

**COUNTY OF OTTAWA  
DEBT SERVICE FUND (5692-5695)**

Building Authority Fund (5692-5695) - This Fund was established to account for the accumulation of resources for payment of principal and interest on bonds issued to finance building projects for the County of Ottawa. Bonds have been issued for the following projects: 1992-Probate Court/Jail Complex; 1997-Jail addition and Sheriff Administrative Annex; 2005- Holland District Court Building; 2007-Grand Haven Courthouse. A portion of the 1992 bonds was refinanced during 2006, and a portion of the 1997 bonds was refunded during 2005. Financing is provided by cash rental payments pursuant to lease agreements with the County of Ottawa or other identified payment mechanisms.

<b>Resources</b>
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**Personnel**

*No personnel has been allocated to this department.*

**Funding**

	2008 Actual	2009 Actual	2010 Actual	2011 Current Year Estimated	2012 Adopted by Board
<b>Revenues</b>					
Charges for Services					
Interest	\$12				
Rents	\$2,774,563	\$2,779,913	\$2,388,298	\$2,382,589	\$1,823,020
Other Revenue					
Other Financing Sources	\$762,713	\$762,200	\$761,900	\$762,875	\$762,900
<b>Total Revenues</b>	<b>\$3,537,288</b>	<b>\$3,542,113</b>	<b>\$3,150,198</b>	<b>\$3,145,464</b>	<b>\$2,585,920</b>
<b>Expenditures</b>					
Debt Service	\$3,537,601	\$3,542,113	\$3,150,198	\$3,145,464	\$2,585,920
Other Financing Uses		\$10,488			
<b>Total Expenditures</b>	<b>\$3,537,601</b>	<b>\$3,552,601</b>	<b>\$3,150,198</b>	<b>\$3,145,464</b>	<b>\$2,585,920</b>

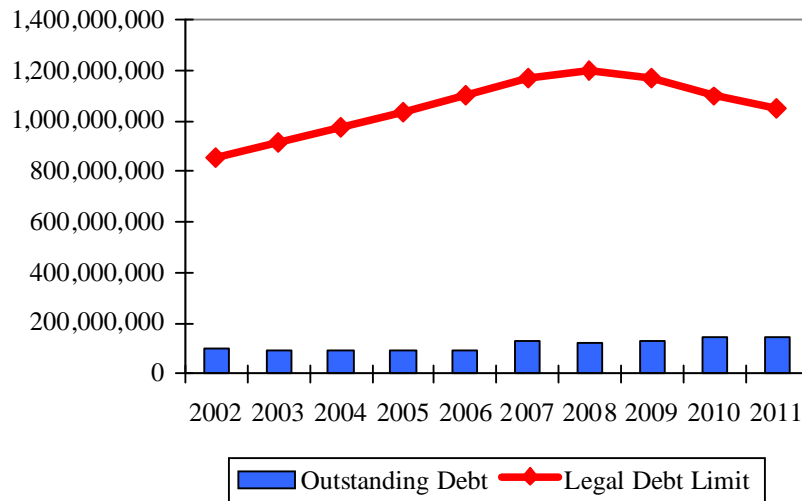
***Budget Highlights:***

Both revenue and expenditures are lower because the bond issue for Probate Court/Jail facility was paid off during 2011.

## County of Ottawa Debt Information

The County of Ottawa assumes debt to provide funding for the construction of water and sewage disposal systems, drains, buildings, and to refund previously issued bonds. Under the State of Michigan Constitution of 1963, Article VII, Section 11, “No County shall incur indebtedness which shall increase its total debt beyond 10% of its assessed valuation.” Consequently, Ottawa County, with a 2011 assessed value of \$10,491,709,804 is limited to no more than \$1,049,170,980 of debt. The County’s total debt at October 31, 2011 is \$143,949,833 or approximately 1.4% of the assessed value - well below the legal limit. The graph below illustrates the additional legal debt capacity of the County of Ottawa.

### **County of Ottawa Legal Debt Limit and Debt Outstanding**



### Future Debt

The County has no plans to issue debt for the primary government. Ottawa County Public Utilities, a component unit, is not budgeted to issue bonds at this time due to slower new construction. The Ottawa County Drain Commission, a component unit, is likely to issue \$3.5 million in bonds for drain work in Park Township in 2012.

