344	204,887,386	99.96%
2015	207,429,739	186,742,691	90.03%	20,596,594	207,339,285	99.96%
2016	208,735,308	186,750,930	89.47%	21,893,519	208,644,449	99.96%
2017	216,149,261	196,045,294	90.70%	19,952,482	215,997,776	99.93%
2018	226,289,005	201,249,308	88.93%	24,724,355	225,973,663	99.86%
2019	237,559,852	215,492,770	90.71%	21,223,051	236,715,821	99.64%
2020	246,663,143	223,110,366	90.45%	22,792,261	245,902,627	99.69%
2021	255,550,668	221,700,293	86.75%	31,775,544	253,475,837	99.19%
2022	269,983,347	229,561,355	85.03%	-	229,561,355	85.03%

(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.

Source: Oakland County Treasurer

## Ratio of General Bonded Debt Outstanding

Last Ten Fiscal Years  
September 30, 2022

Year	Governmental Activities Debt (1)				Business-Type Activities		Percentage of	
	General Obligation Bonds	Taxable Property Values (a)	Per Capita (b)	Special Assessment Bonds (c)	Bonds	Total Primary Government	Personal Income (b)	Per Capita (b)
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
2021	206,255,000	0.32%	164.55	57,258,512	47,478,928	310,992,440	3.22%	248.11
2022	174,523,832	0.22%	124.03	59,192,360	43,741,050	277,457,242	2.39%	184.14

## Notes:

(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 7 - Debt. Special Assessment debt is shown with governmental commitment.

Source: Oakland County Department of Management &amp; Budget, Fiscal Services Division

## Net County Direct and Overlapping Debt

**September 30, 2022**

	<b>Net Amount Outstanding</b>
<b>Direct debt</b>	
Building Authority bonds	\$ 24,770,000
Water & sewer special assessment debt	49,952,312
Lake Levels special assessment debt	1,195,048
Retirees Health Care bonds	154,900,000
Total direct debt	<u>230,817,360</u>
<b>Overlapping debt</b>	
Cities	764,721,961
Townships	368,462,885
Villages	28,451,855
School districts	3,002,278,227
Intermediate school districts	40,420,177
Community colleges	3,585,818
Libraries	2,144,454
Net overlapping debt	<u>4,210,065,377</u>
<b>Net direct and overlapping debt</b>	<b><u>\$ 4,440,882,737</u></b>

### 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

## Legal Debt Margin

Last Ten Fiscal Years

September 30, 2022

						Debt Applicable
						to Limit as a
State Equalized		Debt Limit 10% of	Amount of Debt			Percentage of
Year	Valuation	SEV	Applicable to Limit	Legal Debt Margin	Debt Limit	
2013	\$ 51,429,923,815	\$ 5,083,902,496	\$ 1,168,123,578	\$ 3,915,778,918	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%	
2021	84,784,548,481	8,478,454,848	569,267,324	\$ 7,909,187,524	6.71%	
2022	89,735,755,134	8,973,575,513	511,301,400	\$ 8,462,274,113	5.70%	

**Sources:**

Equalized Valuations = Oakland County Department of Management & Budget, Equalization Division

Debt = See Notes to Financial Statements, Note No. 7



## Demographic and Economic Statistics

**Last Ten Fiscal Years**

**September 30, 2022**

<b>Year</b>	<b>Population</b>	<b>Personal income (in thousands)</b>	<b>Per Capita Personal Income</b>	<b>Unemployment Rate</b>
2013	1,235,656	\$ 72,043,499	\$ 58,304	6.60%
2014	1,243,076	76,465,367	61,513	5.00%
2015	1,244,895	81,137,696	65,176	3.70%
2016	1,251,563	83,550,230	66,757	3.60%
2017	1,256,478	86,780,122	69,066	3.40%
2018	1,257,472	89,687,634	71,324	3.20%
2019	1,257,726	92,402,126	73,468	2.90%
2020	1,253,459	96,441,996	76,941	6.80%
2021	1,270,017	102,822,763	80,962	4.70%
2022	1,270,017 (a)	102,822,763 (a)	80,962 (a)	3.00%