### Effect of Debt Payments on County Operations

None of the County’s general operating levy is used for debt payments. Instead, separate revenue streams were identified for repayment before the bonds were issued. The table that follows identifies the County’s direct debt and the payment source for the issues:

Project	2012 Debt	
	Service Payment	Funding Source
Administrative Annex	1,224,188	Delinquent Tax Revolving Fund
Holland District Court Building	598,031	Delinquent Tax Revolving Fund
Grand Haven/Fillmore St	762,575	Revenues/Fund Equity of Select Funds
	<u>\$2,584,794</u>	

The Delinquent Tax Revolving Fund (an Enterprise fund) had been allowed to build equity for several years. As of 12/31/10, the fund had equity of \$24.3 million. Although total equity is projected to decrease through 2017, equity is projected to grow steadily after 2017. Actual results will depend on whether money is transferred to other funds in future years. The Appendix of this document includes projections on this fund and the other Financing Tools.

Funding for the debt payments of the Grand Haven/Fillmore Street issue is coming from the following sources:

- Ottawa County, Michigan Insurance Authority - 20%, up to \$150,000/yr
- Telecommunications - 20%, up to \$150,000/yr
- Delinquent Tax Revolving Fund - 20%, up to \$150,000/yr
- Infrastructure - 17%, up to \$125,000/yr
- Public Improvement - 23%, remainder of payment

Payments began in 2008 and continue for 20 years. Although the payments are not anticipated to affect the function of these funds, investment income will be impacted. The remaining debt, issued by the component units, is paid by the benefiting municipalities and property owners.

### **Bonds:**

The County principally uses general obligation bonds to provide funds for these projects. The majority of the general obligation bonds, \$120,238,501, were issued by the Ottawa County Public Utilities System, a component unit of Ottawa County, for water and sewer projects. The principal and interest payments on these water and sewer project issues are repaid generally from funds received from local municipalities in the County. The interest rate on these issues ranges from 2.0% to 7.6% percent.

In addition, the Ottawa County Drain Commissioner has just over \$538,000 in bonds outstanding for the Munn drainage district and Nunica drainage district. Principal and interest is paid from drain assessments levied. The interest rate on these issues ranges from 2.0% to 4.85% percent.

Last, \$20,965,000 is estimated primary government debt outstanding at 12/31/11 for the projects mentioned previously. The Building Authority makes the principal and interest

payments with revenues collected from lease agreements with the County. The interest rate on these issues ranges from 3.0% to 5.05% percent.

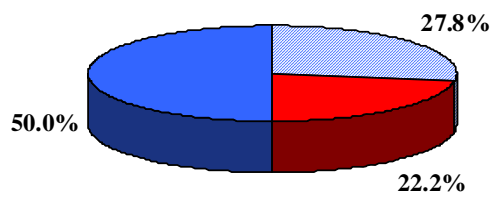
The County has pledged its full faith and credit for payment on the above obligations. Ottawa County has obtained a AAA rating from Fitch on General Obligation Limited Tax Bonds. Moody's Bond Rating is Aaa for General Obligation Unlimited and Limited Tax Bonds. Standard and Poor's Bond Rating is AA for General Obligation Unlimited and Limited Tax Bonds.

**Notes Payable:**

The Drain Commissioner has issued several notes to pay for work and/or repairs to eighteen drainage projects in Ottawa County. The notes total \$2,207,900, and of this total, \$1,209,000 was issued during 2011. Two years of record rainfall precipitated the need (see the Capital Construction section for more information. The County did not pledge its full faith and credit for the above notes.

**Debt Retirements:**

**County of Ottawa Debt Retirements**



■ 5 Years ■ 10 Years ■ Beyond 10 Years

The percentage of debt to be retired in five, ten, and beyond ten years indicates how fast the County is retiring its debt. Rating agencies expect 50% of the debt to be retired within ten years. The graph that follows shows that Ottawa County, scheduled to retire 50.0% of its debt within ten years, approximates established standards.

## Debt per Capita

Ottawa County has experienced high growth in the last several years. Consequently, debt has been issued to fund the required infrastructure and some of the facilities needed. Listed below is the debt per capita information for the last ten years.

Year	Population	Net Bonded Debt per Capita (Direct Debt)	Net Bonded Debt per Capita (Total Debt)
2001	243,571	\$84	\$429
2002	245,913	78	421
2003	249,391	71	382
2004	252,351	65	365
2005	255,406	91	378
2006	257,671	84	349
2007	259,206	106	507
2008	260,364	105	477
2009	261,957	96	510
2010	263,801	88	551

### Debt per Capita Comparison

County	Population	2010 Total Debt per Capita *
Ottawa	263,801	\$88
Kent	602,622	609
Muskegon	175,000	939
Allegan	111,408	131

\* It should be noted that both Kent and Muskegon have issued debt for their airports; Ottawa and Allegan have no airport associated debt.

The schedule that follows details the principal and interest payments by year.

## County of Ottawa Schedule of Debt Service Requirements

OTTAWA COUNTY - PRIMARY GOVERNMENT					OTTAWA COUNTY - COMPONENT UNITS				REPORTING ENTITY
Budget Year	Amount Outstanding Beginning of Year	Principal Retirements	Interest Requirements	Total Requirements	Amount Outstanding Beginning of Year	Principal Retirements	Interest Requirements	Total Requirements	Total Requirements
<b>General Obligation Bonds (Non-major Funds):</b>					<b>General Obligation Bonds:</b>				
2012	20,965,000	1,635,000	949,794	2,584,794	120,776,933	5,903,767	5,345,111	11,248,878	13,833,672
2013	19,330,000	1,690,000	887,519	2,577,519	114,873,166	6,040,766	5,120,178	11,160,944	13,738,463
2014	17,640,000	1,775,000	807,019	2,582,019	108,832,400	5,976,766	4,917,240	10,894,006	13,476,025
2015	15,865,000	1,860,000	722,419	2,582,419	102,855,634	5,408,767	4,719,757	10,128,524	12,710,943
2016	14,005,000	1,950,000	629,419	2,579,419	97,446,867	5,608,767	4,521,364	10,130,131	12,709,550
2017	12,055,000	2,045,000	536,469	2,581,469	91,838,100	5,870,767	4,316,192	10,186,959	12,768,428
2018	10,010,000	920,000	437,844	1,357,844	85,967,333	5,495,766	4,093,163	9,588,929	10,946,773
2019	9,090,000	960,000	400,513	1,360,513	80,471,567	5,450,212	3,872,539	9,322,751	10,683,264
2020	8,130,000	1,000,000	358,981	1,358,981	75,021,355	4,542,853	3,656,349	8,199,202	9,558,183
2021	7,130,000	1,050,000	312,701	1,362,701	70,478,502	4,605,767	3,464,482	8,070,249	9,432,950
2022-2026	6,080,000	5,350,000	850,365	6,200,365	65,872,735	23,930,767	14,012,828	37,943,595	44,143,960
2027-2031	730,000	730,000	32,850	762,850	41,941,968	25,376,968	7,876,278	33,253,246	34,016,096
2032-2036					16,565,000	11,730,000	2,233,587	13,963,587	13,963,587
2037-2041					4,835,000	4,835,000	438,500	5,273,500	5,273,500
					<b>Notes Payable*:</b>				
2012					2,207,900	1,515,300	34,417	1,549,717	1,549,717
2013					692,600	199,800	21,521	221,321	221,321
2014					492,800	199,800	14,785	214,585	214,585
2015					293,000	192,200	10,123	202,323	202,323
2016					100,800	89,800	5,455	95,255	95,255
2017					11,000	11,000	1,135	12,135	12,135
		\$20,965,000	\$6,925,893	\$27,890,893		\$122,984,833	\$68,675,006	\$191,659,839	\$219,550,732

All figures are as of 10/31/11. Schedule does not include capital leases.

\*Notes payable of the component unit are not guaranteed by the County.

**COUNTY OF OTTAWA  
CAPITAL PROJECTS FUND**

Building Authority Fund (5692-5695) - This Fund was established to account for construction projects of the building authority and/or County. Financing is provided by bond proceeds, interest income and occasionally State grants. This fund records only those projects funded with bond proceeds. Other capital construction projects funded with cash are reported, primarily, in the Public Improvement Fund (Special Revenue Fund 2450). Projects at County park facilities are reported in the Parks and Recreation Fund (Special Revenue Fund 2081).

<b>Resources</b>
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**Personnel**

*No personnel has been allocated to this department.*

**Funding**

	2008 Actual	2009 Actual	2010 Actual	2011 Current Year Estimated	2012 Adopted by Board
<b>Revenues</b>					
Intergovernmental Revenue					
Interest	\$72,965				
Other Revenue					
Other Financing Sources	\$9,403,905	\$9,191,249	\$180,621		
<b>Total Revenues</b>	<b>\$9,476,870</b>	<b>\$9,191,249</b>	<b>\$180,621</b>		
<b>Expenditures</b>					
Capital Outlay	\$15,006,565	\$9,191,248	\$180,622		
Bond Issue Costs					
Other Financing Uses					
<b>Total Expenditures</b>	<b>\$15,006,565</b>	<b>\$9,191,248</b>	<b>\$180,622</b>		

***Budget Highlights:***

In October of 2007, the County issued bonds for the construction of a new Grand Haven Courthouse facility. This project was completed in 2010.