(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

## Oakland County, Michigan

### Principal Employers

Current and Nine Years Ago  
September 30, 2022

Employer	Employees	2022 Rank	% of total	Employees	2013 Rank	% of total
Beaumont Health System	14,644	1	2.66%	11,882	1	2.17%
Stellantis (formerly FCA US LLC, Chrysler)	11,615	2	2.07%	11,563	2	2.12%
United Wholesale Mortgage	8,058	3	1.47%	-	-	-
General Motors Corporation	7,983	4	1.17%	8,550	3	1.56%
Ascension Michigan (formerly St John Providence Hospital)	5,498	5	0.90%	4,261	5	0.78%
Henry Ford Health System	5,301	6	0.82%	2,846	8	0.52%
U.S. Postal Service	5,000	7	0.80%	4,108	6	0.75%
Oakland County Government	3,567	9	0.56%	3,196	7	0.58%
Trinity Health (formerly St. Joseph Mercy)	3,558	8	0.56%	5,979	4	1.09%
Magna International of America Inc.	2,640	10	0.37%	-	-	-
Flagstar Bankcorp Inc.	2,102	-	-	2,779	9	0.51%
Botsford Health Care				2,776	10	0.51%
	<b>69,966</b>		<b>11.38%</b>	<b>57,940</b>		<b>10.60%</b>

**Source:**

Oakland County Department of Planning & Economic Development

## County Employees by Function/Program

Last Ten Fiscal Years

September 30, 2022

Function/ program:	As of September 30, (1)									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>General government</b>										
County Executive Administration	47	60	60	60	62	62	63	64	54	48
Management & Budget	204	189	188	188	188	188	188	197	206	193
Central Services	59	59	60	61	61	61	62	64	64	62
Human Resources	46	46	48	48	49	50	56	58	57	61
Board of Commissioners	34	30	30	30	30	31	33	36	41	38
Clerk/ Register of Deeds	112	112	112	112	112	112	112	112	110	105
County Treasurer	46	47	47	46	46	46	46	46	46	44
<b>Public Safety</b>										
Sheriff	1,088	1,107	1,117	1,169	1,200	1,205	1,239	1,257	1,349	1,345
Community Corrections	60	59	59	59	60	60	61	72	70	67
Animal Control	36	36	37	38	37	37	34	57	56	57
<b>Justice Administration</b>										
Circuit Court	410	410	412	415	417	420	420	433	429	416
District Court	188	186	188	190	189	189	191	217	211	207
Probate Court	49	49	51	52	53	53	53	54	55	55
Prosecuting Attorney	170	171	170	169	169	169	169	176	176	183
Medical Examiner	26	26	26	26	26	26	26	26	28	27
<b>Citizens Services</b>										
Administration	2	2	2	2	2	2	2	2	2	2
Health	370	369	366	365	357	347	351	375	453	459
Homeland Security	12	12	11	11	11	11	11	11	11	40
Children's Village	192	192	201	203	206	211	214	224	227	222
Veterans' Services (2)	16	16	16	16	16	16	16	16	-	-
MSU Extension- Oakland County	15	15	13	13	13	13	13	14	11	8
<b>Public Works</b>										
Water Resources Commissioner	263	266	314	370	376	378	382	385	385	384
Facilities Management	187	189	190	194	197	199	189	189	189	155
Information Technology	161	159	160	166	173	173	173	177	178	173
<b>Recreation and Leisure</b>										
Library Board (3)	7	7	7	6	6	6	6	5	-	-
Parks and Recreation	378	421	425	441	440	484	497	511	805	811
<b>Commerce and Community Development</b>										
Administration	12	12	12	14	14	14	15	17	17	13
Planning and Economic Development Services	46	48	49	48	48	49	48	46	46	17
Business Development										22
Community and Home Improvement	23	22	22	22	22	22	22	22	23	23
Workforce Development	9	9	9	9	9	9	9	10	26	27
Department of Public Communications (4)	-	-	-	-	-	-	-	-	-	23
<b>Totals</b>	<b>4,268</b>	<b>4,326</b>	<b>4,402</b>	<b>4,543</b>	<b>4,589</b>	<b>4,643</b>	<b>4,701</b>	<b>4,873</b>	<b>5,325</b>	<b>5,287</b>