# 2012 Capital Improvements

For the County, capital improvements fall into two categories, capital construction and capital equipment. The total capital expenditures for both categories are \$4,225,987 and are summarized below:

	<u>Routine</u>	<u>Non-Routine</u>
Construction	\$145,000	\$950,000
Equipment:		
Technology	\$558,521	\$1,752,760
Other Capital Outlay	\$779,900	\$39,806
	<u>\$1,483,421</u>	<u>\$2,742,566</u>

## 1. Capital Construction Projects

Capital construction projects are non-recurring costs related to the acquisition, expansion or major rehabilitation of a physical County structure. Capital projects exceed \$50,000 and have an estimated useful life of at least ten years, or, if part of an existing structure, an estimated useful life of at least the remaining life of the original structure. Infrastructure assets (e.g., roads, bridges, water and sewer systems, sidewalks, and similar items), are the responsibility of the County's component units (the Ottawa County Road Commission, Ottawa County Public Utilities, and the Ottawa County Office of the Drain Commissioner), so these are not discussed in this document.

Although the County does not have a formal Capital Improvement Plan, recently completed building projects should provide the needed facilities for the next 10-15 years. Most of the current construction projects for the primary government are for park development as discussed below. Beyond that, the County anticipates expanding the jail and building a new facility for Family Court - Juvenile Detention. However, a start date for that has not yet been determined.

Smaller construction projects (for example, the roofs in the 2012 budget) are submitted with the department's budget in May. Generally, such smaller scale projects relate to replacement and maintenance. The proposals are reviewed during the budget process by County administration, funding is identified, and the results of the analysis are returned to the requesting department (usually Building and Grounds). If it is not approved, the department has the opportunity to discuss the project with Administration at their department budget meetings and ultimately the County Board if the department is still unsatisfied with the outcome. Work is underway to document a building inventory for the County that will help identify smaller construction projects on existing facilities going forward.

## Parks and Recreation Projects

The Parks and Recreation Commission has two major park improvement projects slated for 2012. They include the Ottawa Beach Waterfront Walkway and expansion of the Pigeon Creek Park Lodge.



*Ottawa Beach Waterfront Walkway:* Funding assistance has been requested from the Michigan Natural Resources Trust Fund for a waterfront walkway at the Historic Ottawa Beach Parks. This project is estimated to cost \$600,000 with \$300,000 requested in grant assistance. The walkway will traverse approximately 1,300 feet of shoreline and link the existing Black Lake Boardwalk on the east end of the waterfront with the recently completed Holland Harbor Fishing Access and waterfront walkway. When completed, the waterfront walkway at the Historic Ottawa Beach waterfront will provide a total of 2,400 feet of continuous walkway connecting to the Holland State Park Lake Michigan Unit. Amenities to be included in the project include benches, overlook decks, covered area with permanent spotting scope for bird watching, and interpretive displays. The new walkway segment will have be 12 foot in width to accommodate heavy use. The walkway and all amenities (benches, interpretive displays, etc.) will be designed to universal access standards. Below is the architect drawing of the completed walkway.



### Effect on the Operating Budget

Based on the materials used, the walkway is not anticipated to result in significant maintenance costs for the next 15 years.



*Pigeon Creek Park Lodge Expansion:* Pigeon Creek Park has become a popular winter attraction over the past decade for cross country skiing and sledding with extremely heavy use when snow conditions are suitable. The park lodge building is a key attraction, serving as a warming house with food and beverage concessions and ski and snowshoe rental. The high use levels at the facility create overcrowded conditions on a regular basis. There is inadequate seating space in the warming house and the ski rental concession lacks capacity to serve the volume

of users. This project will add 1,000 square feet @ \$150 per square foot for a total cost of \$150,000.

#### Effect on the Operating Budget

There will be a small increase in utility costs due to the increase, but the utilities budget for all of the County parks is \$61,000. Consequently, the County does not anticipate any material effect due to the project. Maintenance costs are expected to remain the same.

### **Improvements to County Facilities**

*Community Mental Health Building – New Roof:* The existing roof is part of the original construction in 1986. The original construction consists of a rubber roof over the top set of bricks fastened to a treated board. A top cap goes over that as the final cover. The membrane has started to shrink, pulling the treated boards that are attached to the brick causing them to move. If not replaced or cut to relieve the pressure it can cause major repair cost. Since the life expectancy of the roof is 20 years and the leakage problem has been ongoing, the County has decided to replace the roof.

#### Effect on the Operating Budget

The project is will not result in any additional operational costs to the budget. Rather, the project helps the County avoid significant repair costs in the future. Energy costs may decrease slightly due to better insulation, but specific savings are difficult to quantify. In any case, the total utilities budget for the building as a whole is \$35,000, so savings would not be material to the County.

*Ferris Street Public Health Building – New Roof:* The roof was last replaced in 1979 and consists of a tar and gravel system. Specifically, the roof is leaking in back of the fascia boards and at two of the valleys despite several repairs over the years. In the winter ice backs up in back of the fascia and drip edge which requires the brick under the canopy and eaves be painted every year because the moisture gets into the brick and the paint starts peeling. The replacement roof includes 3 inches of insulation board and a 60 ml reinforced Firestone membrane system.

#### Effect on the Operating Budget

The project is will not result in any additional operational costs to the budget. Rather, the project helps the County avoid ongoing repair bills (e.g., annual painting) in the future. Energy costs may decrease due to significantly better insulation, but specific savings are difficult to quantify. In any case, the total utilities budget for the building as a whole is \$19,000, so savings would not be material to the County.

The tables that follow summarize 2012 capital construction projects and their anticipated effect on current and future operating budgets

County of Ottawa  
**Capital Construction Projects - Construction Costs**  
 Budget Year Ending December 31, 2012

PROJECT DESCRIPTION	CAPITAL CONSTRUCTION COSTS					
	PROPOSED METHOD OF FINANCING	ESTIMATED COSTS		EXPENDED TO DATE (INC. CURRENT YR)	BUDGET YEAR 2012	FUTURE YEARS
		ORIGINAL	AMENDED			
<b>Ottawa County (primary government)</b>						
Ferris Street Health Facility Roof	General Fund Designated Fund Balance	\$60,000	\$60,000	\$0	\$60,000	\$0
Mental Health 12263 James Street Facility Roof	General Fund Designated Fund Balance	\$85,000	\$85,000	\$0	\$85,000	\$0
Ottawa Beach Waterfront Walkway <sup>1</sup>	Grant/Parks & Recreation Millage	\$600,000	\$600,000	\$0	\$600,000	\$0
Pigeon Creek Park - Ski Rental & Concessions <sup>1</sup>	Parks & Recreation Millage	\$150,000	\$150,000	\$0	\$150,000	\$0
General Greenway & Park Land Acquisition <sup>1</sup>	Parks & Recreation Millage	\$200,000	\$200,000	\$0	\$200,000	\$0
<b>Total - Primary Government</b>		<b>\$1,095,000</b>	<b>\$1,095,000</b>	<b>\$0</b>	<b>\$1,095,000</b>	<b>\$0</b>

**Capital Construction Projects - Anticipated Annual Operational Costs**  
 Budget Year Ending December 31, 2012

PROJECT DESCRIPTION	ESTIMATED ANNUAL OPERATION COSTS (includes debt repayment)							
	PROPOSED METHOD OF FINANCING	EXPENDITURE TYPE	ACTUAL PRIOR YEAR 2010	ESTIMATED CURRENT YEAR 2011	BUDGET YEAR 2012	FUTURE YEARS		
						2013	2014	2015
<b>Ottawa County (primary government)</b>								
Ferris Street Health Facility Roof Replacement	Property Tax Levy	Maintenance	\$0	\$0	\$0	\$0	\$0	\$0
Public Health 12251 James Street Facility Roof Replacement	Property Tax Levy	Maintenance	\$0	\$0	\$0	\$0	\$0	\$0
Ottawa Beach Waterfront Walkway <sup>1</sup>	Property Tax Levy	Maintenance	\$0	\$0	\$0	\$1,000	\$1,000	\$1,500
Pigeon Creek Park - Ski Rental & Concessions <sup>1</sup>	Property Tax Levy	Maintenance	\$0	\$0	\$500	\$2,000	\$2,000	\$2,500
General Greenway & Park Land Acquisition <sup>1</sup>	Property Tax Levy	Maintenance	\$0	\$0	\$0	\$500	\$500	\$500
<b>Total - Primary Government</b>			<b>\$0</b>	<b>\$0</b>	<b>\$500</b>	<b>\$3,500</b>	<b>\$3,500</b>	<b>\$4,500</b>