(1) Employee count reflects authorized, budgeted positions

(2) Transferred under Economic Development in 2021

(3) Transferred under Board of Commissioners in 2021

(4) Department of Public Communications created per M.R. #21323, effective 08/31/2021

**Source:**

Oakland County Human Resources Department

## Operating Indicators by Function/Program

Last Ten Fiscal Years

September 30, 2022

Function/ Program	As of September 30,				As of September 30,					
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Law Enforcement										
Dispatched Calls	272,066	286,235	292,131	333,680	375,492	389,998	405,609	379,498	399,646	419,921
Arrests	11,525	11,943	11,355	13,727	13,200	13,404	12,452	7,240	5,317	5,408
Inmate bookings	19,913	19,317	18,789	18,236	18,124	17,351	16,554	9,554	9,859	10,865
Judicial										
Circuit Court civil/ criminal cases disposed	12,442	11,742	10,981	11,132	10,889	11,319	12,495	9,518	10,614	11,021
District Court cases filed	118,307	119,347	122,934	119,077	118,358	124,569	120,682	77,576	78,431	85,499
Citizen Services										
Veteran benefits claims filed	6,202	5,461	5,697	5,544	5,114	4,645	4,435	3,222	2,146	2,590
Deeds/ Mortgages	119,116	90,969	101,807	107,252	101,409	92,210	98,804	128,702	148,377	104,100
Jobs retained and created	8,866	11,332	10,057	19,053	33,804	10,108	6,235	2,978	5,353	3,784
Immunizations	61,141	54,600	59,156	51,086	45,951	55,105	43,350	25,014	183,634	77,392
Community Development										
BFC/ EDC Loans	40	34	26	13	20	20	5	11	16	12
Applications for home improvement	500	533	393	519	560	440	512	300	257	188
Single family homes rehabilitated	183	198	206	183	207	244	272	172	155	120
Parks and Recreation										
Participants- Parks/ County Market	1,358,617	1,147,845	913,524	999,654	1,285,490	1,317,042	1,119,711	989,184	1,221,037	1,187,863
Participants- Golf Courses	95,531	104,492	164,067	160,895	147,388	140,452	147,047	116,552	167,983	151,270
Participants- Recreation Facilities	437,407	485,981	492,530	456,053	500,395	577,786	606,342	197,858	287,430	448,788
Participants- Banquet Facilities	90,915	87,436	89,888	75,449	71,488	67,515	60,671	27,820	15,613	23,214
Airports										
Takeoffs and landings	117,981	111,672	126,070	125,132	131,294	130,762	140,028	123,332	126,240	142,535
Public Works										
Water and sewer customers	78,096	79,312	78,432	119,630	120,989	118,415	122,747	124,040	124,625	125,269
Water main breaks	128	123	156	133	114	165	148	129	160	161
Water permits issued	902	921	884	734	849	596	278	214	387	309

## Source:

Oakland County Department of Management & Budget, Fiscal Services Division  
and other individual departments

## Capital Asset Statistics by Function/Program

Last Ten Fiscal Years

September 30, 2022

Function/ program	As of September 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Justice and Law Enforcement										
Correction facilities capacities	1,653	1,653	1,653	1,653	1,508	1,664	1,664	1,664	1,664	1,664
Substations	13	13	13	13	13	13	13	13	13	13
Parks and Recreation										
Number of county parks	13	13	13	13	13	13	13	14	14	14
Park acreage	6,756	6,756	6,756	6,743	6,743	6,743	6,747	6,849	6,851	6,979
Airport										
Number of runways	5	5	5	5	5	5	5	5	5	5
Number of T-Hangars	650	646	646	646	646	646	646	644	624	624
Facilities										
Buildings	40	40	40	40	40	41	41	41	37	37
County facilities square footage	1,936,042	1,890,262	1,888,888	1,891,804	1,885,019	1,922,091	1,922,091	1,922,091	1,849,991	1,849,991
Public Works										
Combined Sewer Overflow Retention										
Treatment Facilities	4	4	4	4	4	4	4	4	4	4
Water mains (miles)	161	516	440	442	363	365	313	313	317	316
Water storage capacity (millions of gallons)	3	15	15	15	18	17	15	15	15	15
Sewers (miles)	138	138	138	145	144	144	145	144	144	144
Permitted Sewer treatment capacity (millions of gallons)	15,568	15,580	15,580	15,567	15,567	15,567	15,567	15,577	15,577	15,572