## **2. Capital Equipment Projects**

Capital equipment outlays include furniture and equipment purchases with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Capital outlays are usually budgeted out of the Equipment Pool fund (an Internal Service Fund) and rented back to departments over a period of three to ten years. The Equipment Pool is used to fund these purchases in order to minimize the impact of these expenditures on the County's operating budget. Most capital outlay projects are approved in conjunction with the County's annual budget process, and the review process begins before departments work on the rest of their budgets.

The discussion of capital equipment outlay is divided into two schedules: technology outlays and other capital outlay (primarily vehicles). In both cases, routine replacements are identified separately from non-routine items. The schedule that follows provides information on both the acquisition cost as well as the operating budget impact over the next five years.

The only significant equipment project is the replacement of the County's financial and human resources software. For the last year, the Enterprise Resource Planning (ERP) committee has been studying the financial software for possible replacement to manage an organization's resources, integrating most management functions including accounting and finance, purchasing, human resources and more. The new system will address the following goals:

- 1) Deliver a fully functional ERP solution that automates and standardizes Financial and Human Resource functions across the organization.
- 2) Reduce operating costs through streamlining of best practice processes and workflow.
- 3) Facilitate day-to-day management through real time capabilities.
- 4) Support organizational strategic planning and decision making through reporting tools.
- 5) Reduce redundant data entry and processing tools.
- 6) Improve internal and external customer service and satisfaction
- 7) Reduce future staffing requirements

The County is confident that the selected vendor, Tyler Technologies, Inc., will be able to meet the above goals. The project will cost more than originally projected (\$1 million vs. \$1.6 million), but the County is opting for enhanced grant reporting modules, additional data conversion, several e-modules (such as e-vendor, e-employee, etc.) that are self-service modules that will eventually save our staff throughout the county a great deal of time and various other enhancements.