## Sources:

Various County departments

## Oakland County, Michigan

	City of Oak Park Project	Facilities Infrastructure & IT Projects	CMHA Building Renovation	Animal Control & Pet Adoption Center Debt	CMHA Housing Project Refunding	52/3 District Court Bldg. Refunding
Cash	\$ -	\$ 5	\$ -	\$ 2,785,288	\$ -	\$ -
Lease receivable	-	-	-	-	720,000	-
Other assets	-	-	-	15,917	-	-
Deferred inflows - contracts	-	-	-	-	720,000	-
Other liabilities	-	-	-	-	76	-
Current year activity:						
Transfers in	-	2,222,375	-	-	-	1,291,795
Leases and other income	-	-	-	15,703	338,443	-
Issuance of refunding bonds, incl. premiums	-	-	-	-	-	-
Debt service:						
Principal	-	2,125,000	-	665,000	305,000	1,230,000
Interest	-	97,125	-	369,456	33,347	61,500
Fiscal charges	-	250	-	500	500	300
Contractual services	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Principal and interest requirements:						
2023	-	2,207,625	-	1,032,606	322,800	-
2024	-	-	-	1,031,906	330,400	-
2025	-	-	-	1,025,682	102,000	-
2026	-	-	-	1,028,856	-	-
2027	-	-	-	1,026,356	-	-
Thereafter	-	-	-	9,288,385	-	-
	<u>\$ -</u>	<u>\$ 2,207,625</u>	<u>\$ -</u>	<u>\$ 14,433,791</u>	<u>\$ 755,200</u>	<u>\$ -</u>

(1) Excludes debt reported in Proprietary Funds

Totals September 30, 2022

	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	\$ -	\$ -	\$ 115	\$ -	\$ 149	\$ 1,013	\$ 306	\$ 2,786,876
Lease receivable	-	-	735,000	-	1,565,000	5,025,000	-	8,045,000
Other assets	-	-	37,461	-	98,931	684,618	-	836,927
Deferred inflows - contracts	-	-	735,000	-	1,565,000	5,025,000	-	8,045,000
Other liabilities	-	-	37	-	896	2,296	53	3,358
Current year activity:								-
Transfers in	499,939	-	-	1,445,393	-	-	1,284,768	6,744,270
Leases and other income	-	-	50,015	0	128,043	810,503	53	1,342,760
Issuance of refunding bonds, incl. premiums	-	-	-	-	-	-	-	-
Debt service:								-
Principal	480,000	-	25,000	1,410,000	70,000	530,000	1,135,000	7,975,000
Interest	19,694	-	25,719	35,250	59,900	264,500	149,625	1,116,116
Fiscal charges	125	-	72	72	72	72	72	2,035
Contractual services	-	-	-	5	-	-	-	5
Transfers out	-	-	-	-	-	-	-	-
Principal and interest requirements:								
2023	485,094		49,512		126,400	797,250	1,271,750	6,293,037
2024			53,138		127,775	803,375	1,276,125	3,622,719
2025	-		51,638		128,900	783,375		2,091,595
2026	-		50,137		129,775	811,625	-	2,020,393
2027	-		48,638		130,400	788,125	-	1,993,519
Thereafter	-	-	689,018		1,324,825	2,053,625	-	13,355,853
	<b>\$ 485,094</b>	<b>\$ -</b>	<b>\$ 942,081</b>	<b>\$ -</b>	<b>\$ 1,968,075</b>	<b>\$ 6,037,375</b>	<b>\$ 2,547,875</b>	<b>\$ 29,377,116</b>

(1) Excludes debt reported in Proprietary Funds



*All ways,*  
MOVING FORWARD