**Acquisition Costs**

**Operating Budget Costs <sup>1</sup>**

Description	Department	Funding Source		Operational Impacts	2012 Budget Amount	2013 Budget Amount	2014 Budget Amount	2015 Budget Amount	2016 Budget Amount	Future Budget Amount	Operating Budget Funding Source	Operational Savings
		for 2012 Purchase	2012 Estimated Purchase Price									
<b>Routine</b>												
Canon Scanner	County Clerk	Equipment Pool	\$5,335	Supports Court Records Imaging	\$1,067	\$1,067	\$1,067	\$1,067	\$1,067		General Fund	Repair cost avoidance; difficult to quantify
GIS Server	Geographic Information Systems	Equipment Pool	\$10,000	Improves reliability	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000		General Fund/User Fees	Repair cost avoidance; difficult to quantify
Color Scanner for records	Sheriff	Equipment Pool	\$6,640	Will allow for scanning all inmate records to reduce storage space and improve accessibility	\$1,328	\$1,328	\$1,328	\$1,328	\$1,328		General Fund	Eventually may reduce storage space needs
3 Dell Server w/ ESX Enterpr Plus Software	Information Technology	Equipment Pool	\$67,962	Reduced risk of outages and service disruptions	\$13,592	\$13,592	\$13,592	\$13,592	\$13,592		Various departmental chargebacks	Difficult to quantify
118 PC monitors, 128 PCs, 43 laptops, and 86 printers <sup>2</sup>	Various County Departments	Benefitting Department	\$365,411	Maintain functionality and reduce downtime experienced due to equipment failure. Computer equipment is on a 5 year replacement cycle	\$365,411	\$240,860	\$329,748	\$343,941	\$357,303		Benefitting Department	Difficult to quantify
System i Server with Software	Information Technology	Equipment Pool	\$103,173	Will provide more total processing power than the three servers it replaces combined	\$20,635	\$20,635	\$20,635	\$20,635	\$20,635		Various departmental chargebacks thru IT Billing Study	Maintenance Costs on existing servers is more than the 5 year cost of a replacement server.
<b>Non-Routine</b>												
ArcGIS Server Advanced Enterprise	Geographic Information Systems	Equipment Pool	\$20,000	Will provide unlimited mobile applications deployment and desktop application deployment	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000		General Fund/User Fees	Improved mobile application sales; difficult to quantify
Data Archiving Appliance	Information Technology	Equipment Pool	\$67,760	To improve efficiency, save disk space, improve archiving search capabilities.	\$13,552	\$13,552	\$13,552	\$13,552	\$13,552		Various departmental chargebacks thru IT Billing Study	Should allow us to forestall purchase of additional disk space for email and document storage.
Additional Storage Area Network/Switches	Information Technology	Equipment Pool	\$48,000	Expanded storage will reduce the risk of service disruption resulting from performance of server storage	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600		Various departmental chargebacks thru IT Billing Study	Difficult to quantify
Deployment Manager software	Information Technology	Equipment Pool	\$17,000	Deployment manager would allow the Help Desk to install, remove, or upgrade applications remotely to individuals or to multiple computers without disruption and publish standard applications, allowing employees to access a web-based catalog of applications for self-installation.	\$3,400	\$3,400	\$3,400	\$3,400	\$3,400		Various departmental chargebacks thru IT Billing Study	User Services currently spends many hours installing software & updates to computers. Numara Deploy would allow this to be done remotely, saving both time and mileage dollars. The hourly cost (with benefits) for User Services personnel is \$35 per hour.
Enterprise Resource Management software/hardware	Fiscal Services, Human Resources, Treasurer and most departments to some degree	Equipment Pool/General Fund/ IT Fund	\$1,600,000	Replaces 20 year old software; functionality is expected to improve considerably over all functions, but especially in Human Resources; Also will allow imaging of source documents saving access time and storage space. See also the discussion in the transmittal letter.							General Fund	Over time, anticipate a reduction in staff of five to seven full time equivalents (\$300,000 - \$400,000 savings per year).
				Equipment Pool Chargeback:	\$133,000	\$133,000	\$133,000	\$133,000	\$133,000	\$665,000		
				Vendor Service Contract	\$2,700	\$64,262	\$66,189	\$68,837	\$71,590	\$415,362		
				Employee Backfill during implementation/conversion	\$75,000	\$75,000						
<b>Grand Total</b>			<b>\$2,311,281</b>		<b>\$645,285</b>	<b>\$582,296</b>	<b>\$598,111</b>	<b>\$614,952</b>	<b>\$631,067</b>	<b>\$1,080,362</b>		

<sup>1</sup> The operating budget impacts reflect the charges made to departments from the Equipment Pool fund over the estimated life of the equipment. The chargebacks ensure funds are available for equipment replacements when needed. Operating costs for larger items also include multi-year service contracts. No other operating costs (e.g., personnel, utilities) are anticipated from any of the above items.

<sup>2</sup> This item is not considered a capital purchase due to the per unit price but is listed here due to the total outlay. PCs, monitors, laptops and printers are on a five year replacement cycle. The operating costs identified for 2012 - 2016 represent scheduled equipment replacements.

Acquisition Costs				Operating Budget Costs							
Description	Department	Funding Source for Initial Purchase	Estimated Purchase Price	Operational Impacts	2012 Budget	2013 Budget	2014 Budget	2015	2016	Operating	Operational Savings
					Amount *	Amount*	Amount *	Budget	Budget	Budget	
<b>Routine</b>											
Vehicle	Prosecuting Attorney	Equipment Pool	\$21,000	Improves reliability of vehicle/employee safety	\$4,200	\$4,200	\$4,200	\$4,200	\$4,200	General Fund	Repair cost avoidance; Slightly higher gas mileage;current vehicle is 9 years old.
30 gallon Tilt Skillet	Bldg/Grnds-Juv Serv Comp	Equipment Pool	\$16,000	Improves reliability; Difficult to get parts to repair item	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	General Fund	Repair cost avoidance; Slightly higher gas mileage;difficult to quantify
2 Patrol Tahoe	Sheriff	Equipment Pool	\$52,000	Improves reliability of vehicle/employee safety	\$17,334	\$17,334	\$17,334			General Fund	Repair cost avoidance; Slightly higher gas mileage;difficult to quantify
3 Detective Vehicle	Sheriff	Equipment Pool	\$66,000	Improves reliability of vehicle/employee safety	\$22,000	\$22,000	\$22,000			General Fund	Repair cost avoidance; Slightly higher gas mileage;difficult to quantify
8 Patrol Vehicle	Sheriff	Equipment Pool	\$204,000	Improves reliability of vehicle/employee safety	\$68,000	\$68,000	\$68,000			General Fund	Repair cost avoidance; Slightly higher gas mileage;difficult to quantify
Boat Motor	Sheriff - Marine Safety	Equipment Pool	\$6,900	Improves reliability of vehicle/employee safety	\$1,380	\$1,380	\$1,380	\$1,380	\$1,380	General Fund	Repair cost avoidance; Slightly higher gas mileage;difficult to quantify
2 Jail Transport Van	Sheriff - Jail	Equipment Pool	\$50,000	Improves reliability of vehicle/employee safety	\$16,667	\$16,667	\$16,667			General Fund	Repair cost avoidance; Slightly higher gas mileage;difficult to quantify
Truck - Ford F-150 4wd supercab	Parks & Recreation	Equipment Pool	\$25,000	Improves reliability of vehicle/employee safety	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	Parks Levy	The fuel mileage will be 10% better than the truck that is being replaced and should have lower repair costs than the old truck (9 years old).
6 2012 Vehicle	Mental Health	Equipment Pool	\$108,000	Improves reliability of vehicle/employee safety	\$21,600	\$21,600	\$21,600	\$21,600	\$21,600	State of Michigan	Repair cost avoidance; Slightly higher gas mileage;difficult to quantify
6 Patrol Vehicle	Sheriff Contracts - Community Policing	Equipment Pool	\$153,000	Improves reliability of vehicle/employee safety	\$51,000	\$51,000	\$51,000			Funding government unit	Repair cost avoidance; all costs are paid by the municipality contracting with the county
3 Patrol Tahoe	Sheriff Contracts- COPS Holland/Park Twps	Equipment Pool	\$78,000	Improves reliability of vehicle/employee safety	\$26,001	\$26,001	\$26,001			Funding government unit	Repair cost avoidance; all costs are paid by the municipality contracting with the County
<b>Non-Routine</b>											
Security Camera	Sheriff - Jail	Equipment Pool	\$6,500	Improve security in the professional visit hallway	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300	General Fund	None identified
Tractor	Parks & Recreation	Equipment Pool	\$25,000	Improve beach maintenance and expedite/reduce cost of other maintenance	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	Parks Levy	Eliminates tractor rental costs – approximately \$1,500/yr; will allow lower cost seasonal grounds attendants/maintenance worker to perform mowing of trails and other areas
Size 2 sensor for digital radiography system	Health - Healthy Children's Contract	Equipment Pool	\$8,306	Larger sensor increases radiographic image field resulting in improved oral diagnosis for older children and adults	\$1,661	\$1,661	\$1,661	\$1,661	\$1,661	General Fund	* 2 dental operatories on the mobile unit must share the one sensor which has resulted in wait-time. The contract dentist charges \$98/hour.
<b>Grand Total</b>			<b>\$819,706</b>		<b>\$244,343</b>	<b>\$244,343</b>	<b>\$244,343</b>	<b>\$43,341</b>	<b>\$43,341</b>		

\* The operating budget impacts reflect the charges made to departments from the Equipment Pool fund over the estimated life of the equipment. The chargebacks ensure funds are available for equipment replacements when needed. No other operating costs (e.g., personnel) are anticipated from any of the above items. There may be some savings in gas for vehicles assuming the new vehicles have better gas mileage. However, the total gasoline budget for the County's governmental funds is less than 1% of the total budget. Consequently, these savings are not likely to be material in total.

**COUNTY OF OTTAWA  
PERMANENT FUND**

Cemetery Trust Fund (1500) - This fund was established under State statute to care for cemetery plots of specific individuals who have willed monies in trust to the County for perpetual care of their grave sites.

<b>Resources</b>
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**Personnel**

*No personnel has been allocated to this department.*

**Funding**

	2008 Actual	2009 Actual	2010 Actual	2011 Current Year Estimated	2012 Adopted by Board
<b>Revenues</b>					
Intergovernmental Revenue					
Interest	\$218	\$97	\$67	\$38	\$20
Other Revenue					
Other Financing Sources					
<b>Total Revenues</b>	<b>\$218</b>	<b>\$97</b>	<b>\$67</b>	<b>\$38</b>	<b>\$20</b>
<b>Expenditures</b>					
Supplies					
Other Services and Charges				\$687	
<b>Total Expenditures</b>				<b>\$687</b>	

***Budget Highlights:***

Accumulated interest earnings are expended to the appropriate cemeteries every five years.